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Senate Bill 798 (as introduced 11-3-11)

(as passed by the Senate)

Sponsor: Senator John Moolenaar

Committee: Veterans, Military Affairs, and Homeland Security

Date Completed: 11-7-11

CONTENT

The bill would amend the Veterans' Trust Fund law to repeal and replace provisions dealing with the establishment and operation of the Michigan Veterans' Trust Fund board of trustees and the board's establishment of veteran county committees for the administration of money allocated on the local level.

The bill would take effect on January 1, 2012.

Michigan Veterans' Trust Fund Board

Section 3 of the law created a Michigan Veterans' Trust Fund board of trustees consisting of two representatives of the American Legion, two representatives of the Veterans of Foreign Wars (VFW) of the United States, one representative of the Disabled American Veterans (DAV), and one representative of the American Veterans of World War II-Korean-Vietnam, to be appointed by the Governor upon recommendation of those organizations. That section also provides for the terms and qualifications of membership on the board. The bill would repeal Section 3.

The bill would enact a new Section 3b creating a Michigan Veteran's Trust Fund board of trustees. Each member of the board would have to be a veteran and have demonstrated knowledge, skills, and experience in public service, business, or finance. Members would be appointed as follows:

- One representative of the American Legion.
- One representative of the VFW.
- One representative of the DAV.
- One representative of any other Congressionally chartered veterans' organization.
- Three independent members who could be, but would not have to be, members of one or more Congressionally chartered veterans organizations, but who could not represent any such organization.

The members would have to be appointed by the Governor for a three-year term and continue to hold office at the pleasure of the Governor. Members representing the American Legion, VFW, DAV, and any other Congressionally chartered veterans' organization would have to be appointed from a list of at least three individuals recommended by each respective organization. Each member would have to take and file the constitutional oath of office.

The Governor could remove any member of the board for misfeasance, malfeasance, or nonfeasance in office, after a hearing. Missing three or more consecutive meetings would be considered malfeasance and would be grounds for removal.

If a vacancy occurred during a member's term of office, his or her successor would have to be selected from the same organization and in the same manner as the original appointment, and would serve for the balance of the unexpired term.

The Department of Technology, Management, and Budget would have to furnish suitable offices for the board's use. The board could employ assistants and incur necessary expenses in carrying out the law. Members of the board would serve without compensation, but would be entitled to actual and necessary expenses incurred in attending scheduled board meetings.

Veteran County Committees

Section 6 of the law requires the Michigan Veterans' Trust Fund board of trustees to establish in the State's counties representative veteran county committees for the local administration of money allocated from the Veterans' Trust Fund, and allows the board to combine two or more counties into a district if more efficient local administration would result. Each veteran county or district committee must consist of one representative of the American Legion, one representative of the VFW, one representative of the DAV, and one representative of the American Veterans of World War II-Korea-Vietnam, appointed by the board upon recommendation of those organizations. The bill would repeal Section 6.

The bill would enact a new Section 6a, requiring the board to establish in the State's counties representative veteran county committees for the local administration of money allocated from the Fund. The board could combine two or more counties into a district if more efficient local administration would result.

Each appointed committee member would have to demonstrate knowledge, skills, and experience in public service, business, or finance. Members would have to be appointed as follows:

- One representative of the American Legion.
- One representative of the VFW.
- One representative of the DAV.
- One representative of any other Congressionally chartered veterans' organization.
- At least one independent member who could be, but would not have to be, a member of one or more Congressionally chartered veterans' organizations, but who would not represent any such organization.

Members would have to be appointed by the board upon recommendation of the organizations they represented. For members representing the American Legion, VFW, and DAV, a recommendation for appointment would have to come from an organized and functioning local unit of the organization, through its headquarters. For a member representing any other Congressionally chartered veterans' organization, a recommendation for appointment would have to come from the organization's State headquarters that validated the nominated member's qualifying criteria. For members not representing a Congressionally chartered veterans' organization, candidates would have to submit a request for consideration of appointment, with the required criteria validated, through the county or district committee. Each committee member would have to be a veteran.

The board of trustees could remove a member of a county or district committee for misfeasance, malfeasance, or nonfeasance in office, after a hearing. Missing two or more consecutive meetings would be considered malfeasance and would be grounds for removal.

If a vacancy occurred during a committee member's term of office, the member's successor would have to be selected from the same organization and in the same manner as the original appointment, and would serve for the balance of the unexpired term.

Members of a committee would serve without compensation, but would be entitled to actual and necessary expenses incurred in attending scheduled committee meetings or in attending a meeting to make a determination on a grant. Those expenses, together with administration expenses, would have to be paid from money allocated to the county or district committee under the law.

County boards of commissioners, or the board of county auditors in a county that had one, would have to provide suitable office space for county and district committees.

A veteran who considered himself or herself aggrieved at a decision rendered by a county or district committee in connection with a request for assistance could appeal the decision to the board of trustees. The decision of the board on an appeal would be final and binding on the veteran and the county or district committee.

Proposed MCL 35.603b & 35.606a

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Bruce Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.