



Senate Fiscal Agency
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House Bill 4811 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Representative Ray A. Franz

House Committee: Military and Veterans Affairs

Senate Committee: Veterans, Military Affairs and Homeland Security

CONTENT

The bill would amend the Military Family Relief Fund Act to allow grants to be made to the family of a qualified individual for a need that occurred after the individual's reserve military unit received an alert order or within six months after the unit returned, rather than during the time the individual is on active duty. The bill also would allocate up to \$50,000 annually from the Military Family Relief Fund for advertising, marketing, and promotion of its goals.

The Fund is supported by donations made through an income tax check-off to offer grants of assistance to families of members of a reserve component of the U.S. armed forces called to active duty. The bills also would allow grants to families of members of a reserve component of the U.S. Coast Guard called to active duty. A family must be able to document the need for financial assistance for certain necessities if the need occurred either because the individual has incurred a line-of-duty injury or illness, or during the time the individual is on active duty. In the second situation, the bill would require that the need occurred after a unit received an alert order for active Federal service or within six months after a unit returned from active Federal service. The bill would define "need" as an unforeseen situation that causes a temporary or short-term financial emergency or hardship that a grant would resolve and for which an applicant has the ability to meet future expenses.

Money from the Fund may not be used to administer it or implement the income tax check-off. Under the bill, however, up to \$50,000 could be allocated annually from the Fund for advertising, marketing, and promoting the goals of the Fund to the public.

MCL 35.1212 & 35.1214

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would expand the criteria for how funds from the Military Family Relief Fund may be distributed. According to the Department of Military and Veterans Affairs, this would allow the Department to disburse more grants from the Fund—in an amount that cannot be determined—to qualifying families of active duty members of the armed services or the U.S. Coast Guard, because many potential grant recipients incur financial needs at the time they receive an alert order for active duty and within six months following return from that duty. To date, the total tax check-off and donations to the Fund amount to \$4,309,957, and 665 applicants have been assisted. The current Fund balance is \$2,351,179. The bill also would allow expenditures from the Fund to be used for advertising, marketing and promoting the goals of the Fund to the public, but in an amount not to exceed \$50,000 annually.

Date Completed: 3-12-14

Fiscal Analyst: Bruce Baker