

CREATE COUNTY VETERAN SERVICE FUND

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House Bill 5536 as reported from committee

Sponsor: Rep. Jason Wentworth

Committee: Military and Veterans Affairs

Complete to 3-7-18

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5536 would amend Public Act 192 of 1953 to create the County Veteran Service Fund and to provide for contributions to and expenditures from the fund. A detailed description of the bill follows.

County Veteran Service Fund

The bill would create the County Veteran Service Fund within the Department of Treasury. The state treasurer could receive money or other assets from any source for deposit into the fund, would direct the investment of the fund, and would credit to the fund interest and earnings from those investments. Money in the fund at the close of the fiscal year would remain in the fund and not lapse to the general fund. The Michigan Veterans Affairs Agency (MVAA) would be the administrator of the fund for auditing purposes.

Grant Program

The MVAA would have to create and operate a grant program to provide grants to counties for county *veteran service operations*. The MVAA would make grants from the fund, upon appropriation, to each county Department of Veterans' Affairs that meets the conditions described below, for the sole use of the county's veteran service operations.

Veteran service operations would mean assistance and programming to meet the needs of veterans in this state, including providing advice, advocacy, and assistance to veterans, service members, dependents, or survivors by an accredited veteran service officer to obtain U.S. Department of Veterans Affairs health, financial, or memorial benefits for which they are eligible.

Grant Disbursement Formula

The total disbursement for each grant would be determined by combining the following:

- A base amount of \$25,000.
- A per capita amount based on the number of veterans living in the county. This would be determined by dividing the money left in the fund after the base amount is distributed by the number of veterans living in the state and then multiplying that figure by the number of veterans living in the county receiving the grant. Population figures would be obtained from the most recent Geographic Distribution of VA Expenditures (GDX) report published by the U.S. Department of Veterans Affairs.

Conditions for Grant

As a condition of receiving a grant, a county Department of Veterans' Affairs would have to do all of the following within one year after the effective date of the bill:

- Maintain a minimum level of county funding for veteran service operations that is equal to the level of that funding for the fiscal year preceding the effective date of the bill.
- Establish remote access to the U.S. Department of Veterans Affairs computing systems and require county veteran service officers to obtain a personal identity verification (PIV) card issued by the U.S. Department of Veterans Affairs.
- Submit quarterly reports to the MVAA in accordance with reporting requirements determined by the MVAA.
- Provide at least 20 hours per week toward veteran service operations.

MCL 35.621 and 35.624 and proposed MCL 35.623a

FISCAL IMPACT:

House Bill 5536 would have no fiscal impact on the Department of Treasury.

The bill would have a significant fiscal impact on local units of government, specifically in counties with high veterans populations. The bill would create a County Veterans Service Fund, which would distribute base and per capita grants to each of Michigan's 83 counties, the size of which would be dependent upon appropriations and each county's veterans population as estimated in the most recent U.S. Department of Veterans Affairs Geographic Distribution of Expenditures report.¹ The bill would also have an indeterminate fiscal impact on the Michigan Veterans Affairs Agency, resulting from the requirement to create and operate the program that distributes grants to counties from the County Veterans Service Fund.

Under the provisions of this bill—and pursuant to each county applying for the grants—each county would receive a base grant of \$25,000 per year, amounting to approximately \$2.1 million. Any additional funds remaining in the County Veterans Service Fund would be distributed proportionally, based upon each county's share of the state's veteran population. Each county receiving grants from the County Veterans Service Fund would be required to maintain the level of funding for county veterans services equivalent to the funding level from the fiscal year prior to the effective date of House Bill 5536; establish remote access to the U.S. Department of Veterans Affairs computing systems; require county veterans service officers to obtain a personal identity verification card issued by the U.S. Department of Veterans Affairs; report quarterly on veteran service activities to the Michigan Veterans Affairs Agency; and provide at least twenty hours per month in local veterans service operations.

Table I details the grants each county would receive under House Bill 5536, assuming a \$5.0 million appropriation.

¹ As of February 2018, the most recent Geographic Distribution of Expenditures report is the 2016 report.

TABLE I

County	Veteran Population	Proportion of Veterans	Base Grant	Per Capita Grant	Total Grant
ALCONA	1,509	0.002	\$25,000	\$7,258	\$32,258
ALGER	957	0.002	\$25,000	\$4,602	\$29,602
ALLEGAN	6,920	0.011	\$25,000	\$33,277	\$58,277
ALPENA	2,757	0.005	\$25,000	\$13,259	\$38,259
ANTRIM	2,168	0.004	\$25,000	\$10,426	\$35,426
ARENAC	1,321	0.002	\$25,000	\$6,355	\$31,355
BARAGA	768	0.001	\$25,000	\$3,693	\$28,693
BARRY	4,443	0.007	\$25,000	\$21,365	\$46,365
BAY	7,495	0.012	\$25,000	\$36,044	\$61,044
BENZIE	1,777	0.003	\$25,000	\$8,547	\$33,547
BERRIEN	11,355	0.019	\$25,000	\$54,601	\$79,601
BRANCH	2,921	0.005	\$25,000	\$14,048	\$39,048
CALHOUN	10,963	0.018	\$25,000	\$52,720	\$77,720
CASS	4,162	0.007	\$25,000	\$20,015	\$45,015
CHARLEVOIX	2,228	0.004	\$25,000	\$10,713	\$35,713
CHEBOYGAN	2,484	0.004	\$25,000	\$11,944	\$36,944
CHIPPEWA	3,310	0.005	\$25,000	\$15,916	\$40,916
CLARE	2,715	0.004	\$25,000	\$13,056	\$38,056
CLINTON	4,925	0.008	\$25,000	\$23,684	\$48,684
CRAWFORD	1,564	0.003	\$25,000	\$7,523	\$32,523
DELTA	3,936	0.006	\$25,000	\$18,929	\$43,929
DICKINSON	2,662	0.004	\$25,000	\$12,801	\$37,801
EATON	7,226	0.012	\$25,000	\$34,747	\$59,747
EMMET	2,546	0.004	\$25,000	\$12,241	\$37,241
GENESEE	27,435	0.045	\$25,000	\$131,925	\$156,925
GLADWIN	2,412	0.004	\$25,000	\$11,597	\$36,597
GOGEBIC	1,623	0.003	\$25,000	\$7,803	\$32,803
GRAND TRAVERSE	6,426	0.011	\$25,000	\$30,903	\$55,903
GRATIOT	2,531	0.004	\$25,000	\$12,170	\$37,170
HILLSDALE	3,341	0.005	\$25,000	\$16,064	\$41,064
HOUGHTON	2,701	0.004	\$25,000	\$12,990	\$37,990
HURON	2,407	0.004	\$25,000	\$11,576	\$36,576
INGHAM	14,212	0.023	\$25,000	\$68,343	\$93,343
IONIA	4,041	0.007	\$25,000	\$19,430	\$44,430
IOSCO	3,245	0.005	\$25,000	\$15,606	\$40,606
IRON	1,417	0.002	\$25,000	\$6,812	\$31,812
ISABELLA	3,089	0.005	\$25,000	\$14,852	\$39,852
JACKSON	10,997	0.018	\$25,000	\$52,881	\$77,881
KALAMAZOO	13,826	0.023	\$25,000	\$66,487	\$91,487
KALKASKA	1,574	0.003	\$25,000	\$7,568	\$32,568
KENT	32,560	0.054	\$25,000	\$156,574	\$181,574
KEWEENAW	306	0.001	\$25,000	\$1,472	\$26,472
LAKE	1,174	0.002	\$25,000	\$5,645	\$30,645

LAPEER	6,069	0.010	\$25,000	\$29,183	\$54,183
LEELANAU	1,889	0.003	\$25,000	\$9,085	\$34,085
LENAWEE	7,420	0.012	\$25,000	\$35,682	\$60,682
LIVINGSTON	10,863	0.018	\$25,000	\$52,237	\$77,237
LUCE	531	0.001	\$25,000	\$2,554	\$27,554
MACKINAC	1,038	0.002	\$25,000	\$4,992	\$29,992
MACOMB	49,596	0.082	\$25,000	\$238,492	\$263,492
MANISTEE	2,455	0.004	\$25,000	\$11,807	\$36,807
MARQUETTE	6,422	0.011	\$25,000	\$30,881	\$55,881
MASON	2,537	0.004	\$25,000	\$12,198	\$37,198
MECOSTA	3,045	0.005	\$25,000	\$14,643	\$39,643
MENOMINEE	2,301	0.004	\$25,000	\$11,064	\$36,064
MIDLAND	5,238	0.009	\$25,000	\$25,189	\$50,189
MISSAUKEE	1,101	0.002	\$25,000	\$5,294	\$30,294
MONROE	11,416	0.019	\$25,000	\$54,898	\$79,898
MONTCALM	4,516	0.007	\$25,000	\$21,716	\$46,716
MONTMORENCY	1,071	0.002	\$25,000	\$5,150	\$30,150
MUSKEGON	12,964	0.021	\$25,000	\$62,340	\$87,340
NEWAYGO	3,763	0.006	\$25,000	\$18,094	\$43,094
OAKLAND	60,366	0.099	\$25,000	\$290,283	\$315,283
OCEANA	2,111	0.003	\$25,000	\$10,153	\$35,153
OGEMAW	2,248	0.004	\$25,000	\$10,811	\$35,811
ONTONAGON	898	0.001	\$25,000	\$4,317	\$29,317
OSCEOLA	2,046	0.003	\$25,000	\$9,840	\$34,840
OSCODA	960	0.002	\$25,000	\$4,618	\$29,618
OTSEGO	2,262	0.004	\$25,000	\$10,877	\$35,877
OTTAWA	13,912	0.023	\$25,000	\$66,897	\$91,897
PRESQUE ISLE	1,388	0.002	\$25,000	\$6,674	\$31,674
ROSCOMMON	2,811	0.005	\$25,000	\$13,516	\$38,516
SAGINAW	13,968	0.023	\$25,000	\$67,168	\$92,168
ST. CLAIR	13,029	0.021	\$25,000	\$62,654	\$87,654
ST. JOSEPH	3,917	0.006	\$25,000	\$18,835	\$43,835
SANILAC	2,935	0.005	\$25,000	\$14,114	\$39,114
SCHOOLCRAFT	763	0.001	\$25,000	\$3,671	\$28,671
SHIAWASSEE	4,850	0.008	\$25,000	\$23,321	\$48,321
TUSCOLA	4,031	0.007	\$25,000	\$19,383	\$44,383
VAN BUREN	4,909	0.008	\$25,000	\$23,606	\$48,606
WASHTENAW	14,315	0.024	\$25,000	\$68,835	\$93,835
WAYNE	91,203	0.150	\$25,000	\$438,571	\$463,571
WEXFORD	2,682	0.004	\$25,000	\$12,896	\$37,896
TOTAL:	608,271	1.000	\$2,075,000	\$2,925,000	\$5,000,000

POSITIONS:

Representatives from Clare County Veterans Affairs and Washtenaw County Veterans Affairs testified in support of the bill. (2-27-18)

A representative of Van Buren County Commissioner testified in support of the bill. (2-27-18)

The following organizations support the bill (2-27-18):

- Department of Military and Veteran Affairs
- Michigan Association of Counties
- Michigan Veterans Affairs Agency
- Washtenaw County Veterans Affairs

A representative of the American Legion, Department of Michigan testified and is neutral regarding the bill. (3-6-18)

The following organizations are neutral regarding the bill. (2-27-18)

- Commanders Group
- Military Order of the Purple Heart. (3-6-18)
- Vietnam Veterans of America
- Veterans of Foreign Wars, Department of Michigan

Legislative Analyst: E. Best
Fiscal Analysts: Kent Dell
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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.