



Senate Fiscal Agency
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House Bill 6377 (as reported without amendment)
Sponsor: Representative Roger Hauck
House Committee: Appropriations
Senate Committee: Local Government

CONTENT

The bill would amend Public Act 192 of 1953, which created the County Veteran Service Fund and grant program, to require, for fiscal year (FY) 2020-21 and each fiscal year thereafter, a county to maintain at least 70% of the total county funding for veteran service operations for FY 2017-18 to qualify for funding from a Michigan Veterans Affairs Agency grant program.

MCL 35.623a

Legislative Analyst: Olivia Ponte

FISCAL IMPACT

The bill would have no overall fiscal impact on the Department of Military and Veterans Affairs' County Veterans Service Fund grant program to county departments of veterans affairs, as created by Public Act 210 of 2018. The Fund received an appropriation of \$4.0 million General Fund/General Purpose (GF/GP) in FY 2021-22 and \$4.3 million GF/GP for FY 2022-23, with statute requiring the disbursement of nearly the full balance each year to qualifying applicants. Depending on the availability of money in the Fund, grants are awarded to qualifying applicants at a base level of \$50,000 and an additional amount based on a per-capita formula using the number of veterans residing in each county. Because counties could not spend the full amounts granted, grant balances were returned to the Fund. As unspent funds appropriated to the Fund were carried forward into the next year, the current balance of the Fund is at \$10.9 million, noting that FY 2022-23 grants have yet to be disbursed from this amount.

The bill would make it easier for counties to qualify for grants by requiring a lower level of local support of veterans services to be eligible, which could result in additional grants being issued from the Fund. The issuance of additional grants also could result in a decrease in many local counties' spending for veterans services, to a degree that cannot be determined at this time.

Date Completed: 11-21-22

Fiscal Analyst: Bruce Baker