

**SUBSTITUTE FOR
SENATE BILL NO. 88**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2022; to make appropriations for capital outlay projects; to provide for conditions on the appropriations; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2022, from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

1	Full-time equated unclassified positions	9.0	
2	Full-time equated classified positions	1,054.5	
3	GROSS APPROPRIATION		\$ 217,641,100
4	Total interdepartmental grants and		
5	intradepartmental transfers		\$ 101,800
6	ADJUSTED GROSS APPROPRIATION		217,539,300
7	Federal revenues:		
8	Total federal revenues		120,015,300
9	Special revenue funds:		
10	Total local revenues		0
11	Total private revenues		640,000
12	Total other state restricted revenues		21,336,700
13	State general fund/general purpose		\$ 75,547,300
14	Sec. 102. MILITARY		
15	Full-time equated unclassified positions	9.0	
16	Full-time equated classified positions	371.0	
17	Unclassified salaries--FTEs	9.0	\$ 1,566,700
18	Departmentwide		1,803,600
19	Headquarters and armories--FTEs	86.0	20,966,100
20	Michigan youth challenge academy--FTEs	68.0	9,757,900
21	Military family relief fund		150,000
22	Military retirement		875,000
23	Military training sites and support facilities--		
24	-FTEs	215.0	41,317,800
25	National Guard operations		298,200
26	National Guard tuition assistance fund--FTEs	2.0	6,515,200
27	Starbase grant		2,322,000
28	GROSS APPROPRIATION		\$ 85,572,500

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG - state police		101,800
4	Federal revenues:		
5	DOD - DOA - NGB		60,475,100
6	Federal counternarcotics revenues		100,000
7	Special revenue funds:		
8	Private donations		90,000
9	Billeting fund		1,375,000
10	Military family relief fund		150,000
11	Morale, welfare, and recreation fund		100,000
12	Rental fees		192,100
13	Test project fees		100,000
14	State general fund/general purpose	\$	22,888,500
15	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
16	Full-time equated classified positions	52.0	
17	County veteran service fund	\$	4,000,000
18	Michigan veterans affairs agency		
19	administration--FTEs	44.0	7,458,600
20	Veterans trust fund administration--FTEs	8.0	1,142,900
21	Veterans trust fund grants		2,500,000
22	Veterans service grants		3,835,500
23	GROSS APPROPRIATION	\$	18,937,000
24	Appropriated from:		
25	Special revenue funds:		
26	Private donations		10,000
27	Michigan veterans trust fund		3,642,900
28	Veterans license plate fund		50,000

1	State general fund/general purpose	\$	15,234,100
2	Sec. 104. MICHIGAN VETERANS FACILITY AUTHORITY		
3	Full-time equated classified positions	631.5	
4	Chesterfield Township home for veterans--FTEs	115.0	\$ 20,937,000
5	D.J. Jacobetti home for veterans--FTEs	200.0	24,639,200
6	Grand Rapids home for veterans--FTEs	298.5	22,889,900
7	Information technology services and projects		1,405,200
8	Michigan veterans facility authority		634,100
9	Michigan veteran homes administration--FTEs	18.0	3,005,200
10	Veterans cemetery		85,200
11	GROSS APPROPRIATION	\$	73,595,800
12	Appropriated from:		
13	Federal revenues:		
14	DVA - VHA		21,078,900
15	HHS - HCFA title XVIII, Medicare		1,376,000
16	HHS - HCFA title XIX, Medicaid		4,996,700
17	Special revenue funds:		
18	Private - veterans' home post and posthumous		540,000
19	Income and assessments		14,166,700
20	State general fund/general purpose	\$	31,437,500
21	Sec. 105. CAPITAL OUTLAY		
22	Armory maintenance	\$	1,000,000
23	Land and acquisitions		1,000,000
24	Special maintenance - National Guard		30,000,000
25	Special maintenance - veterans homes		500,000
26	GROSS APPROPRIATION	\$	32,500,000
27	Appropriated from:		
28	Federal revenues:		

1	DOD - DOA - NGB	30,000,000
2	Special revenue funds:	
3	Michigan National Guard construction fund	1,000,000
4	State general fund/general purpose	\$ 1,500,000
5	Sec. 106. INFORMATION TECHNOLOGY	
6	Information technology services and projects	\$ 579,800
7	GROSS APPROPRIATION	\$ 579,800
8	Appropriated from:	
9	Federal revenues:	
10	DOD - DOA - NGB	157,600
11	State general fund/general purpose	\$ 422,200
12	Sec. 107. ONE-TIME APPROPRIATIONS	
13	Grand Rapids home for veterans transition	\$ 6,456,000
14	GROSS APPROPRIATION	\$ 6,456,000
15	Appropriated from:	
16	Federal revenues:	
17	HHS - HCFA title XVIII, Medicare	110,000
18	HHS - HCFA title XIX, Medicaid	1,000
19	DVA - VHA	1,720,000
20	Special revenue funds:	
21	Income and assessments	520,000
22	Lease revenue	40,000
23	State general fund/general purpose	\$ 4,065,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

27 Sec. 201. Pursuant to section 30 of article IX of the state
28 constitution of 1963, total state spending from state sources under
29 part 1 for the fiscal year ending September 30, 2022 is

\$96,884,000.00 and state spending from state sources to be paid to local units of government for the fiscal year ending September 30, 2022 is \$4,136,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

County veteran service fund	\$	4,000,000
Michigan veterans affairs agency administration		90,000
Military training sites and support facilities		46,500
TOTAL	\$	4,136,500

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "CENA" means competency-evaluated nursing assistant.

(b) "Core services" means that term as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(c) "Department" means the department of military and veterans affairs.

(d) "Director" means the director of the department.

(e) "FTE" means full-time equated.

(f) "HVAC" means heating, ventilation, and air conditioning.

(g) "IDG" means interdepartmental grant.

(h) "Michigan veterans' facility authority" means the authority created under section 3 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.

(i) "MVAA" means the Michigan veterans affairs agency.

(j) "MVH" means the Michigan veteran homes.

(k) "Subcommittees" means the subcommittees of the senate and

1 house appropriations committees with jurisdiction over the budget
2 of the department.

3 (l) "Support services" means an activity, such as information
4 technology, accounting, human resources, legal, and other support
5 functions that are required to support the ongoing delivery of core
6 services.

7 (m) "USDVA" means the United States Department of Veterans
8 Affairs.

9 (n) "USDVA-VHA" means the USDVA Veterans Health
10 Administration.

11 (o) "VSO" means veterans service organization.

12 (p) "Work project" means that term as defined in section 404
13 of the management and budget act, 1984 PA 431, MCL 18.1404, and
14 that meets the criteria in section 451a(1) of the management and
15 budget act, 1984 PA 431, MCL 18.1451a.

16 Sec. 204. The department and agencies receiving appropriations
17 in part 1 shall use the internet to fulfill the reporting
18 requirements of this part. This requirement shall include
19 transmission of reports via email to the recipients identified for
20 each reporting requirement, and it shall include placement of
21 reports on an internet site.

22 Sec. 205. Funds appropriated in part 1 shall not be used for
23 the purchase of foreign goods or services, or both, if
24 competitively priced and of comparable quality American goods or
25 services, or both, are available. Preference must be given to goods
26 or services, or both, manufactured or provided by Michigan
27 businesses, if they are competitively priced and of comparable
28 quality. In addition, preference shall be given to goods or
29 services, or both, that are manufactured or provided by Michigan

1 businesses owned and operated by veterans, if they are
2 competitively priced and of comparable quality.

3 Sec. 206. The department shall not take disciplinary action
4 against an employee of the department or departmental agency in the
5 state classified civil service because the employee communicates
6 with a member of the senate or house or a member's staff, unless
7 the communication is prohibited by law and the department or agency
8 taking disciplinary action is exercising its authority as provided
9 by law.

10 Sec. 207. For the purposes of implementing section 217 of the
11 management and budget act, 1984 PA 431, MCL 18.1217, the department
12 and agencies receiving appropriations in part 1 shall prepare a
13 report on out-of-state travel expenses not later than January 1 of
14 each year. The travel report shall be a listing of all travel by
15 classified and unclassified employees outside this state in the
16 immediately preceding fiscal year that was funded in whole or in
17 part with funds appropriated in the department's budget. The
18 department and agencies shall submit the report to the senate and
19 house appropriations committees, the house and senate fiscal
20 agencies, and the state budget director. The report shall include
21 the following information:

22 (a) The dates of each travel occurrence.

23 (b) The transportation and related costs of each travel
24 occurrence, including the proportion funded with state general
25 fund/general purpose revenues, the proportion funded with state
26 restricted revenues, the proportion funded with federal revenues,
27 and the proportion funded with other revenues.

28 Sec. 208. Funds appropriated in part 1 shall not be used by a
29 principal executive department, state agency, or authority to hire

1 a person to provide legal services that are the responsibility of
2 the attorney general. This prohibition does not apply to legal
3 services for bonding activities and for those outside services that
4 the attorney general authorizes.

5 Sec. 209. Not later than November 30, the state budget office
6 shall prepare and transmit a report that provides for estimates of
7 the total general fund/general purpose appropriation lapses at the
8 close of the prior fiscal year. This report shall summarize the
9 projected year-end general fund/general purpose appropriation
10 lapses by major departmental program or program areas. The report
11 shall be transmitted to the chairpersons of the senate and house
12 appropriations committees, the subcommittees, and the senate and
13 house fiscal agencies.

14 Sec. 211. The department shall cooperate with the department
15 of technology, management and budget to maintain a searchable
16 website accessible by the public at no cost that includes, but is
17 not limited to, all of the following:

18 (a) Fiscal year-to-date expenditures by category.

19 (b) Fiscal year-to-date expenditures by appropriation unit.

20 (c) Fiscal year-to-date payments to a selected vendor,
21 including the vendor name, payment date, payment amount, and
22 payment description.

23 (d) The number of active department employees by job
24 classification.

25 (e) Job specifications and wage rates.

26 Sec. 212. Within 14 days after the release of the executive
27 budget recommendation, the department shall cooperate with the
28 state budget office to provide the senate and house appropriations
29 chairs, the senate and house appropriations subcommittees chairs,

1 and the senate and house fiscal agencies with an annual report on
2 estimated state restricted fund balances, state restricted fund
3 projected revenues, and state restricted fund expenditures for the
4 prior 2 fiscal years.

5 Sec. 213. The department shall maintain, on a publicly
6 accessible website, a department scorecard that identifies, tracks,
7 and regularly updates key metrics that are used to monitor and
8 improve the department's performance.

9 Sec. 214. Total authorized appropriations from all sources
10 under part 1 for legacy costs for the fiscal year ending September
11 30, 2022 are estimated at \$18,414,700.00. From this amount, total
12 agency appropriations for pension-related legacy costs are
13 estimated at \$10,316,900.00. Total agency appropriations for
14 retiree health care legacy costs are estimated at \$8,097,800.00.

15 Sec. 215. To the extent permissible under the management and
16 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
17 take all reasonable steps to ensure businesses in deprived and
18 depressed communities compete for and perform contracts to provide
19 services or supplies, or both. The director shall strongly
20 encourage firms with which the department contracts to subcontract
21 with certified businesses in depressed and deprived communities for
22 services, supplies, or both.

23 Sec. 216. (1) On a quarterly basis, the department shall
24 report to the senate and house appropriations committees, the
25 senate and house appropriations subcommittees on the department
26 budget, and the senate and house fiscal agencies the following
27 information:

28 (a) The number of FTEs in pay status by type of staff and
29 civil service classification.

1 (b) A comparison by line item of the number of FTEs authorized
2 from funds appropriated in part 1 to the actual number of FTEs
3 employed by the department at the end of the reporting period.

4 (2) By April 1 of the current fiscal year and semiannually
5 thereafter, the department shall report to the senate and house
6 appropriations committees, the senate and house appropriations
7 subcommittees on the department budget, and the senate and house
8 fiscal agencies the following information:

9 (a) Number of employees that were engaged in remote work in
10 2021.

11 (b) Number of employees authorized to work remotely and the
12 actual number of those working remotely in the current reporting
13 period.

14 (c) Estimated net cost savings achieved by remote work.

15 (d) Reduced use of office space associated with remote work.

16 Sec. 217. Appropriations in part 1 shall, to the extent
17 possible by the department, not be expended until all existing work
18 project authorization available for the same purposes is exhausted.

19 Sec. 218. If the state administrative board, acting under
20 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
21 appropriated under this article, the legislature may, by a
22 concurrent resolution adopted by a majority of the members elected
23 to and serving in each house, intertransfer funds within this
24 article for the particular department, board, commission, officer,
25 or institution.

26 Sec. 219. The departments and agencies receiving
27 appropriations in part 1 shall receive and retain copies of all
28 reports funded from appropriations in part 1. Federal and state
29 guidelines for short-term and long-term retention of records shall

1 be followed. The department may electronically retain copies of
2 reports unless otherwise required by federal and state guidelines.

3 Sec. 220. The department shall report no later than April 1 on
4 each specific policy change made to implement a public act
5 affecting the department that took effect during the prior calendar
6 year to the senate and house appropriations committees, the
7 subcommittees, the joint committee on administrative rules, and the
8 senate and house fiscal agencies.

9 Sec. 221. The department shall provide biannual reports to the
10 subcommittees, the senate and house fiscal agencies, and the state
11 budget office, which shall provide the following data:

12 (a) A list of all major work projects, including a status
13 report of each project.

14 (b) The department's financial status, featuring a report of
15 budgeted versus actual expenditures by part 1 line item including a
16 year-end projection of budget requirements.

17 (c) The number of active employees at the close of the
18 reporting period by job classification and departmental branch of
19 service.

20 Sec. 222. The appropriations in part 1 are for the core
21 services, support services, and work projects of the department,
22 including, but not limited to, the following core services:

23 (a) Armories and joint force readiness.

24 (b) National Guard training facilities and air bases.

25 (c) Michigan youth challenge academy.

26 (d) Military family relief fund.

27 (e) Starbase grant.

28 (f) National Guard tuition assistance program.

29 (g) Michigan veterans affairs agency administration.

- 1 (h) Veterans service grants.
- 2 (i) Veterans' trust fund administration.
- 3 (j) Veterans' trust fund grants.
- 4 (k) County veteran service fund.
- 5 (l) Michigan veterans' facility authority.
- 6 (m) Michigan veterans homes.

7 Sec. 223. The appropriations in part 1 for capital outlay
8 shall be carried forward at the end of the fiscal year consistent
9 with section 248 of the management and budget act, 1984 PA 431, MCL
10 18.1248.

11 Sec. 224. Sixty days prior to the public announcement of the
12 intention to sell any department real property, the department
13 shall submit notification of that intent to the subcommittees and
14 the senate and house fiscal agencies.

15 Sec. 225. The department shall report to the subcommittees
16 tentative plans for the required payment of any court judgment
17 against the department, as soon as those plans are developed. The
18 report must include, but is not limited to, all of the following
19 information:

20 (a) A listing of all known court judgments that would result
21 in a financial obligation for the department.

22 (b) The amount of time in which each of those financial
23 obligations must be met.

24 (c) The proposed budget line items from which a payment for a
25 court judgment of \$100,000.00 or more would be made.

26 (d) The estimated impact of the loss of revenue on the
27 programs funded by the line items from which payments would be
28 made.

29 Sec. 226. (1) Money privately donated to the department for

1 the Grand Rapids home for veterans, D.J. Jacobetti home for
2 veterans, or Chesterfield Township home for veterans in excess of
3 the appropriation in part 1 is appropriated and may be used for the
4 purpose designated by the private source, if specified.

5 (2) The department must notify the subcommittees and the house
6 and senate fiscal agencies of the receipt of a donation under this
7 subsection within 14 calendar days of receiving the donation. The
8 notification must include the amount of the donation and the
9 purpose for which the funds will be expended, if known.

10 11 **MILITARY**

12 Sec. 301. (1) From the funds appropriated in part 1, there is
13 funding to support unclassified employee positions as authorized by
14 section 5 of article XI of the state constitution of 1963.

15 (2) The department shall report quarterly to the subcommittees
16 and house and senate fiscal agencies a list of the current
17 unclassified positions, which shall include the official titles and
18 responsibilities of each position.

19 (3) Upon the department being granted a request for an
20 additional unclassified employee position from the civil service
21 commission, or for any substantive changes to the duties of an
22 existing unclassified employee position, the department shall
23 notify the subcommittees and the senate and house fiscal agencies
24 within 15 days.

25 Sec. 302. (1) From the funds appropriated in part 1 for
26 military operations, effective and efficient executive direction
27 and administrative leadership shall be provided to the department.

28 (2) The department shall operate and maintain National Guard
29 armories.

1 (3) The department shall evaluate armories and submit a report
2 biannually, on the status of the armories.

3 (4) The department shall maintain a system to measure the
4 condition and adequacy of the armories.

5 (5) The Michigan Army National Guard and Air National Guard
6 shall work to provide a culture that is free of sexual assault,
7 through an environment of prevention, education and training,
8 response capability, victim support, reporting procedures, and
9 appropriate accountability that enhances the safety and well-being
10 of all guard members.

11 (6) By December 1, the department shall report the following
12 information to the subcommittees, the senate and house fiscal
13 agencies, and the state budget office:

14 (a) An assessment of the grounds and facilities of each armory
15 to objectively measure and determine the current facility condition
16 and capability to support authorized manpower, unit training, and
17 operations.

18 (b) Recommendations for the placement of new armories, the
19 relocation or consolidation of existing armories, or a change in
20 the mission of units assigned to armories to ideally position the
21 National Guard in current or projected population centers.

22 (c) Recommendations for the enhanced use of armories to
23 facilitate family support programs during deployments.

24 (d) An analysis of the feasibility, potential costs, and
25 benefits of use of armories shared with other local, state, or
26 federal agencies to improve responses to local emergencies as well
27 as the community support provided to armories.

28 (e) An investment strategy and proposed funding amounts in a
29 prioritized project list to correct the most critical facility

1 shortfalls across the inventory of armories in this state.

2 Sec. 303. (1) The department shall maintain the Michigan youth
3 challeNGe academy to provide values, skills, education, and self-
4 discipline instruction for at-risk youth as provided under 32 USC
5 509.

6 (2) The department shall take steps to recruit candidates to
7 the challeNGe academy from economically disadvantaged areas,
8 including those with low-income and high-unemployment backgrounds.

9 (3) The department shall partner with the department of health
10 and human services to identify youth who may be eligible for the
11 challeNGe academy from those youth served by department of health
12 and human services programs. These eligible youth shall be given
13 priority for enrollment in the academy.

14 (4) The department shall maintain the staffing and resources
15 necessary to train and graduate at least 114 students per cohort
16 (228 annually).

17 (5) The department shall ensure individual academic success as
18 measured by the number of individuals who have received a general
19 equivalency diploma, high school diploma, or high school credit
20 recovery or by the improvement of tests of adult basic education
21 scores, or both.

22 (6) Any unexpended private donations to support the Michigan
23 youth challeNGe academy at the close of this fiscal year shall not
24 lapse to the general fund but shall be carried forward to the
25 subsequent fiscal year.

26 Sec. 304. (1) The department shall provide grants for
27 disbursement from the military family relief fund, as provided
28 under the military family relief fund act, 2004 PA 363, MCL 35.1211
29 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative

1 Code.

2 (2) The department shall provide information on the revenues,
3 expenditures for advertising and assistance grants, and fund
4 balance of the Michigan military family relief fund, biannually.

5 (3) From the funds appropriated in part 1, the department
6 shall provide sufficient staffing and other resources to provide
7 outreach to the Michigan families of members of the reserve
8 component of the Armed Forces of the United States called into
9 active duty and to support the processing and approval of grant
10 applications for this fiscal year under the Michigan military
11 relief fund and report those applications biannually.

12 Sec. 305. (1) The department shall provide Army and Air
13 National Guard forces, when directed, for state and local
14 emergencies and in support of national military requirements.

15 (2) The department shall operate and maintain Army National
16 Guard training facilities, including Fort Custer and Camp Grayling.

17 (3) The department shall maintain a system that measures the
18 condition and adequacy of air facilities using both quality and
19 functionality criteria.

20 (4) The department shall operate and maintain Air National
21 Guard air bases, including Selfridge Air National Guard base,
22 Battle Creek Air National Guard base, and Alpena combat readiness
23 training center.

24 (5) The department shall provide the following information
25 biannually:

26 (a) The apportioned and assigned strength of the Michigan Army
27 National Guard.

28 (b) The apportioned and assigned strength of the Michigan Air
29 National Guard.

1 (c) Recruiting, retention, and attrition data, including
2 measurement against stated performance goals, for the Michigan Army
3 National Guard.

4 (d) Recruiting, retention, and attrition data, including
5 measurement against stated performance goals, for the Michigan Air
6 National Guard.

7 Sec. 306. There is created and established under the
8 jurisdiction and control of the department a revolving account to
9 be known as the billeting fund account. All of the fees and other
10 revenues generated from the operation of the chargeable transient
11 quarters program shall be deposited in the billeting fund account.
12 Appropriations will be made from the account for the support of
13 program operations and the maintenance and operations of the
14 chargeable transient quarters program and will not exceed the
15 estimated revenues for the fiscal year in which they are made,
16 together with unexpended balances from prior years. The department
17 shall submit an annual report of operations and expenditures
18 regarding the billeting fund account to the appropriations
19 committees of the senate and house of representatives, the senate
20 and house fiscal agencies, and the state budget office at the end
21 of the fiscal year.

22 Sec. 307. (1) The department shall maintain a National Guard
23 tuition assistance program under section 3 of the Michigan national
24 guard tuition assistance act, 2014 PA 259, MCL 32.433, for eligible
25 persons as defined in section 2 of the Michigan national guard
26 tuition assistance act, 2014 PA 259, MCL 32.432.

27 (2) The objective of the National Guard tuition assistance
28 program is to bolster military readiness by increasing recruitment
29 and retention of Michigan Army and Air National Guard service

1 members, to fill federally authorized strength levels for the
2 state, to improve the Michigan Army and Air National Guard's
3 competitive draw from other military enlistment options in the
4 state, to enhance the ability of the Michigan Army and Air National
5 Guard to compete for members and federal dollars with surrounding
6 states, and to increase the pool of eligible candidates within the
7 Michigan Army and Air National Guard to become commissioned
8 officers.

9 (3) The department shall make efforts to increase the number
10 of national guard members who have received a credential or are
11 still enrolled in the Michigan National Guard tuition assistance
12 program after their initial term of enlistment with the goal of 55%
13 of program participants, or at the current 4-year college
14 graduation rate in Michigan, whichever is higher. To evaluate the
15 effectiveness of the program, the department shall monitor the
16 number of new recruits and new reenlistments and the percentage of
17 those who become participants in the program to determine whether
18 the percentage of authorized Michigan Army and Air National Guard
19 strength obtained and retained is competitive in comparison with
20 the neighboring army and air national guards from Illinois,
21 Indiana, Ohio, and Wisconsin.

22 (4) Not later than March 1, the department shall provide a
23 report to the subcommittees on the Michigan National Guard tuition
24 assistance program. The report shall include the number of guard
25 members receiving tuition assistance, where those guard members
26 received education or training under the program, the average
27 amount of financial assistance received, the total funds spent on
28 the program, and, in the opinion of the department, after those
29 expenditures, whether any unmet needs remained. The report shall

1 also include performance data regarding the number of members
2 denied benefits from the program. The report shall include, but is
3 not limited to, all of the following information:

4 (a) The total number of applications for tuition assistance
5 denied.

6 (b) A delineated list of the grounds for denial and the number
7 of the total applicable to each reason for denial.

8 (c) A list of specific actions undertaken to increase the
9 opportunities for expanding qualified educational and training
10 programs.

11 (d) A list of any educational and training programs removed
12 from eligibility and the rationale for their removal.

13 (e) An explanation of any identified barriers to the
14 successful utilization of funds appropriated in part 1 for the
15 National Guard tuition assistance fund and applicable proposals for
16 legislative action to address those barriers.

17 (5) The general fund/general purpose funds appropriated in
18 part 1 for the National Guard tuition assistance fund shall be
19 deposited to the restricted Michigan National Guard tuition
20 assistance fund created in section 4 of the Michigan National Guard
21 tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the
22 restricted Michigan National Guard tuition assistance fund are
23 appropriated and available for expenditure to support the Michigan
24 National Guard tuition assistance program.

25 Sec. 308. The department shall maintain the starbase program
26 at Air National Guard facilities, as provided under 10 USC 2193b,
27 to improve the knowledge, skills, and interest of students,
28 primarily in the fifth grade, in math, science, and technology. The
29 starbase program is to specifically target minority and at-risk

1 students for participation.

2 Sec. 309. There is created and established under the
3 jurisdiction and control of the department a revolving account to
4 be known as the test project fees account. All of the fees and
5 other revenues generated from the operation of the test project
6 program shall be deposited in the test project fees fund account.
7 Appropriations will be made from the account for the support of
8 program operations. Money remaining in the fund at the end of the
9 year shall not lapse, but shall be carried forward to the
10 subsequent fiscal year.

11 Sec. 310. The morale, welfare, and recreation fund is created
12 within the state treasury. The state treasurer may receive money or
13 other assets from any source for deposit into the fund. The state
14 treasurer shall direct the investment of the fund. The state
15 treasurer shall credit to the fund interest and earnings from fund
16 investments. The department shall be the administrator of the fund
17 for auditing purposes. All of the fees and other revenues generated
18 from the operation of the morale, welfare, and recreation program
19 shall be deposited in the morale, welfare, and recreation fund
20 account. Appropriations will be made from the account for the
21 support of program operations. Money remaining in the fund at the
22 end of the year shall not lapse, but shall be carried forward to
23 the subsequent fiscal year.

24 Sec. 311. There is created and established under the
25 jurisdiction and control of the department a revolving account to
26 be known as the rental fees account. All of the fees and other
27 revenues generated from the operation of the rental fees program
28 shall be deposited in the rental fees fund account. Appropriations
29 will be made from the account for the support of program

1 operations. Money remaining in the fund at the end of the year
2 shall not lapse, but shall be carried forward to the subsequent
3 fiscal year.

4
5 **MICHIGAN VETERANS AFFAIRS AGENCY**

6 Sec. 405. (1) The MVAA shall provide a report biannually on
7 the financial status of the Michigan veterans' trust fund,
8 including the number and amount of emergency grants, state
9 operating and administrative expenses, and county administrative
10 expenses.

11 (2) The Michigan veterans' trust fund board together with the
12 agency shall maintain the staffing and resources necessary to
13 process a minimum of 2,000 applications for veterans' trust fund
14 emergency grants.

15 (3) The Michigan veterans' trust fund board together with the
16 MVAA shall provide emergency grants for disbursement from the
17 Michigan veterans' trust fund, as provided under the following
18 program authorities:

19 (a) Sections 37, 38, and 39 of article IX of the state
20 constitution of 1963.

21 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

22 (c) R 35.1 to R 35.7 of the Michigan Administrative Code.

23 (d) R 35.621 to R 35.623 of the Michigan Administrative Code.

24 (4) No later than February 1, the MVAA shall provide a
25 detailed report of the Michigan veterans' trust fund that includes,
26 for the immediately preceding fiscal year, information on grants
27 provided from the emergency grant program, including details
28 concerning the methodology of allocations, the selection of
29 emergency grant program authorized agents, a description of how the

1 emergency grant program is administered in each county, and a
2 detailed breakdown of trust fund expenditures for that year,
3 including the amount distributed to each county for operating
4 costs, administrative costs and emergency grants. The report shall
5 also include the number of approved applications, by category of
6 assistance, and the number of denied applications, by reason of
7 denial. The report shall also provide an update on the department's
8 efforts to reduce program administrative costs and maintain the
9 Michigan veterans' trust fund corpus at or above its original
10 amount of at least \$50,000,000.00.

11 Sec. 406. (1) The MVAA shall provide outreach services to
12 Michigan veterans to advise them on the benefits to which they are
13 entitled, as provided under Executive Reorganization Order No.
14 2013-2, MCL 32.92. The MVAA shall also do the following:

15 (a) Develop and operate an outreach program that communicates
16 benefit eligibility information to at least 50% of Michigan's
17 population of veterans, as assessed by annual census estimates,
18 with a goal of reaching 100% and enabling 100% to access benefit
19 information online.

20 (b) Communicate veteran benefit information pertaining to the
21 Michigan military family relief fund, Michigan veterans' trust
22 fund, and USDVA health, financial, and memorial benefits to which
23 veterans are entitled.

24 (c) Provide sufficient staffing and other resources to approve
25 requests for military discharge certificates (DD-214) annually.

26 (d) Continue the process to digitize all medical records,
27 military discharge documents, and burial records that are currently
28 on paper and microfilm.

29 (e) Provide a report biannually on the MVAA's performance on

1 the performance measures, outcomes, and initiatives developed by
2 the agency in the strategic plan required by section 501 of 2013 PA
3 9.

4 (f) Provide a biannual report to the subcommittees, the senate
5 and house fiscal agencies, and the state budget office providing,
6 to the extent known, data on the estimated number of homeless
7 veterans, by county, in this state.

8 (g) Provide the percentage of Michigan veterans contacted
9 through its outreach programs, with a goal of 90%, and report that
10 percentage to the subcommittees biannually on the status of
11 outreach.

12 (2) From the funds appropriated in part 1, the MVAA shall
13 provide for the regional coordination of services, as follows:

14 (a) The MVAA shall coordinate with veteran benefit counselors
15 throughout a specified region.

16 (b) The MVAA shall coordinate services with the department of
17 health and human services and the department of corrections.

18 (c) The MVAA shall coordinate with regional workforce and
19 economic development agencies.

20 (d) The MVAA shall coordinate activities among local
21 foundations, nonprofit organizations, and community groups to
22 improve accessibility, enrollment, and utilization of the array of
23 health care, education, employment assistance, and quality of life
24 services provided at the local level.

25 (e) The MVAA may work with MVAA service officers, county
26 veteran counselors, VSO service officers, and other service
27 providers to incorporate the provision of information relating to
28 mental health care resources into their daily operations to aid
29 veterans in understanding the mental health care support services

1 they may be eligible to receive.

2 (f) The MVAA shall coordinate with the department of health
3 and human services to identify Medicaid recipients who are veterans
4 and who may be eligible for federal veterans health care benefits
5 or other benefits, to the extent that the identification does not
6 violate applicable confidentiality requirements.

7 (g) The MVAA shall collaborate with the department of
8 corrections to create and maintain a process by which prisoners can
9 obtain a copy of their DD-214 form or other military discharge
10 documentation if necessary.

11 (h) The MVAA shall ensure that all MVAA service officers and
12 VSO service officers receive appropriate training in processing
13 applications for benefits payable to veterans due to military
14 sexual trauma, post-traumatic stress disorder, depression, anxiety,
15 substance abuse, or other mental health issues.

16 (3) The MVAA shall provide claims processing services to
17 Michigan veterans in support of benefit claims submitted to the
18 USDVA for the health, financial, and memorial benefits for which
19 they are eligible, and shall do both of the following:

20 (a) Report biannually the number of benefit claims, by type,
21 submitted to the USDVA by MVAA.

22 (b) Maintain the staffing and resources necessary to process a
23 minimum of 500 claims per year.

24 (4) The MVAA shall maintain staffing and resources necessary
25 to develop and implement a process to ensure that all county
26 counselors receive the training and accreditation necessary to
27 provide quality services to veterans. The MVAA shall report
28 information biannually on the number and percentage of county
29 veterans counselors trained by the MVAA, and the number and

1 percentage who received funding from the MVAA to attend training,
2 with an overall goal of 100% of county veterans counselors trained.

3 (5) From the funds appropriated in part 1 for MVAA, the MVAA
4 is authorized to expend up to \$50,000.00 to hire legal services to
5 represent veterans benefit cases before federal court to maintain
6 accreditation under 38 CFR 14.628(d)(1)(iv).

7 Sec. 407. (1) The MVAA shall disburse grants to achieve agency
8 goals and performance objectives in partnership with counties,
9 VSOs, and tribal governments. Grants will be disbursed to fund
10 programs and projects that are determined by the agency to meet
11 agency performance objectives and ensure that grantees communicate
12 the availability of emergency grants through the Michigan veterans'
13 trust fund. In disbursing grants, the MVAA shall do all of the
14 following:

15 (a) Ensure that each grantee is issued performance standards.

16 (b) Ensure that each grantee uses those funds for veterans
17 advocacy and outreach.

18 (c) Monitor the performance of each grantee.

19 (d) Require each grantee to report not less than quarterly on
20 services provided to veterans and account for all grant fund
21 expenditures.

22 (e) Require that each grantee report not less than quarterly
23 both of the following:

24 (i) The number and type of claims originated and submitted by
25 the grantee to the USDVA.

26 (ii) The number and type of claims originated by an
27 organization other than the grantee and submitted by the grantee to
28 the USDVA.

29 (f) Promulgate monthly benchmark requirements, based upon

1 contractual obligations, that each grantee must meet and require
2 each grantee to report on achieving the benchmark requirements not
3 less than quarterly to the MVAA, in order to ensure that each
4 grantee meets MVAA veteran service goals.

5 (g) Assess the accuracy rate of claims reported by grantees
6 and the attendance rate of grantees, based upon contractual
7 obligations.

8 (h) Ensure that each grantee adheres to the MVAA approved
9 schedule of operations.

10 (i) Report biannually to the subcommittees and senate and
11 house fiscal agencies on grantee operations monitored under this
12 subsection.

13 (2) Grants awarded to a VSO by the MVAA shall provide for the
14 following, as developed by the MVAA:

15 (a) The provision of service to veterans statewide, using a
16 regional service delivery model, with services provided at
17 specified locations and times, including service provided in state
18 correctional facilities.

19 (b) The payment of an hourly service rate that shall be set
20 annually by MVAA based on funds appropriated in part 1.

21 (c) A specified number of service hours within each geographic
22 region of this state, with a statewide goal based on both
23 appropriations for the current fiscal year for the grant programs
24 and the hourly service rate under subdivision (b). The statewide
25 goal will include service hours provided to eligible incarcerated
26 veterans within 1 year of their earliest release date.

27 (d) Use of an MVAA-designated internet-based claims data
28 system.

29 (3) The MVAA shall biannually report a summary of activities

1 supported through the appropriation in part 1 for grants, including
2 the amount of expenditures to date, number of service hours, number
3 of claims for benefits submitted by type of claim, and other
4 information deemed appropriate by the MVAA.

5 Sec. 409. (1) The department shall enter into an interagency
6 agreement in cooperation with the department of health and human
7 services in order to work with the federal public assistance
8 reporting information system to identify Medicaid recipients who
9 are veterans and who may be eligible for federal veterans' health
10 care benefits or other benefits. The interagency agreement shall
11 include the specific outcome and performance reporting requirements
12 described in this section. The interagency agreement shall require
13 the department to provide all of the following items by January 1
14 for the current fiscal year to the subcommittees, the senate and
15 house fiscal agencies, and the policy offices:

16 (a) The number of veterans identified by the department of
17 health and human services through eligibility determinations.

18 (b) The number of veterans referred to the department.

19 (c) The number of referrals made by the department of health
20 and human services that were contacted by the department.

21 (d) The number of referrals made to the department that were
22 eligible for veterans health care benefits or other benefits.

23 (e) The specific actions and efforts undertaken by the
24 department of health and human services and the department to
25 identify female veterans who are applying for public assistance
26 benefits, but who are eligible for veterans benefits.

27 (2) By October 1 of the current fiscal year, the department of
28 health and human services shall change the public assistance
29 application form from asking whether the prospective applicant was

1 a veteran to asking whether the applicant had ever served in the
2 military.

3 (3) This section does not prohibit the department from
4 entering into interagency agreements with any other public
5 department or agency in this state in order to obtain the
6 information detailed in subsection (1).

7 Sec. 410. The general fund/general purpose funds appropriated
8 in part I for the county veteran service fund shall be deposited to
9 the restricted county veteran service fund created in section 3a of
10 1953 PA 192, MCL 35.623a. All funds in the restricted county
11 veteran service fund are appropriated and available for expenditure
12 to support county veteran service grants.

13
14 **MICHIGAN VETERANS FACILITY AUTHORITY**

15 Sec. 451. The board of managers and Michigan veterans'
16 facility authority shall exercise certain regulatory and governance
17 authority regarding admission and member affairs at the Grand
18 Rapids, D.J. Jacobetti, and Chesterfield Township homes for
19 veterans. The board of managers shall also work to represent the
20 interest of the veterans' community in both advisory and advocacy
21 roles.

22 Sec. 452. (1) The MVH and the Michigan veterans' facility
23 authority shall provide compassionate and quality nursing and
24 domiciliary care services at the Grand Rapids, D.J. Jacobetti, and
25 Chesterfield Township homes for veterans so that members can
26 achieve their highest potential of wellness, independence, self-
27 worth, and dignity.

28 (2) From the funds appropriated in part 1, the department
29 shall provide resources necessary to provide nursing care services

1 to veterans in accordance with federal standards and provide the
2 results of the annual USDVA survey and certification as proof of
3 compliance.

4 (3) Appropriations in part 1 for a home operated by the MVH
5 and the D.J. Jacobetti and Chesterfield Township homes for veterans
6 shall not be used for any purpose other than for veterans and
7 veterans' families.

8 (4) Any contractor providing mental health services to the
9 Grand Rapids, D.J. Jacobetti, and Chesterfield Township homes for
10 veterans shall utilize mental health interventions that have been
11 shown to be effective with the conditions they are treating, in
12 accordance with evidence-based best practices supported by the
13 USDVA-VHA, United States Department of Defense, the Substance Abuse
14 and Mental Health Services Administration, the American
15 Psychological Association, and the National Association of Social
16 Workers.

17 (5) Any contractor providing CENAs to the Grand Rapids home
18 for veterans shall ensure that each CENA has at least 8 hours of
19 training on information provided by the home.

20 (6) Any contractor providing CENAs to a home operated by the
21 MVH shall ensure that each CENA has at least one 8-hour shift of
22 shadowing at the veterans' home.

23 (7) Any contractor providing CENAs to a home operated by the
24 MVH shall ensure that each CENA is competent in the basic skills
25 needed to perform his or her assigned duties at the home.

26 (8) A home operated by the MVH shall provide each CENA at
27 least 12 hours of in-service training once that individual has been
28 assigned to the home.

29 (9) All complaints of abusive or neglectful care at the Grand

1 Rapids, D.J. Jacobetti, and Chesterfield Township homes for
2 veterans by a resident member, a resident member's family or legal
3 guardian, or staff of the veterans' homes received by a supervisor
4 shall be referred to the director of nursing or his or her designee
5 upon receipt of the complaint. The director of nursing or his or
6 her designee shall report on not less than a monthly basis, except
7 that the board of managers or the Michigan veterans' facility
8 authority may specify a more frequent reporting period to the home
9 administrator, board of managers, Michigan veterans' facility
10 authority, agency, subcommittees, senate and house fiscal agencies,
11 and state budget office the following information:

12 (a) A description of the process by which resident members and
13 others may file complaints of alleged abuse or neglect at the Grand
14 Rapids, D.J. Jacobetti, and Chesterfield Township homes for
15 veterans.

16 (b) Summary statistics on the number and general nature of
17 complaints of abuse or neglect.

18 (c) Summary statistics on the final disposition of complaints
19 of abuse or neglect received.

20 (10) The MVH shall provide an on-site, board-certified
21 psychiatrist for all resident members with mental health disorders
22 in order to ensure that those resident members receive needed
23 services in a professional and timely manner. The MVH shall provide
24 all members and staff a safe and secure environment.

25 (11) The MVH shall ensure that they effectively develop,
26 execute, and monitor all comprehensive care plans in accordance
27 with federal regulations and their internal policies, with a goal
28 that a comprehensive care plan is fully developed for all resident
29 members.

1 (12) The MVH shall implement controls over their food,
2 maintenance supplies, pharmaceuticals, and medical supplies
3 inventories.

4 (13) The MVH shall establish sufficient controls for
5 calculating resident member maintenance assessments in order to
6 accurately calculate resident member maintenance assessments for
7 each billing cycle. The MVH shall establish sufficient controls to
8 ensure that all past due resident member maintenance assessments
9 are addressed within 30 days.

10 (14) The MVH shall establish sufficient controls over monetary
11 donations and donated goods.

12 (15) The MVH shall implement sufficient controls over the
13 handling of resident member funds to ensure the release of funds
14 within 15 calendar days upon the resident member leaving the home
15 and to ensure that a representative of a resident member is
16 provided a full accounting of that resident member's funds within
17 30 calendar days after the death of that resident member.

18 (16) The MVH shall post on its website all policies adopted by
19 the board of managers, the Michigan veterans' facility authority,
20 and the veterans' homes related to the administrative operations of
21 the veterans' homes.

22 (17) The process by which visitors, residents, and employees
23 of the Grand Rapids, D.J. Jacobetti, and Chesterfield Township
24 homes for veterans may register complaints shall be displayed in
25 high-traffic areas throughout the home.

26 (18) The MVH shall provide copies of each facility's USDVA
27 State Veteran Home quarterly report to the legislature and the
28 state budget office. These quarterly reports shall be posted on the
29 MVH website.

1 (19) The MVH shall provide to the legislature and the state
2 budget office biannual reports regarding the status of Centers for
3 Medicare and Medicaid certification efforts, including, but not
4 limited to, descriptions of incremental milestones, associated
5 expenditures, and the percentage of plan completed until such time
6 certification has been achieved and reported.

7 Sec. 453. The department shall ensure that the quality of care
8 for members of the Grand Rapids, D.J. Jacobetti, and Chesterfield
9 Township homes for veterans shall meet or exceed the quality of
10 care for the full spectrum of health care services to meet or
11 exceed the Centers for Medicare and Medicaid Services certification
12 standards. The department shall provide a report biannually to the
13 subcommittees that contains evidence that the quality of care for
14 the full spectrum of health care services has met or exceeded
15 Centers for Medicare and Medicaid Services certification standards.

16
17 **CAPITAL OUTLAY**

18 Sec. 501. (1) The department shall provide for the acquisition
19 and disposition of National Guard armories, facilities, and lands
20 as provided under sections 368, 382, and 382a of the Michigan
21 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

22 (2) The department shall provide a listing of property sales
23 and acquisitions biannually.

24 Sec. 502. (1) The appropriations in part 1 for special
25 maintenance - National Guard shall be carried forward at the end of
26 the fiscal year consistent with section 248 of the management and
27 budget act, 1984 PA 431, MCL 18.1248.

28 (2) The appropriations for special maintenance - National
29 Guard shall be expended in accordance with the requirements of

1 sections 302 and 305 of this part and shall be expended according
2 to the maintenance priorities of the department to repair and
3 modernize military training sites and support facilities, including
4 armories, which may include projects such as roof, HVAC, or boiler
5 replacement, interior renovations, facility expansion, improvements
6 to parking facilities, and other projects.

7 (3) The department shall provide a report biannually providing
8 information on the status, projected costs, and projected
9 completion date of current and planned special maintenance projects
10 at the armories and other National Guard facilities funded from
11 capital outlay appropriations made in part 1 and in prior
12 appropriations years.

13 Sec. 503. (1) The appropriations in part 1 for special
14 maintenance - veterans homes shall be carried forward at the end of
15 the fiscal year consistent with section 248 of the management and
16 budget act, 1984 PA 431, MCL 18.1248.

17 (2) The appropriations for special maintenance - veterans
18 homes shall be expended in accordance with the requirements of
19 section 452 of this part and shall be expended according to the
20 maintenance priorities of the department to repair and modernize
21 the state's veterans' homes, which may include projects such as
22 roof, HVAC, or boiler replacement, interior renovations, facility
23 expansion, improvements to parking facilities, and other projects
24 designed to enhance the quality of life and medical care of
25 members.

26 (3) The MVH shall provide a report biannually providing
27 information on the status, projected costs, and projected
28 completion date of current and planned special maintenance projects
29 at the Grand Rapids, D.J. Jacobetti, and Chesterfield Township

1 homes for veterans funded from capital outlay appropriations made
2 in part 1 and in prior appropriations years.

3 Sec. 504. (1) The appropriations in part 1 for armory
4 maintenance shall be carried forward at the end of the fiscal year
5 consistent with section 248 of the management and budget act, 1984
6 PA 431, MCL 18.1248.

7 (2) The appropriations for armory maintenance shall be
8 expended in accordance with the requirements of sections 302 and
9 305 of this part and shall be expended according to the maintenance
10 priorities of the department to repair and modernize military
11 training sites and support facilities, including armories.