

HOUSE BILL NO. 4122

February 04, 2021, Introduced by Rep. Glenn and referred to the Committee on Military, Veterans and Homeland Security.

A bill to amend 1953 PA 192, entitled

"An act to create a county department of veterans' affairs in certain counties, and to prescribe its powers and duties; to create the county veteran service fund and to provide for contributions to and expenditures from that fund; and to transfer the powers and duties of the soldiers' relief commission in those counties,"

by amending section 3a (MCL 35.623a), as amended by 2018 PA 514.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3a. (1) The county veteran service fund is created within
- 2 the state treasury.

(2) The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

(3) Money in the fund at the close of the fiscal year ~~shall remain~~ **remains** in the fund and ~~shall~~ **does** not lapse to the general fund.

(4) The Michigan veterans affairs agency ~~shall be~~ **is** the administrator of the fund for auditing purposes.

(5) Money in the fund may be used to cover necessary administrative and implementation costs incurred by the Michigan veterans affairs agency, as appropriated.

(6) (5)—The Michigan veterans affairs agency shall create and operate a grant program that provides grants to counties for **allowable expenditures related to** county veteran service operations. The Michigan veterans affairs agency shall make grants from the fund, upon appropriation, to each county that **enters into a grant agreement with the Michigan veterans affairs agency and** meets the conditions listed in subsection ~~(7)~~ **(8)** for the sole use of **supporting allowable expenditures made by** the county's veteran service operations. **A grant must be disbursed within 60 days after the date that the Michigan veterans affairs agency receives a completed and signed grant agreement from the county requesting the grant.** The total disbursement for each grant ~~shall~~ **must** be determined by combining the following amounts:

(a) A—Except as otherwise provided in this subdivision, a base amount of \$50,000.00. In a fiscal year when money in the fund is insufficient to support the \$50,000.00 base amount, an amount equal to and not to exceed the total amount appropriated to the fund for

the fiscal year beginning October 1 divided by 83. A disbursement under this subdivision must be used for 1 of the following purposes:

(i) Establishing new capacity and capabilities for a county to provide veteran service operations.

(ii) Enhancing and increasing existing veteran service operations through local county offices.

(b) A per capita amount according to the number of veterans residing in each county to support allowable expenditures related to county veteran service operations. The amount in this subdivision ~~shall~~**must** be determined by dividing the amount remaining in the fund after accounting for all disbursements under subdivision (a) by the total number of veterans residing in this state and multiplying the resulting dollar amount by the number of veterans residing in the county receiving the grant. Population figures for veterans residing in this state and in each county of this state ~~shall~~**must** be obtained from the most recent Geographic Distribution of VA Expenditures (GDX) Report published by the United States Department of Veterans Affairs.

~~(6) Both of the following apply to the disbursement of a grant under subsection (5):~~

~~(a) The base amount described under subsection (5)(a) shall be provided in a lump sum distribution not later than December 31 of each year. The initial base amount shall be provided not later than January 31, 2019.~~

(7) ~~(b)~~ If the amount remaining in the fund after accounting for all disbursements under subsection ~~(5)(a)~~ **(6)(a)** is less than the amount obtained by multiplying \$1,000.00 by the number of counties receiving grants, the Michigan veterans affairs agency

shall not perform a calculation under subsection ~~(5) (b)~~ **(6) (b)** and shall not disburse the portion of grant funds described under that subsection.

(8) ~~(7) To~~ Except as otherwise provided in subsection (10), to be eligible ~~for receiving~~ **to receive** a grant under subsection ~~(5),~~ ~~within 1 year of September 24, 2018, and annually after that date,~~ **(6) in the fiscal year ending September 30, 2021, and each fiscal year thereafter, by no later than September 30** a county must satisfy all of the following as certified in a form and manner prescribed by the Michigan veterans affairs agency:

(a) ~~Maintain~~ Except as otherwise provided in this subdivision, **maintain** a minimum level of county funding for veteran service operations equal to the level of county funding for veteran service operations for the fiscal year **immediately** preceding ~~September 24,~~ **October 1, 2018. For the fiscal year ending September 30, 2022,** **maintain at least 70% of the total county funding for veteran service operations for the fiscal year immediately preceding October 1, 2018. If a county reduces the level of county funding for veteran service operations for the fiscal year ending September 30, 2022, it shall not utilize grant funding awarded under subsection (6) to supplant those reductions.**

(b) Demonstrate an effort to achieve both of the following:

(i) Establish remote access to the United States Department of Veterans Affairs computing systems. ~~and require~~

(ii) Require county veteran service officers to obtain a PIV card.

(c) Submit quarterly reports to the Michigan veterans affairs agency in accordance with the reporting requirements determined by that agency.

1 (d) Provide no less than 20 hours per week toward veteran
2 service operations. **Upon request, the Michigan veterans affairs**
3 **agency may grant an exemption from this requirement. In determining**
4 **whether or not to grant an exemption under this subdivision, the**
5 **Michigan veterans affairs agency shall consider necessary**
6 **information and factors, including, but not limited to, the total**
7 **veteran population of a county and any existing agreements that**
8 **promote coordination of services between counties.**

9 (e) Submit financial reports to the Michigan veterans affairs
10 agency on a regular basis, as determined by that agency,
11 demonstrating that the county expended the grant funds received
12 under subsection ~~(5)~~ **(6)** directly and solely ~~on~~ **for allowable**
13 **expenditures related to county** veteran service operations during
14 the period of the report.

15 **(9)** If the Michigan veterans affairs agency determines, by
16 audit or otherwise, that a county expended the grant funds received
17 under subsection ~~(5)~~ **(6)** for purposes other than **for allowable**
18 **expenditures related to county** veteran service operations, the
19 Michigan veterans affairs agency shall ~~reduce the grant~~
20 ~~disbursement provided to the county in the succeeding fiscal year~~
21 ~~by an amount equal to the total of all amounts improperly~~
22 ~~expended.~~ **notify the county of its findings and recover any misused**
23 **grant funds before issuing any new grants to the county.**

24 **(10)** For the fiscal years ending September 30, 2021 and
25 September 30, 2022, the Michigan veterans affairs agency may
26 suspend the requirements in subsection (8) to allow a county to
27 utilize available money in a county veteran service fund for the
28 purposes of forming an emergent need relief program to provide
29 direct financial assistance through its veteran service operations

1 in the county. In establishing an emergent need relief program, the
2 Michigan veterans affairs agency and counties shall ensure all
3 other available resources are applied before awarding assistance
4 under this program.

5 (11) ~~(8)~~—As used in this section:

6 (a) "Accredited veteran service officer" means an individual
7 who has met the qualifications for accreditation under 38 USC 5904
8 and 38 CFR 14.629.

9 (b) "Allowable expenditures" means those expenditures
10 determined by the Michigan veterans affairs agency to be necessary
11 and proper to support veteran service operations in this state.

12 (c) ~~(b)~~—"County veteran service fund" or "fund" means the fund
13 created in subsection (1).

14 (d) ~~(c)~~—"PIV card" means a personal identity verification card
15 issued by the United States Department of Veterans Affairs.

16 (e) ~~(d)~~—"Veteran service operations" means assistance and
17 programming of any kind to meet the needs of veterans in this
18 state. Veteran service operations include, but are not limited to,
19 providing assistance, programming, and services for the purpose of
20 assisting veterans in this state and providing advice, advocacy,
21 and assistance to veterans, servicemembers, dependents, or
22 survivors by an accredited veteran service officer to obtain United
23 States Department of Veterans Affairs health, financial, or
24 memorial benefits for which they are eligible.