

UNIFORM VETERANS' GUARDIANSHIP ACT

Act 321 of 1937

AN ACT concerning the guardianship of incompetent veterans, orphans of deceased veterans and other incompetent and minor beneficiaries of the veterans administration; to provide penalties for the violation of the provisions of this act; to declare the effect of this act; and to repeal all acts and parts of acts inconsistent with the provisions of this act.

History: 1937, Act 321, Imd. Eff. July 27, 1937.

The People of the State of Michigan enact:

35.71 Definitions.

Sec. 1. Definitions. As used in this act:

The term "person" includes a partnership, corporation or an association.

The term "veterans administration" means the United States veterans administration, its predecessors or successors.

The terms "estate" and "income" shall include only moneys received by the guardian from the veterans administration, all earnings, interest, and profit derived therefrom and all property acquired therewith.

The term "benefits" shall mean all moneys paid or payable by the United States through the veterans administration.

The term "administrator" means the administrator of veterans affairs, or his successor.

The term "ward" means a beneficiary of the veterans administration.

The term "guardian" as used herein shall mean any person acting as a fiduciary for a ward.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.71.

Compiler's note: The catchlines following the act section numbers of this act were incorporated as a part of the act when enacted.

35.72 Guardians; manner of appointment.

Sec. 2. Application. Whenever, pursuant to any law of the United States, or regulation of the veterans administration, it is necessary, prior to payment of benefits that a guardian be appointed for a ward, such appointment shall be made in the manner hereinafter provided.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.72.

35.73 Administrator of veterans' affairs; interested party in proceedings for appointment of guardian; notice, hearing; limitation on number of wards.

Sec. 3. Administrator of veterans affairs, party in interest. The administrator of veterans affairs, or his successor, is and shall be a party in interest in any proceedings brought under any law of this state for the appointment of a guardian of a veteran of any war or other beneficiary on whose account benefits of compensation, adjusted compensation, pension or insurance or other benefits are payable by the veterans administration, and the said administrator or his successor is and shall be an interested party in the administration of the estate of any such ward on whose account such benefits are payable or whose estate includes assets derived from benefits paid by the veterans administration, its predecessor or successor, and written notice shall be given by (registered) mail unless waived in writing to the office of the veterans administration having jurisdiction over the area in which the court is located, of the time and place for hearing on any petition or pleading or in connection with any proceeding pertaining to or affecting in any manner the administration of the estate of any beneficiary of the veterans administration. Said notice shall be deposited in the mails not less than 14 days or such other period as the court may order prior to the date of such hearings or other proceedings: Provided, That in case of any proceeding or hearing notice of which is not required by the statutes in such case made and provided to be given to the interested parties thereto, either by personal service, mailing or advertisement, notice thereof need not be given to said office of the veterans administration.

Limitation on number of wards. Except as hereinafter provided, it shall be unlawful for any person to accept appointment as guardian of any ward if such proposed guardian shall at that time be acting as guardian for 10 wards. In any case, upon presentation of a petition by an attorney of the veterans administration under this section alleging that a guardian is acting in a fiduciary capacity for more than 10 wards and requesting his discharge for that reason, the court, if it determines that such guardian is acting in a fiduciary capacity for more than 10 wards, shall require a final accounting forthwith from such guardian and shall discharge such guardian in said case.

The limitations of this section shall not apply where the guardian is a bank or trust company. An individual

may be guardian of more than 10 wards if they are all members of the same immediate family. For the purposes of this section, such appointments in the same immediate family shall be counted as 1 appointment only.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.73.

35.74 Guardians; petition for appointment, filing, content.

Sec. 4. Appointment of guardians. A petition for the appointment of a guardian may be filed in the probate court by or on behalf of any person who under existing law is entitled to priority of appointment. If there be no person so entitled or if the person so entitled shall neglect or refuse to file such a petition within 30 days after mailing of notice by the veterans administration to the last known address of such person indicating the necessity for the same, a petition for such appointment may be filed in any court of competent jurisdiction by or on behalf of any responsible person residing in this state.

The petition for appointment shall set forth the name, age, place of residence of the ward, the name and place of residence of the nearest relative, if known, and the fact that such ward is entitled to receive benefits payable by or through the veterans administration and shall set forth the amount of moneys then due and the amount of probable future payments.

The petition shall also set forth the name and address of the person or institution, if any, having actual custody of the ward and the name, age, relationship, if any, occupation and address of the person proposed for appointment as guardian. Notwithstanding any law as to priority, the court may appoint a capable individual, bank or trust company as guardian, if the person entitled to priority fails to apply, or if after hearing the court determines it is to the best interest of the ward to appoint another.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.74.

35.75 Guardian for minor; prima facie evidence of necessity.

Sec. 5. Prima facie evidence of necessity for guardian—infant.

Where a petition is filed for the appointment of a guardian of a minor ward, a certificate of the administrator, or his authorized representative, setting forth the age of such minor as shown by the records of the veterans administration and the fact that the appointment of a guardian is a condition precedent to the payment of any moneys due the minor by the veterans administration shall be prima facie evidence of the necessity for such appointment.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.75.

35.76 Guardian for incompetent; prima facie evidence of necessity.

Sec. 6. Prima facie evidence of necessity for guardian—incompetent.

Where a petition is filed for the appointment of a guardian of a mentally incompetent ward a certificate of the administrator, or his duly authorized representative, setting forth the fact that such person has been rated incompetent by the veterans administration on examination in accordance with the laws and regulations governing such veterans administration; and that the appointment of a guardian is a condition precedent to the payment of any moneys due such person by the veterans administration, shall be prima facie evidence of the necessity for such appointment.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.76.

35.77 Guardians; notice of filing petition for appointment.

Sec. 7. Notice. Upon the filing of a petition for the appointment of a guardian, under the provisions of this act, the court shall cause such notice to be given as is provided by law. If demanded, jury trial shall not be denied.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.77.

35.78 Guardians; bonds, execution and filing; corporate guardians, exemption; sureties.

Sec. 8. Before making an appointment under the provisions of this act the court shall be satisfied that the person whose appointment is sought is a fit and proper person to be appointed. Upon the appointment being made, the guardian shall execute and file a bond to be approved by the court in an amount not less than the sum then due and estimated to become payable during the ensuing year. The said bond shall be in the form and be conditioned as required of guardians appointed under the general guardianship laws of this state. The court shall have power from time to time to require the guardian to file an additional bond: Provided, however, That if the person appointed as guardian under the provisions of this act is a trust company organized under the laws of the state of Michigan, or a bank with trust powers organized under the laws of the United States or of the state of Michigan, no bond shall be required except that the court in any case may

require a bond from any such guardian if, under the circumstances in a particular case, it feels that such a bond is necessary for the protection of the estate of the ward: And provided further, That in any case where a trust company organized under the laws of the state of Michigan, or a bank with trust powers organized under the laws of the United States or of the state of Michigan, shall heretofore have been appointed guardian under the provisions of this act and shall have furnished bond as such guardian, the court shall have power to cancel such bond and to release and discharge the surety or sureties thereon, upon the written petition of such surety or his principal and after the principal named in said bond has filed an account of all his actions and administration from the date of his last account up to the date of the hearing, if the court, after due notice to all persons interested deems it reasonable and proper.

Where a bond is tendered by a guardian with personal sureties, there shall be at least 2 such sureties and they shall file with the court a certificate under oath which shall describe the property owned, both real and personal, and shall state that they are each worth the sum named in the bond as the penalty thereof over and above all their debts and liabilities and exclusive of property exempt from execution. Notwithstanding such tender, the court may require additional security for or may require a corporate surety bond, the premium thereon to be paid from ward's estate.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—Am. 1945, Act 308, Imd. Eff. May 25, 1945;—Am. 1947, Act 245, Eff. Oct. 11, 1947;—CL 1948, 35.78.

35.79 Guardians; annual accounting; filing, notice, hearing.

Sec. 9. Accounting. Every guardian, who shall receive on account of his ward any moneys from the veterans administration shall file with the court annually on the anniversary date of the appointment, in addition to such other accounts as may be required by the court, a full, true, and accurate account under oath of all moneys so received by him, of all disbursements thereof, and showing the balance thereof in his hands at the date of such account and how invested. At the time of the filing in the court of any account, a certified copy thereof shall be by the guardian served by mail on the office of the veterans administration having jurisdiction over the area in which such court is located. A correct copy of any petition or other pleading pertaining to such account or affecting in any manner the ward or his estate shall similarly be so served. The court, unless hearing be waived in writing by the chief attorney of the veterans administration, shall fix a time and place for the hearing on such account, petition, or other pleading, not less than 14 days, nor more than 30 days from the date of said service, unless a different available date be stipulated in writing. Written notice of the time and place of such hearing shall be given the veterans administration office concerned, and the guardian, not less than 14 days before the date of hearing, and may be given by mail.

When such notice shall have been given as provided herein, any order entered in respect to such account, petition, or other pleading shall have the same effect as if entered after notice by publication as provided in the statutes of the state of Michigan in such case made and provided, and in such case notice by publication shall not be made, unless on order of the court for good cause shown. Upon an attorney for said veterans administration entering his appearance or filing waiver with respect to any such hearing, no guardian ad litem shall be appointed except upon motion by any interested party and for good cause shown.

Upon rendering any such account the guardian shall produce for examination by the court, or a duly authorized clerk or other appointee thereof, all securities, evidence of balance on deposit, and investments reported therein, which shall be described in such account in sufficient detail so that they may be identified, and the court or its duly authorized clerk or other appointee shall ascertain whether such securities, balance on deposit, and investments correspond with such account, and if so shall certify to that effect upon the account filed with the court and upon the copy or certificate supplied the veterans administration.

The clerk shall mail said veterans administration office a copy of each order entered in any guardianship proceeding wherein the veterans administration is an interested party.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—Am. 1939, Act 197, Imd. Eff. June 8, 1939;—CL 1948, 35.79.

35.80 Guardians; failure to file account, penalty.

Sec. 10. Penalty for failure to account.

If any guardian shall fail to file, with the court or the veterans administration as required by this act, any account of the benefits received by him from the veterans administration on account of his ward within 30 days after such account is due, or shall fail to furnish the veterans administration a true copy of any account or of any petition as required by this act, such failure shall be ground for removal.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.80.

35.81 Guardians; compensation; notice and hearing.

Sec. 11. Compensation payable to guardians shall not exceed 5% of the income of the ward during any

year. If such compensation appears inadequate, the court may upon petition and after notice to the veterans administration and hearing thereon, authorize such other or additional compensation payable from the estate of the ward as shall be deemed just and reasonable. Notice of such petition and hearing shall be given the proper office of the veterans administration in the manner provided in section 9 of this act.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.81;—Am. 1962, Act 102, Eff. Mar. 28, 1963.

35.82 Guardians; investments permitted with prior approval of court.

Sec. 12. Investments. It shall be the duty of guardians to invest and keep invested their wards' surplus money and only in the securities hereinafter indicated, and in which the guardian has no interest. Such investments, except those provided in paragraph "a" hereof, shall be made only upon the prior approval of the court.

(a) Direct obligations of this state and of the United States government, and obligations, the interest and principal of which are both unconditionally guaranteed by the United States government.

(b) The bonds which are the general obligations of any other state, or of any county, city or town in the United States with a population as shown by next preceding federal census of not less than 10,000 inhabitants, and which bonds were not issued in aid of railroads, and where the laws do not permit such counties, cities or towns to become indebted in excess of 5 per cent of the assessed valuation of property for taxation therein, and where the total indebtedness of such county, city or municipality, does not exceed 5 per cent of the assessed valuation of property for taxation at the time of such investment: Provided always, There has been no default for more than 30 days during the preceding 10 years upon any bonds of the issuing state, county, city or town.

(c) The legally issued notes of the owner of improved unencumbered real property located in this state secured by first mortgage or deed of trust thereon: Provided, That the total debt secured by such encumbrance does not exceed 50 per cent of the actual cash value of such real property at the time of such investment, and provided that if buildings or other improvements constitute a material part of the value of such premises encumbered to secure such indebtedness they shall be kept insured against loss or damage by fire or wind in a reasonable amount for the benefit of the owners of such notes secured by first mortgages or deeds of trust.

Before making any such investment a signed application therefor shall be procured from the borrower which shall contain such information as may be required by the lender and in every case shall contain a complete description of the real estate, including improvements thereon, and an affirmative statement that such proposed borrower is the owner of the entire fee simple title to such real estate and improvements, that same are free of every encumbrance or lien of any character, or if not, a statement of any existing encumbrance or other liens thereon, and specific authorization to the lender to withhold from the proposed loan the necessary sum to discharge and procure the release of any such encumbrances or other liens, and such release shall in all cases be procured and filed for record prior to or contemporaneously with the making of such loan. The proposed borrower shall also furnish with such application an abstract or certificate of title and same shall be completed to the time of closing the loan. The guardian proposing to make such loan or to purchase any notes secured by first mortgage or deed of trust shall exhibit to the court with his application for approval thereof the opinion of a qualified attorney at law satisfactory to the court, which opinion shall show that such attorney has examined said abstract of title or certificate of title and the papers evidencing the proposed debt and encumbrance to secure same, and based thereon it is the opinion of such attorney that the proposed borrower has good title to the property to be encumbered and that such proposed encumbrance will constitute a valid first lien thereon. In addition thereto the guardian shall file with the court satisfactory written evidence that the reasonable cash value of the property to be encumbered is in accordance with the requirements of this paragraph.

If the guardian purchases previously issued notes secured by first mortgage or deed of trust, the attorney's examination and opinion shall also disclose whether the proposed transferor has and will pass to the guardian good title thereto together with the liens securing same as hereinbefore provided. In such case the guardian shall file with the court satisfactory written evidence of value of the encumbered property as is hereinabove required, as of the time of acquiring such notes.

(d) The legally issued first and refunding mortgage bonds of any railroad or railway corporation organized under the laws of the United States or of any state thereof, as provided in paragraphs (d), (e) and (f), of section 24 of Act No. 66 of the Public Acts of 1929, as amended, and subject to all of the provisions, conditions and limitations therein prescribed: And provided further, That at no time shall the amount invested in such bonds exceed 10 per cent of the total amount of such wards' investments.

(e) The legally authorized mortgage bonds issued or assumed by any corporation incorporated under the laws of the United States or of any state thereof, and transacting the business of supplying electrical energy or gas or both for light, heat, power and other purposes, provided such corporation is subject to regulation by a

public service commission or public utilities commission or other similar regulatory body duly established by the laws of the United States or the state in which such corporation operates: Provided, however, That such investment shall be subject to all the provisions, conditions and limitations prescribed in paragraph (h) of section 24 of said Act No. 66: And provided further, That at no time shall the amount invested in such bonds exceed 10 per cent of the total amount of such wards' investments.

(f) Bonds of any corporation which at the time of such investment is incorporated under the laws of the United States or of any state thereof and is authorized to engage and is actually engaged in the business of furnishing telephone and telegraph service in the United States and is subject to regulation by the interstate commerce commission or a public service commission or other similar federal or state regulatory body duly established by the laws of the United States or of the states in which such corporation operates: Provided, however, That such investment shall be subject to all the provisions, conditions and limitations prescribed in paragraph (i) of section 24 of said Act No. 66: And provided further, That at no time shall the amount invested in such bonds exceed 10 per cent of the total amount of such wards' investments.

(g) The legally authorized and issued first mortgage bonds of steamship companies: Provided, That such mortgages shall be upon steel steamship or steamships for the carriage upon the great lakes and connecting waters of package freight and passengers combined of at least 5,000 tons carrying capacity each, and upon bulk freighters of at least 7,000 tons carrying capacity each: Provided, That such bonds are issued at the time of completion and enrollment of such steamship or steamships, or within 1 year thereafter: Provided, however, That such investment shall be subject to all the provisions, conditions and limitations prescribed in paragraph (j) of section 24 of said Act No. 66: And provided further, That at no time shall the amount invested in such bonds exceed 10 per cent of the total amount of such wards' investments.

(h) The withdrawable shares of a building and loan association or savings and loan association incorporated under the laws of this state, or in the shares of a federal savings and loan association situated in this state, organized and existing by virtue of section 5 of an act of congress known as the Home Owners' Loan Act of 1933, as amended.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—Am. 1939, Act 102, Eff. Sept. 29, 1939;—CL 1948, 35.82.

Compiler's note: Act 66 of 1929, referred to in this section, was repealed by Act 341 of 1937. For provisions of the Home Owners' Loan Act of 1933, referred to in subdivision (h), see 12 U.S.C. § 1464.

35.82i Corporate guardians; common trust fund investments permitted.

Sec. 12i. Any trust company or bank with trust powers acting as a guardian pursuant to this act and organized under the laws of this state or of the United States may invest in a common trust fund, containing only investments authorized for fiduciaries, established and maintained by the corporate fiduciary in conformity with the laws of this state or of the United States.

History: Add. 1969, Act 64, Imd. Eff. July 21, 1969.

Compiler's note: This section evidently was intended to be incorporated into MCL 35.82 as subdivision (i).

35.83 Maintenance and support of ward.

Sec. 13. Maintenance and support. A guardian shall not apply any portion of the estate of his ward for the support and maintenance of any person other than said ward, his minor children and his wife (if she and the ward be living together) except upon petition to and order of the court after a hearing, notice of which has been given the proper office of the veterans administration in the manner and within the time provided in section 9 of this act.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.83.

35.84 Purchase of home for ward.

Sec. 14. Purchase of home for ward. The court may authorize the purchase of the entire fee simple title to real estate in this state in which the guardian has no interest, but only as a home for the ward, or to protect his interest, or, if he is not a minor, as a home for his dependent family. Such purchase of real estate shall not be made except upon the entry of an order of the court after hearing upon verified petition. Notice of such hearing shall be given the veterans administration in the manner and within the time provided by section 9 of this act.

Before authorizing such investment the court shall require evidence of value and title as is hereinabove provided, and of the advisability of acquiring such real estate. Title shall be taken in the ward's name. This section shall not be construed to limit the right of the guardian on behalf of his ward to bid and to become the purchaser of real estate at a sale thereof pursuant to decree of foreclosure of a lien held by or for the ward, or at a trustee's sale, to protect the ward's right in the property so foreclosed or sold, or at a sale under partition decree, if necessary to protect the ward's interest in such property.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.84.

35.85 Guardian; discharge, release of sureties.

Sec. 15. Discharge of guardian and release of sureties. When a minor ward for whom a guardian has been appointed under the provisions of this act or other laws of this state shall have attained his or her majority, and if incompetent shall be declared competent by the court, and when any incompetent ward, not a minor, shall be declared competent by the court, the guardian shall file a final account. Upon hearing, following notice to the former minor or incompetent and to the veterans administration in the manner and within the time provided by section 9, and upon approval of the final account the court may so adjudge, and discharge the guardian and release the sureties from liability upon delivery to the former ward of the assets due him by the former guardian, and may make such further order as may be lawful.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.85.

35.85a Successor corporate guardians; appointment, conditions and procedure.

Sec. 15a. (1) Any trust company or bank with trust powers, organized under the laws of this state or organized under the laws of the United States, hereinafter in this section referred to as a corporate guardian or fiduciary, with approval of the probate court having jurisdiction, may resign its trust as guardian under this act in accordance with the provisions of this act and the general probate laws of this state. Where the corporate fiduciary has resigned, subject to the provisions of this act, for the purpose of expediting and facilitating the appointment and qualification as successor fiduciary of another corporate guardian, the laws of this state relating to notice of hearing on the appointment of a successor guardian shall not be applicable.

(2) It shall be sufficient for the resignation and discharge of a guardian and the contemporaneous appointment as successor corporate guardian if the following requirements are met:

(a) The filing of a petition by a corporate guardian, praying that its resignation be accepted, that it be discharged, its bond or other undertaking cancelled and the surety thereon released upon the filing of its final account, the allowance thereof, and the transfer of the assets to the corporate successor guardian to be appointed under the provisions of this section.

(b) The appointment of a qualified successor corporate guardian at a hearing on the petition of the resigning guardian with notice only to the veterans' administration as provided in section 3 of this act, or appointment ex parte of the corporate successor guardian upon the filing of a written waiver of notice of hearing thereon by the veterans' administration. The resignation of the former guardian and petition for the appointment of a corporate successor guardian may be combined in 1 instrument to be signed by the former guardian.

(c) The filing of an acceptance of trust or bond by the successor corporate guardian as may be directed by the court.

(d) Upon the allowance of its final account and filing of a receipt for the assets as provided by law, the former guardian may be discharged, its bond or other undertaking cancelled and the surety thereon released.

History: Add. 1958, Act 103, Imd. Eff. Apr. 14, 1958.

35.86 Insane veteran; commitment, procedure.

Sec. 16. Commitment of insane veteran. Whenever it appears that any veteran is eligible for treatment in a United States veterans' facility and commitment is necessary for the proper care and treatment of such veteran, the court of the county in which the veteran is found, may, upon receipt of a certificate of eligibility from the veterans administration, and if the veteran be adjudged insane in accordance with law, direct such veteran's commitment to the veterans administration for hospitalization in a United States veterans' facility. Thereafter such veteran upon admission to any such facility shall be subject to the rules and regulations of the veterans administration and the chief officer of such facility shall be vested with the same powers exercised by superintendents of state hospitals for mental diseases within this state with reference to the retention, transfer or parole of the veteran so committed. Notice of such pending commitment proceedings shall be furnished the person to be committed and his right to appear and defend shall not be denied. The commitment of a veteran to a veterans' facility within this state by a court of another state under a similar provision of law, shall have the same force and effect as if such commitment were made by a court of this state.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.86.

35.86a Veteran of unsound mind or otherwise in need of confinement; commitment, procedure; transfer.

Sec. 16a. Commitment to veterans administration or other agency of United States government.

(1) Whenever, in any proceeding under the laws of this state for the commitment of a person alleged to be

of unsound mind or otherwise in need of confinement in a hospital or other institution for his proper care, it is determined after such adjudication of the status of such person as may be required by law that commitment to a hospital for mental disease or other institution is necessary for safekeeping or treatment and it appears that such person is eligible for care or treatment by the veterans administration or other agency of the United States government, the court, upon receipt of a certificate from the veterans administration or such other agency showing that facilities are available and that such person is eligible for care or treatment therein, may commit such person to said veterans administration or other agency. The person whose commitment is sought shall be personally served with notice of the pending commitment proceeding in the manner as provided by the law of this state; and nothing in this act shall affect his right to appear and be heard in the proceedings. Upon commitment, such person, when admitted to any facility operated by any such agency within or without this state, shall be subject to the rules and regulations of the veterans administration or other agency. The chief officer of any facility of the veterans administration or institution operated by any other agency of the United States to which the person is so committed shall with respect to such person be vested with the same powers as superintendents of state hospitals for mental diseases within this state with respect to retention of custody, transfer, parole or discharge. Jurisdiction is retained in the committing or other appropriate court of this state at any time to inquire into the mental condition of the person so committed, and to determine the necessity for continuance of his restraint, and all commitments pursuant to this act are so conditioned.

(2) The judgment or order of commitment by a court of competent jurisdiction of another state or of the District of Columbia, committing a person to the veterans administration, or other agency of the United States government for care or treatment shall have the same force and effect as to the committed person while in this state as in the jurisdiction in which is situated the court entering the judgment or making the order; and the courts of the committing state, or of the District of Columbia, shall be deemed to have retained jurisdiction of the person so committed for the purpose of inquiring into the mental condition of such person, and of determining the necessity for continuance of his restraint, as is provided in subsection (1) of this section with respect to persons committed by the courts of this state. Consent is hereby given to the application of the law of the committing state or district in respect to the authority of the chief officer of any facility of the veterans administration, or of any institution operated in this state by any other agency of the United States to retain custody, or transfer, parole or discharge the committed person.

(3) Upon receipt of a certificate of the veterans administration or such other agency of the United States that facilities are available for the care or treatment of any person heretofore committed to any hospital for the insane or other institution for the care or treatment of persons similarly afflicted and that such person is eligible for care or treatment, the superintendent of the institution may cause the transfer of such person to the veterans administration or other agency of the United States for care or treatment. Upon effecting any such transfer, the committing court or proper officer thereof shall be notified by the transferring agency. No person shall be transferred to the veterans administration or other agency of the United States if he be confined upon conviction of any felony or misdemeanor or if he has been acquitted of the charge solely on the ground of insanity, unless prior to transfer the court or other authority originally committing such person shall enter an order for such transfer after appropriate motion and hearing.

Any person transferred as provided in this section shall be deemed to be committed to the veterans administration or other agency of the United States pursuant to the original commitment.

History: Add. 1944, 1st Ex. Sess., Act 37, Imd. Eff. Mar. 3, 1944;—CL 1948, 35.86a.

35.87 Construction of act.

Sec. 17. Liberal construction. This act shall be construed liberally to secure the beneficial intents and purposes thereof and shall apply only to beneficiaries of the veterans administration.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.87.

35.88 Uniform veterans' guardianship act; short title.

Sec. 18. Citation of act. This act may be cited as the "Uniform Veterans' Guardianship Act."

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.88.

35.90 Modification and repeals of prior law.

Sec. 20. Modification of prior laws. All laws or parts of laws relating to beneficiaries of the veterans administration inconsistent with this act are hereby repealed. Act No. 156 of the Public Acts of 1929, as amended, being sections 810, 811, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828 and 829 of the Compiled Laws of 1929, is hereby repealed. Except where inconsistent with this act, the general guardianship laws of this state, and the laws establishing the practice in such matters, including rights of appeal, shall be applicable to such beneficiaries and their estates.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.90.

35.91 Application of act as to surety bonds, administration of estates, and investments; liability of guardian, liquidation of investments.

Sec. 21. Application of act. The provisions of this act relating to surety bonds and the administration of estates of administration beneficiaries under guardianship shall apply to all such estates heretofore or hereafter created under the general laws of this state to the extent that such estates have assets derived from the benefits paid directly by the veterans administration or receive such benefits in the future.

The provisions of this act relative to investments shall govern all investments made after the enactment hereof: Provided, however, That the guardian shall be liable for any loss resulting from his failure to use reasonable diligence and care with respect to liquidating investments of the ward, lawful when made, but not permissible under the provisions of this act: And provided further, That all such investments shall be liquidated within 5 years from the effective date of this act unless the time for such liquidation in any case shall be extended by the court of appointment upon petition therefor and evidence in support thereof, in which latter event such liquidation shall occur within the period fixed by such order of extension.

History: 1937, Act 321, Imd. Eff. July 27, 1937;—CL 1948, 35.91.