

HOUSE BILL No. 4545

March 13, 1991, Introduced by Reps. Owen, Bartnik, DeMars, Byrum, Stallworth, Dobronski, Joe Young, Sr., Porreca, Jacobetti, Griffin, Nye, Hoffman, Martin, Sikkema, London, Willis Bullard, Hoekman, Ostling, Gilmer, Knight, Walberg, Sparks, Allen, Mathieu, Bender, Randall, Alley, Gire and Baade and referred to the Committee on Military and Veterans' Affairs.

A bill to authorize the issuance of general obligation bonds of the state and to pledge the full faith and credit of the state for the payment of principal and interest thereon for a service bonus for certain veterans; to provide for other matters relating to the bonds and the use of the proceeds of sale of the bonds; and to provide for the submission of the question of the issuance of the bonds to the electors of the state.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Armed forces" means the army, air force, navy, marine
3 corps, coast guard, or other military forces of the United
4 States, and includes the auxiliary branches of those forces.

5 (b) "Beneficiary" means in either the following order of
6 priority or in the order of priority determined by a probate

1 court of the county of a veteran's residence at the time of that
2 veteran's death:

3 (i) The surviving husband or wife of a deceased veteran.

4 (ii) The child or children of a deceased veteran.

5 (iii) The dependent surviving mother or father of a deceased
6 veteran.

7 (c) "Combat veteran" means a military service veteran eligi-
8 ble to wear a service medal or armed forces expeditionary medal
9 for service during that veteran's period of service.

10 (d) "Honorably separated from the armed forces" means any of
11 the following:

12 (i) An honorable or general discharge, or separation from a
13 branch of the armed forces under honorable conditions.

14 (ii) In the case of a serviceman or servicewoman who has not
15 been discharged, a certificate from the branch of the armed
16 forces of which that person was a member that verifies that the
17 person qualified or qualifies for an honorable or general dis-
18 charge, or separation from the armed forces under honorable
19 conditions.

20 (e) "Military service" means membership in the armed forces
21 that is not any of the following:

22 (i) A full-time armed forces assignment to a civilian insti-
23 tution for a course substantially the same as a course offered to
24 civilians.

25 (ii) Service as a cadet or midshipman at a service academy.

26 (iii) Training for service in the army or air national
27 guard.

1 (iv) Service in the army, navy, air force, marine corps, or
2 coast guard reserve.

3 (f) "Period of service" means that period of military con-
4 flict in the Persian Gulf beginning August 2, 1990 and designated
5 by the president of the United States as Operation Desert Shield
6 or Operation Desert Storm.

7 (g) "Veteran" means a person who is or was in the military
8 service and is or was each of the following:

9 (i) A resident of the state for at least 6 months before his
10 or her period of service.

11 (ii) Not entitled to receive, at the time his or her period
12 of service ends, benefits from another state that are similar to
13 benefits conferred by this act.

14 (iii) A member of the armed forces during the period of
15 service.

16 (iv) Honorably separated from the armed forces, or a member
17 of the armed forces after the period of service.

18 Sec. 2. The state shall borrow not more than
19 \$205,000,000.00, pledge its faith and credit, and issue its
20 serial notes or serial bonds for that money, with maturities as
21 fixed by law for the purpose of paying to or for the benefit of
22 veterans and their beneficiaries as provided in section 3.

23 Sec. 3. (1) The state treasurer shall pay a combat veteran
24 a service bonus in the amount of \$1,200.00.

25 (2) The state treasurer shall pay a veteran a service bonus
26 of \$30.00 per month for each month or major portion of each month

1 of that veteran's period of service, to a maximum total of
2 \$900.00.

3 (3) A person is not entitled to a bonus under this act as
4 both a veteran and a combat veteran.

5 (4) If the veteran or combat veteran is deceased, the state
6 treasurer shall pay money due to that person under this act to
7 his or her beneficiary.

8 (5) If a veteran dies from service-connected causes, the
9 veteran's beneficiary is entitled to receive the difference
10 between the amount that the veteran received under subsection (2)
11 and the sum of \$900.00.

12 (6) In addition to that money allocated by the state legis-
13 lature to fund the Michigan veterans' trust fund created in
14 section 1 of Act No. 9 of the Public Acts of the First Extra
15 Session of 1946, being section 35.601 of the Michigan Compiled
16 Laws, the state treasurer shall deposit into the Michigan
17 veterans' trust fund money, if any, remaining under this act
18 after payment of a bonus to all eligible veterans under this
19 act.

20 Sec. 4. The state administrative board shall provide by
21 resolution, from time to time, for the issuance and sale of
22 serial notes or serial bonds at the lowest possible cost to the
23 state, and the legislature may provide for the amounts and method
24 of, and eligibility for payment of, the sums to be paid under
25 this act.

26 Sec. 5. The question of borrowing the sum of
27 \$205,000,000.00 and issuing bonds of the state for the purposes

1 set forth in this act shall be submitted to vote of the electors
 2 of the state qualified to vote on that question in accordance
 3 with the provisions of section 15 of article IX of the state con-
 4 stitution of 1963, at the next general November election. The
 5 question submitted to the electors shall be substantially as
 6 follows:

7 "Shall the state of Michigan provide a service bonus to per-
 8 sons who were members of the armed forces of the United States
 9 during the Desert Shield and Desert Storm conflict in the Persian
 10 Gulf, borrow the sum of \$205,000,000.00, and issue general obli-
 11 gation bonds of the state for that sum pledging the full faith
 12 and credit of the state for the payment of principal and interest
 13 on that sum, the method of repayment of the bonds to be from the
 14 general fund of the state and shall the state of Michigan deposit
 15 funds, if any, remaining after payment of the service bonus into
 16 the Michigan veterans' trust fund?

17 Yes [] No []"

18 Sec. 6. The benefits provided in this act are not pay for
 19 services rendered or subject to state or city income tax.

20 Sec. 7. The benefits provided by this act expire June 30,
 21 1996.

22 Sec. 8. The secretary of state shall take steps and per-
 23 form all acts that are necessary to submit the question set forth
 24 in section 5 to the electors of the state qualified to vote on
 25 that question at the next general November election.

26 Sec. 9. After the issuance of the bonds authorized by this
 27 act, the legislature shall, and the legislature covenants, that

1 it will each year make appropriations fully sufficient to pay
2 promptly when due the principal of and interest on all outstand-
3 ing bonds authorized by this act and all costs incidental to the
4 payment on those bonds.

5 Sec. 10. The state shall not issue bonds under this act
6 unless the question set forth in section 5 is approved by a
7 majority vote of the qualified electors voting on that question
8 at the next general November election.

9 Sec. 11. This act shall be finally effective at the time
10 the question set forth in section 5 is approved by a majority
11 vote of the qualified electors of the state as required by sec-
12 tion 15 of article IX of the state constitution of 1963.