

**SUBSTITUTE FOR
SENATE BILL NO. 1093**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2007; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of military and veterans affairs for the fiscal year ending

1 September 30, 2007, from the funds indicated in this part. The
 2 following is a summary of the appropriations in this part:

3 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

4 APPROPRIATION SUMMARY:

5	Full-time equated unclassified positions.....	7.0	
6	Full-time equated classified positions.....	1,015.0	
7	GROSS APPROPRIATION.....		\$ 123,019,900
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers		1,664,600
11	ADJUSTED GROSS APPROPRIATION.....		\$ 121,355,300
12	Federal revenues:		
13	Total federal revenues.....		51,450,700
14	Special revenue funds:		
15	Total local revenues.....		1,253,100
16	Total private revenues.....		1,441,300
17	Total other state restricted revenues.....		26,452,700
18	State general fund/general purpose.....		\$ 40,757,500
19	Sec. 102. HEADQUARTERS AND ARMORIES		
20	Full-time equated unclassified positions.....	7.0	
21	Full-time equated classified positions.....	123.0	
22	Headquarters and armories--82.5 FTE positions.....		\$ 10,178,900
23	Unclassified military personnel.....		660,300
24	Military appeals tribunal.....		900
25	Michigan emergency volunteers.....		5,000
26	State active duty.....		85,100
27	Challenge program--40.5 FTE positions.....		4,583,900

1	Homeland security.....	1,000,000
2	Human resources optimization user charge.....	60,900
3	Military family relief fund.....	<u>600,000</u>
4	GROSS APPROPRIATION.....	\$ 17,175,000
5	Appropriated from:	
6	IDG, challenge grant.....	253,800
7	IDG, community health.....	100,000
8	IDG, state police.....	900,000
9	IDG, human services.....	410,800
10	Federal revenues:	
11	DOD-DOA-NGB.....	4,482,800
12	Special revenue funds:	
13	Local - school aid fund.....	1,253,100
14	Rental fees.....	350,000
15	Mackinac Bridge authority.....	55,000
16	Private donations.....	800,100
17	Military family relief fund.....	600,000
18	Private - parent pay revenue.....	101,200
19	State general fund/general purpose.....	\$ 7,868,200
20	Sec. 103. MILITARY TRAINING SITES AND SUPPORT	
21	FACILITIES	
22	Full-time equated classified positions..... 200.0	
23	Military training sites and support	
24	facilities--200.0 FTE positions.....	\$ 20,627,800
25	Military training sites and support facilities test	
26	projects	<u>100,000</u>
27	GROSS APPROPRIATION.....	\$ 20,727,800

1	Appropriated from:		
2	Federal revenues:		
3	DOD-DOA-NGB.....		18,011,000
4	Special revenue funds:		
5	Test project fees.....		100,000
6	State general fund/general purpose.....	\$	2,616,800
7	Sec. 104. DEPARTMENTWIDE APPROPRIATIONS		
8	Departmentwide accounts.....	\$	1,826,900
9	Special maintenance - state.....		151,200
10	Special maintenance - federal.....		5,300,000
11	Military retirement.....		2,807,000
12	Counter narcotic operations.....		50,000
13	Starbase grant.....		<u>900,000</u>
14	GROSS APPROPRIATION.....	\$	11,035,100
15	Appropriated from:		
16	Federal revenues:		
17	DOD-DOA-NGB.....		7,466,100
18	Federal counternarcotic revenues.....		50,000
19	State general fund/general purpose.....	\$	3,519,000
20	Sec. 105. VETERANS SERVICE ORGANIZATIONS		
21	American legion.....	\$	912,600
22	Disabled American veterans.....		754,400
23	Marine corps league.....		346,400
24	American veterans of World War II and Korea.....		478,700
25	Veterans of foreign wars.....		912,600
26	Michigan paralyzed veterans of America.....		170,700
27	Purple heart.....		162,600

1	Veterans of World War I.....		100
2	Polish legion of American veterans.....		42,400
3	Jewish veterans of America.....		42,400
4	State of Michigan council - Vietnam veterans of		
5	America		164,300
6	Catholic war veterans.....		<u>42,400</u>
7	GROSS APPROPRIATION.....	\$	4,029,600
8	Appropriated from:		
9	State general fund/general purpose.....	\$	4,029,600
10	Sec. 106. GRAND RAPIDS VETERANS' HOME		
11	Full-time equated classified positions.....	517.0	
12	Grand Rapids veterans' home--517.0 FTE positions.....	\$	47,479,300
13	Board of managers.....		<u>665,000</u>
14	GROSS APPROPRIATION.....	\$	48,144,300
15	Appropriated from:		
16	Federal revenues:		
17	DVA-VHA.....		14,836,400
18	HHS, Medicaid.....		398,500
19	HHS, Medicare.....		783,300
20	Special revenue funds:		
21	Private - veterans' home post and posthumous funds ...		415,000
22	Income and assessments.....		14,806,400
23	Military family relief fund.....		250,000
24	Lease revenue.....		35,000
25	State general fund/general purpose.....	\$	16,619,700
26	Sec. 107. D.J. JACOBETTI VETERANS' HOME		
27	Full-time equated classified positions.....	159.0	

1	D.J. Jacobetti veterans' home--159.0 FTE positions ...	\$	15,215,600
2	Board of managers.....		<u>275,000</u>
3	GROSS APPROPRIATION.....	\$	15,490,600
4	Appropriated from:		
5	Federal revenues:		
6	DVA-VHA.....		4,512,300
7	HHS, Medicare.....		388,700
8	HHS, Medicaid.....		92,900
9	Special revenue funds:		
10	Private - veterans' home post and posthumous funds ...		125,000
11	Military family relief fund.....		150,000
12	Income and assessments.....		4,840,400
13	State general fund/general purpose.....	\$	5,381,300
14	Sec. 108. VETERANS' AFFAIRS DIRECTORATE		
15	Full-time equated classified positions..... 16.0		
16	Veterans' affairs directorate administration--3.0		
17	FTE positions	\$	326,000
18	Veterans' trust fund administration--13.0 FTE		
19	positions		1,183,300
20	Veterans' trust fund grants.....		<u>3,746,500</u>
21	GROSS APPROPRIATION.....	\$	5,255,800
22	Appropriated from:		
23	Special revenue funds:		
24	Michigan veterans' trust fund.....		4,929,800
25	State general fund/general purpose.....	\$	326,000
26	Sec. 109. INFORMATION TECHNOLOGY		
27	Information technology services and projects	\$	<u>1,161,700</u>

1	GROSS APPROPRIATION.....	\$	1,161,700
2	Appropriated from:		
3	Federal revenues:		
4	DOD-DOA-NGB.....		113,000
5	DVA-VHA.....		306,800
6	HHS, Medicare.....		8,900
7	Special revenue funds:		
8	Income and assessments.....		336,100
9	State general fund/general purpose.....	\$	396,900

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2006-2007 is \$67,210,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2006-2007 is \$120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
MILITARY TRAINING SITES AND SUPPORT FACILITIES

22	Payments in lieu of taxes.....	\$	70,000
23	MICHIGAN VETERANS' TRUST FUND		
24	County counselor travel expenses.....	\$	<u>50,000</u>
25	TOTAL.....	\$	120,000

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

4 Sec. 203. As used in this act:

5 (a) "Department" means the department of military and veterans
6 affairs.

7 (b) "Director" means the director of the department of
8 military and veterans affairs.

9 (c) "DOD" means the United States department of defense.

10 (d) "DOD-DOA-NGB" means the DOD department of the army,
11 national guard bureau.

12 (e) "DVA" means the United States department of veterans'
13 affairs.

14 (f) "DVA-VHA" means the DVA veterans' health administration.

15 (g) "FTE" means full-time equated.

16 (h) "HHS" means the United States department of health and
17 human services.

18 (i) "IDG" means interdepartmental grant.

19 Sec. 204. The department of civil service shall bill the
20 departments and agencies at the end of the first fiscal quarter for
21 the 1% charge authorized by section 5 of article XI of the state
22 constitution of 1963. Payments shall be made for the total amount
23 of the billing by the end of the second fiscal quarter.

24 Sec. 205. (1) Beginning October 1, a hiring freeze is imposed
25 on the state classified civil service. State departments and
26 agencies are prohibited from hiring any new full-time state
27 classified civil service employees and prohibited from filling any

1 vacant state classified civil service positions. This hiring freeze
2 does not apply to internal transfers of classified employees from 1
3 position to another within a department.

4 (2) The state budget director shall grant exceptions to this
5 hiring freeze when the state budget director believes that the
6 hiring freeze will result in rendering a state department or agency
7 unable to deliver basic services, cause loss of revenue to the
8 state, result in the inability of the state to receive federal
9 funds, or necessitate additional expenditures that exceed any
10 savings from maintaining a vacancy. The state budget director shall
11 report by the last business day of each month to the chairpersons
12 of the senate and house of representatives standing committees on
13 appropriations the number of exceptions to the hiring freeze
14 approved during the previous month and the justification for the
15 exception.

16 Sec. 207. Sixty days before beginning any effort to privatize,
17 the department shall submit a complete project plan to the
18 appropriate senate and house of representatives appropriations
19 subcommittees and the senate and house fiscal agencies. The plan
20 shall include the criteria under which the privatization initiative
21 will be evaluated. The evaluation shall be completed and submitted
22 to the appropriate senate and house of representatives
23 appropriations subcommittees and the senate and house fiscal
24 agencies within 30 months.

25 Sec. 208. Unless otherwise specified, the department shall use
26 the Internet to fulfill the reporting requirements of this act.
27 This requirement may include transmission of reports via electronic

1 mail to the recipients identified for each reporting requirement or
2 it may include placement of reports on an Internet or Intranet
3 site.

4 Sec. 209. Funds appropriated in part 1 shall not be used for
5 the purchase of foreign goods or services, or both, if
6 competitively priced and of comparable quality American goods or
7 services, or both, are available. Preference should be given to
8 goods or services, or both, manufactured or provided by Michigan
9 businesses, if they are competitively priced and of comparable
10 quality.

11 Sec. 210. The director of each department receiving
12 appropriations in part 1 shall take all reasonable steps to ensure
13 businesses in deprived and depressed communities compete for and
14 perform contracts to provide services or supplies, or both. Each
15 director shall strongly encourage firms with which the department
16 contracts to subcontract with certified businesses in depressed and
17 deprived communities for services, supplies, or both.

18 Sec. 211. The departments and agencies receiving
19 appropriations in part 1 shall receive and retain copies of all
20 reports funded from appropriations in part 1. The department shall
21 follow all federal guidelines and state laws regarding short-term
22 and long-term retention of records.

23 Sec. 212. (1) Of the funds appropriated in part 1 for military
24 training sites and support facilities, there shall be established a
25 Michigan national guard education assistance program. Disbursements
26 to the educational assistance program shall not exceed
27 \$1,100,000.00 without legislative approval. Under the program, a

1 member of the national guard who is in active service and who
2 enrolls as a full- or part-time student at a public or private
3 state college or university may be eligible to receive up to an
4 equivalent of 50% of the total cost of tuition not to exceed
5 \$2,000.00, as education assistance, in any academic year.

6 (2) As used in this section, an eligible person means a member
7 of the Michigan national guard who is in active service, as defined
8 in section 105 of the Michigan military act, 1967 PA 150, MCL
9 32.505. An eligible person does not include a member of the
10 Michigan national guard or air national guard who is absent without
11 leave or who is under charges as described in the Michigan code of
12 military justice of 1980, 1980 PA 523, MCL 32.1001 to 32.1148.

13 (3) The department of military and veterans affairs, office of
14 the adjutant general shall administer the education assistance
15 program and prescribe forms and procedures to effectively carry out
16 the education assistance program.

17 (4) An eligible person shall apply to the department of
18 military and veterans affairs, office of the adjutant general for
19 education assistance and shall provide evidence of attendance and
20 completion of the course of study with a grade of at least 2.0 on a
21 4.0 scale, or its equivalent. The adjutant general shall approve
22 the application for reimbursement if the applicant meets the
23 definition of an eligible person under subsection (2) and other
24 criteria as established by the adjutant general.

25 (5) The education assistance program applies to any course of
26 instruction that is included in an associate, undergraduate, or
27 postgraduate degree program offered by a college or university of

1 this state.

2 (6) The education assistance program applies to an eligible
3 person notwithstanding any other educational incentive or benefit
4 received by the eligible person under any other educational
5 assistance program provided by any other state.

6 (7) An eligible person who successfully completes the course
7 of study with a grade of at least 2.0 on a 4.0 scale, or its
8 equivalent, shall be eligible for reimbursement.

9 (8) The department of military and veterans affairs may use
10 funds from the appropriated funds to administer the education
11 assistance program.

12 (9) Reimbursed members who do not complete their national
13 guard obligation shall pay the state for money received from the
14 state for tuition. Members who fail to repay the state within the
15 time limits established by the adjutant general shall be indebted
16 to the state. The department shall work in conjunction with the
17 department of treasury for inclusion in the tax intercept program
18 for amounts due the state.

19 (10) A portion of the funds for the Michigan national guard
20 education assistance program may be used by the department for the
21 purpose of promoting the program and for encouraging those persons
22 the department wishes to have enlist or reenlist in the Michigan
23 national guard.

24 Sec. 213. The department shall consult with the house and
25 senate appropriations subcommittees on military and veterans
26 affairs regarding the projected closing or consolidation of any
27 national guard armories.

1 Sec. 214. It is the intent of the legislature that, should the
2 necessary legislation be enacted and funding become available,
3 funds be appropriated for state military cemeteries in Crawford and
4 Dickinson Counties.

5 Sec. 221. From the funds appropriated in part 1 for
6 information technology, departments and agencies shall pay user
7 fees to the department of information technology for technology-
8 related services and projects. These user fees shall be subject to
9 provisions of an interagency agreement between the departments and
10 agencies and the department of information technology.

11 Sec. 223. Amounts appropriated in part 1 for information
12 technology may be designated as work projects and carried forward
13 to support technology projects under the direction of the
14 department of information technology. Funds designated in this
15 manner are not available for expenditure until approved as work
16 projects under section 451a of the management and budget act, 1984
17 PA 431, MCL 18.1451a.

18 Sec. 225. (1) Due to the current budgetary problems in this
19 state, out-of-state travel for the fiscal year ending September 30,
20 2007 shall be limited to situations in which 1 or more of the
21 following conditions apply:

22 (a) The travel is required by legal mandate or court order or
23 for law enforcement purposes.

24 (b) The travel is necessary to protect the health or safety of
25 Michigan citizens or visitors or to assist other states in similar
26 circumstances.

27 (c) The travel is necessary to produce budgetary savings or to

1 increase state revenues, including protecting existing federal
2 funds or securing additional federal funds.

3 (d) The travel is necessary to comply with federal
4 requirements.

5 (e) The travel is necessary to secure specialized training for
6 staff that is not available within this state.

7 (f) The travel is financed entirely by federal or nonstate
8 funds.

9 (2) If out-of-state travel is necessary but does not meet 1 or
10 more of the conditions in subsection (1), the state budget director
11 may grant an exception to allow the travel. Any exceptions granted
12 by the state budget director shall be reported on a monthly basis
13 to the senate and house of representatives standing committees on
14 appropriations.

15 (3) Not later than January 1 of each year, each department
16 shall prepare a travel report listing all travel by classified and
17 unclassified employees outside this state in the immediately
18 preceding fiscal year that was funded in whole or in part with
19 funds appropriated in the department's budget. The report shall be
20 submitted to the chairs and members of the senate and house of
21 representatives standing committees on appropriations, the fiscal
22 agencies, and the state budget director. The report shall include
23 the following information:

24 (a) The name of each person receiving reimbursement for travel
25 outside this state or whose travel costs were paid by this state.

26 (b) The destination of each travel occurrence.

27 (c) The dates of each travel occurrence.

1 (d) A brief statement of the reason for each travel
2 occurrence.

3 (e) The transportation and related costs of each travel
4 occurrence, including the proportion funded with state general
5 fund/general purpose revenues, the proportion funded with state
6 restricted revenues, the proportion funded with federal revenues,
7 and the proportion funded with other revenues.

8 (f) A total of all out-of-state travel funded for the
9 immediately preceding fiscal year.

10 Sec. 226. The department shall not take disciplinary action
11 against an employee for communicating with a member of the
12 legislature or his or her staff.

13 Sec. 227. Sixty days prior to the public announcement of the
14 intention to sell any department property, the department shall
15 submit notification of that intent to the appropriate senate and
16 house appropriations subcommittees and the senate and house fiscal
17 agencies.

18 Sec. 228. By October 15, 2006, the department shall provide to
19 the senate and house appropriations subcommittees on state police
20 and military and veterans affairs and the senate and house fiscal
21 agencies a list of general fund/general purpose budget cuts
22 sufficient to reduce department general fund/general purpose
23 spending by 7.93% in fiscal year 2006-2007 if the K-16 ballot
24 initiative is adopted by the voters of the state.

25 **HEADQUARTERS AND ARMORIES**

26 Sec. 301. The department may charge reasonable rental and

1 equipment usage fees for renting an armory or using the distance
2 learning network. The fee shall include the cost of overtime
3 compensation, insurance coverage, and any maintenance required.

4 Sec. 302. (1) The funds appropriated in this act for private
5 donations to the challenge program shall be considered state
6 restricted revenue, and unexpended funds remaining at the close of
7 the fiscal year shall not lapse to the general fund but shall be
8 carried forward to the subsequent fiscal year.

9 (2) The department shall make every effort to identify
10 alternative sources of revenue to replace the general fund/general
11 purpose funding provided in this act for the challenge program.

12 (3) The department may charge a parent or guardian of a
13 participant in the challenge program a fee for participating in the
14 program if the participant is a member of a family with an income
15 that exceeds 200% of the federal poverty guidelines as published by
16 the United States department of health and human services. The
17 amount charged the parent or guardian shall not exceed the per
18 student state share cost of administering the program. The parent
19 or guardian shall be notified of any charge to be assessed under
20 this subsection prior to enrollment of the child in the program.

21 Sec. 303. From the funds appropriated in part 1 for the
22 challenge program, the department shall operate two classes of at
23 least 150 pupils each. The department shall utilize funding from
24 payments by school districts that receive funding through the
25 School Aid Act, that are appropriated in the School Aid Budget Bill
26 sections 22a, 22b, and 24c.

27 Sec. 304. The department will partner with the department of

1 human services to identify youth who may be eligible for the
2 challenge program from those youth served by department of human
3 services programs. These eligible youth shall be given priority for
4 enrollment in the program.

5 **VETERANS SERVICE ORGANIZATIONS**

6 Sec. 501. (1) Money appropriated in part 1 for grants to
7 veterans service organizations shall be used only for salaries,
8 wages, related personnel costs, training, and equipment for
9 accredited veteran service advocacy officers and necessary support
10 and managerial staff. Training shall be provided for service
11 advocacy officers and shall be conducted by accredited advocacy
12 officers.

13 (2) To receive a grant from the money appropriated in part 1,
14 a veterans service organization shall meet the following
15 eligibility requirements:

16 (a) Be congressionally chartered by the United States
17 congress.

18 (b) Be an active participating member of the Michigan veterans
19 organizations' rehabilitation and veterans service committee and
20 abide by its rules, guidelines, and programs.

21 (c) Demonstrate the receipt of monetary or service support
22 from its own organization.

23 (d) Comply with the department's and the legislature's
24 requirements of accounting audits, service work activity,
25 accounting of recoveries, listing of volunteer hours, budget
26 requests, and other requirements specified in subsection (3).

1 (e) For a veterans service organization founded after
2 September 30, 1989, be in operation and providing service to
3 Michigan veterans for not less than 2 years before receiving an
4 initial state grant. During this 2-year period of time, the
5 organization shall file a listing of service work activity and an
6 accounting of recoveries with the department, the senate and house
7 fiscal agencies, the senate and house of representatives
8 appropriations subcommittees on military affairs, and the state
9 budget office on forms as prescribed by the department.

10 (3) A veterans service organization receiving a grant from the
11 money appropriated in part 1 shall file with the department an
12 accounting of its expenditures, audited and certified by a
13 certified public accountant, within 120 days after the
14 organization's fiscal year end. Each organization shall provide a
15 detailed budget request for the fiscal year ending September 30,
16 2008 to the department by November 15, 2006. Each veterans service
17 organization shall provide 5 copies of a listing of all service
18 activity, an accounting of recoveries, and a listing of volunteer
19 hours for the fiscal year ending September 30, 2006 to the
20 department by January 31, 2007. The listing of volunteer hours
21 shall include the hours, services, and donations provided to
22 residents of the Grand Rapids veterans' home and the D.J. Jacobetti
23 veterans' home. Each veterans service organization shall provide a
24 copy of the most recent and completed internal revenue service form
25 990 to the department at the end of the fiscal year ending
26 September 30, 2006. A veterans service organization receiving a
27 grant from the money appropriated in part 1 shall use the forms

1 recommended by the Michigan veterans organizations rehabilitation
2 and veterans service committee for filing reports required by this
3 article. The department shall forward information required under
4 this section to the senate and house fiscal agencies, the senate
5 and house of representatives appropriations subcommittees on
6 military affairs, and the state budget office.

7 (4) The veterans service directors committee and the
8 department shall take steps to improve the coordination of veterans
9 benefits counseling in the state to maximize the effective and
10 efficient use of taxpayer dollars in this goal and to ensure that
11 every veteran is served.

12 (5) To accomplish the goal of subsection (4), the veterans
13 service directors committee and the department shall take steps to
14 increase their responsibility in the administration, management,
15 oversight, and outreach of the delivery of services to veterans.
16 The veterans service directors committee and the department shall
17 involve county veterans counselors and representatives from the
18 Michigan veterans trust fund to work in concert to identify,
19 implement, and evaluate steps to do all of the following:

20 (a) Increase the veterans service directors committee and the
21 department's role in working directly with the United States
22 department of veterans' affairs to enhance the delivery of services
23 to Michigan veterans.

24 (b) Increase the number of initial claims filed with the
25 United States department of veterans' affairs on behalf of veterans
26 for service-connected disability or pension benefits. The veterans
27 service directors committee and the department may work toward

1 either an absolute increase of approved claims or an increase in
2 the percentage of Michigan veterans with approved claims.

3 (c) Develop methods to increase rates of recovery paid by the
4 United States department of veterans' affairs to Michigan veterans
5 either by an increase in compensation paid per approved claim or
6 increase in compensation paid on a per capita basis.

7 (d) Expand training opportunities for veterans service
8 organization service officers.

9 (e) Increase either the number or percentage of Michigan
10 veterans enrolled in the VA healthcare system.

11 (f) Publicize the availability, benefit, and value of burial
12 in the Fort Custer and Great Lakes national cemeteries.

13 (g) Review each grant recipient's performance under the
14 program and require that performance be a major consideration in
15 the future funding of each grant recipient.

16 (h) Identify areas of redundancy which may exist among
17 services provided by veterans service organizations grantees,
18 Michigan veterans trust fund county committees, and county veterans
19 counselors and provide a proposal on how any redundancies may be
20 minimized and identify specific cost savings which could result.

21 (6) The veterans service directors committee and the
22 department shall create a report of the efforts to complete the
23 goals outlined in this section and shall provide suggestions on how
24 a more effective and efficient veterans' benefits counseling
25 program may best be designed for implementation for fiscal year
26 2007-2008. This report shall be delivered to the house and senate
27 appropriations subcommittees no later than March 1, 2007.

1 **VETERANS' HOMES**

2 Sec. 601. Appropriations in this act for the Grand Rapids
3 veterans' home and the D.J. Jacobetti veterans' home shall not be
4 used for any purpose other than for veterans and veterans'
5 families.

6 Sec. 602. The Grand Rapids veterans' home and the D.J.
7 Jacobetti veterans' home, together with the department and the
8 department of management and budget, shall produce and deliver to
9 the senate and house of representatives appropriations
10 subcommittees on state police and military affairs an annual
11 written report. The report shall include an accounting of member
12 populations and bed space available; a description and accounting
13 of services and activities provided to members; financial
14 information; current state nursing home licensure status; the steps
15 required for Medicaid certification, including a listing of any
16 personnel, equipment, supplies, or budgetary increases required;
17 and whether or not steps are being taken toward Medicaid
18 certification. The annual report shall be submitted to the senate
19 and house of representatives appropriations subcommittees on
20 military affairs no later than February 1, 2007.

21 Sec. 603. The money appropriated in this act for the boards of
22 managers may be expended for facility improvements, the purchase
23 and repair of equipment and furnishings, member services, and other
24 purposes that benefit the Grand Rapids veterans' home and the D.J.
25 Jacobetti veterans' home.

1 **VETERANS' TRUST FUND**

2 Sec. 703. By April 1, 2007, the department shall submit to the
3 senate and house of representatives appropriations subcommittees on
4 military affairs and the state budget office a detailed annual
5 report of the Michigan veterans' trust fund for fiscal year 2005-
6 2006. The report shall include information on grants provided from
7 the emergency grant program, including details concerning the
8 methodology of allocations, the selection of emergency grant
9 program authorized agents, and a detailed breakdown of trust fund
10 expenditures for that year. The report shall also provide an update
11 on the department's efforts to reduce program administrative costs
12 and restore the Michigan veterans trust fund corpus to its original
13 amount of \$50,000,000.00.

14 Sec. 704. The Michigan veterans affairs directorate
15 administration and the Michigan veterans' trust fund administration
16 shall take steps to assist the county veterans counselors of the
17 state to obtain training necessary for the execution of their
18 duties.