SUBSTITUTE FOR

SENATE BILL NO. 128

A bill to make and supplement appropriations for the department of military and veterans affairs for the fiscal years ending September 30, 2015 and September 30, 2016; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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, 2016, from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 9.0

Full-time equated classified positions..... 888.5

GROSS APPROPRIATION..... $ 166,953,700

Total interdepartmental grants and intradepartmental transfers 99,300

Schedule of interdepartmental grant and intradepartmental transfer revenue sources:

IDG, state police 99,300

ADJUSTED GROSS APPROPRIATION..... $ 166,854,400

Total federal revenues..... 90,208,600

Schedule of federal revenue sources:

DOD-DOA-NGB 59,931,200

USDVA-VHA 27,136,600

Federal counter narcotics revenues..... 100,000

HHS-HCFA, title XIX, Medicaid..... 88,100

HHS-HCFA, Medicare, hospital insurance..... 2,952,700

Total local revenues..... 1,497,400

Schedule of local revenue sources:

Local - school aid fund 1,497,400

Total private revenues..... 739,600

Schedule of private revenue sources:

Private - veterans' homes post and posthumous funds 540,000

Private donations 199,600

Total other state restricted revenues..... 23,221,500

Schedule of restricted revenue sources:

Billeting fund 1,500,000

Lease revenue 12,200

1 Income and assessments 13,992,800
2 Mackinac Bridge authority 70,000
3 Military family relief fund 1,000,000
4 Michigan National Guard armory construction
5 fund 1,000,000
6 Michigan veterans' trust fund..... 5,200,100
7 Rental fees 346,400
8 Test project fees 100,000
9 State general fund/general purpose ..... $ 51,187,300
10 State general fund/general purpose schedule:
11 Ongoing state general fund/general
12 purpose 48,187,300
13 One-time state general fund/general
14 purpose 3,000,000
15 **Sec. 102. MILITARY**
16 Full-time equated unclassified positions..... 9.0
17 Full-time equated classified positions..... 324.0
18 Unclassified positions ..... $ 1,390,700
19 Departmental and National Guard operations 63,639,400
20 Schedule of programs:
21 Support services..... 1,791,300
22 Armories and joint force readiness..... 15,879,100
23 National Guard training facilities
24 and air bases 33,399,400
25 Michigan youth challeNGe academy..... 4,541,300
26 Military family relief fund..... 600,000
27 Starbase grant..... 2,322,000

National Guard tuition assistance program ... 3,741,600
Information technology services and
projects 1,364,700
GROSS APPROPRIATION ..... $ 65,030,100
Appropriated from:
Interdepartmental grant revenues 99,300
Federal revenues 45,444,400
Local revenues 1,497,400
Private revenues 199,600
State restricted revenues 3,023,000
State general fund/general purpose ..... $ 14,766,400

Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY

Full-time equated classified positions 564.5
Michigan veterans affairs agency ..... $ 16,098,000
Schedule of programs:
Michigan veterans affairs agency
administration 6,964,400
Veterans service grants 3,733,500
Targeted grants 200,000
Veterans' trust fund administration 1,453,600
Veterans' trust fund grants 3,746,500
Veterans' homes ..... $ 66,325,600
Schedule of programs:
Grand Rapids home for veterans 45,854,000
Board of managers (Grand Rapids home) 665,000
D.J. Jacobetti home for veterans 19,531,600
Board of managers (Jacobetti home) 275,000

GROSS APPROPRIATION	$	82,423,600
Appropriated from:		
Federal revenues		29,764,200
Private revenues		540,000
State restricted revenues		19,198,500
State general fund/general purpose	$	32,920,900

Sec. 104. CAPITAL OUTLAY

Capital outlay	$	16,500,000
Schedule of programs:		
Special maintenance – National Guard 15,000,000		
Special maintenance – veterans' homes 500,000		
Land and acquisitions 1,000,000		
GROSS APPROPRIATION	$	16,500,000
Appropriated from:		
Federal revenues		15,000,000
State restricted revenues		1,000,000
State general fund/general purpose	$	500,000

Sec. 105. ONE-TIME APPROPRIATIONS

Special maintenance – National Guard		3,000,000
GROSS APPROPRIATION	$	3,000,000
Appropriated from:		
State general fund/general purpose	$	3,000,000

PART 1B

SUPPLEMENTAL LINE-ITEM APPROPRIATIONS

Sec. 151. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2015,

1 from the following funds:

2 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

3 APPROPRIATION SUMMARY

4 Full-time equated unclassified positions..... 0.0

5 Full-time equated classified positions..... 0.0

6 GROSS APPROPRIATION..... $ 4,995,700

7 Total interdepartmental grants and intradepartmental

8 transfers 0

9 ADJUSTED GROSS APPROPRIATION..... $ 4,995,700

10 Total federal revenues..... 3,995,700

11 Total local revenues..... 0

12 Total private revenues..... 1,000,000

13 Total other state restricted revenues..... 0

14 State general fund/general purpose..... $ 0

15 **Sec. 152. MILITARY**

16 Full-time equated unclassified positions..... 0.0

17 Full-time equated classified positions..... 0.0

18 Unclassified positions..... $ 0

19 Departmental and National Guard operations..... 4,995,700

20 Schedule of programs:

21 Michigan youth challeNGe academy..... 4,995,700

22 GROSS APPROPRIATION..... $ 4,995,700

23 Appropriated from:

24 Federal revenues..... 3,995,700

25 Private revenues..... 1,000,000

26 State general fund/general purpose..... $ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2015-2016

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 2015-2016 is $74,408,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2015-2016 is $102,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

National Guard operations		$ 52,400
Schedule of programs:		
Payments in lieu of taxes	52,400	
Michigan veterans affairs agency		$ 50,000
Schedule of programs:		
County counselor education and training expenses	50,000	
TOTAL		$ 102,400

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

(b) "Department" means the department of military and veterans

1 affairs.
2 (c) "DOD" means the United States Department of Defense.
3 (d) "DOD-DOA-NGB" means the DOD Department of the Army,
4 National Guard Bureau.
5 (e) "FTE" means full-time equated.
6 (f) "HCFA" means the Health Care Financing Administration, now
7 renamed the Centers for Medicare and Medicaid Services.
8 (g) "HHS" means the United States Department of Health and
9 Human Services.
10 (h) "HVAC" means heating, ventilation, and air conditioning.
11 (i) "IDG" means interdepartmental grant.
12 (j) "MVAA" means the Michigan veterans affairs agency.
13 (k) "Subcommittees" means all members of the subcommittees of
14 the senate and house appropriations committees with jurisdiction
15 over the budget of the department.
16 (*l*) "USDVA" means the United States Department of Veterans
17 Affairs.
18 (m) "USDVA-VHA" means the USDVA Veterans Health
19 Administration.
20 (n) "VSO" means veterans service organization.
21 (o) "Work project" means that term as defined in section 404
22 of the management and budget act, 1984 PA 431, MCL 18.1404, and
23 that meets the criteria in section 451a(1) of the management and
24 budget act, 1984 PA 431, MCL 18.1451a.
25 Sec. 206. (1) In addition to the funds appropriated in part 1,
26 there is appropriated an amount not to exceed $10,000,000.00 for
27 federal contingency funds. These funds are not available for

expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $2,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website that is accessible by the public at no cost that includes, but is not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 208. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in this part and part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 210. The department shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director of the department shall strongly encourage firms with which the department contracts to subcontract with certified

1 businesses in depressed and deprived communities for services,
2 supplies, or both.
3 Sec. 215. The department shall not take disciplinary action
4 against an employee for communicating with a member of the
5 legislature or his or her staff.
6 Sec. 216. (1) Notwithstanding any other provision of this
7 part, the schedule of programs in part 1 lists programs which may,
8 but are not required to be, funded under part 1.
9 (2) Notwithstanding any other provisions of this part, the
10 schedule of revenue sources in part 1 may or may not be received
11 from the funding entities listed.
12 (3) Any funding required by statute is not subject to funding
13 flexibility and shall be funded in accordance with that statute.
14 Sec. 218. The departments and agencies receiving
15 appropriations in this part and part 1 shall prepare a report on
16 out-of-state travel expenses not later than January 1 of each year.
17 The travel report shall be a listing of all travel by classified
18 and unclassified employees outside this state in the immediately
19 preceding fiscal year that was funded in whole or in part with
20 funds appropriated in the department's budget. The report shall be
21 submitted to the senate and house appropriations committees, the
22 house and senate fiscal agencies, and the state budget director.
23 The report shall include the following information:
24 (a) The dates of each travel occurrence.
25 (b) The total transportation and related costs of each travel
26 occurrence, including the proportion funded with state general
27 fund/general purpose revenues, the proportion funded with state

restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 219. The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office, which shall provide the following data:

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

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the status of performance metrics cited in this part and information required to be reported in this part.

(d) The number of active employees at the close of the fiscal quarter by job classification and program.

(e) A summary of fund shifts, that have been approved by the state budget office, that have occurred between items listed in the schedule of programs mentioned in part 1.

(f) Evidence of efficiencies and management of funds within established appropriations.

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

(a) Armories and joint force readiness.

(b) National Guard training facilities and air bases.

(c) Michigan youth challeNGe academy.

(d) Military family relief fund.

(e) Starbase grant.

(f) National Guard tuition assistance program.

(g) Michigan veterans affairs agency administration.

(h) Veterans service grants.

(i) Veterans' trust fund administration.

(j) Veterans' trust fund grants.

(k) Grand Rapids home for veterans.

(*l*) Board of managers (Grand Rapids).

(m) D.J. Jacobetti home for veterans.

(n) Board of managers (Jacobetti).

Sec. 225. Funds appropriated in this part and part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 228. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriations lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriations lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house standing committees on appropriations, the subcommittees, and the senate and house fiscal

agencies.

Sec. 229. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the subcommittees, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2015 and September 30, 2016.

Sec. 230. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 231. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2016 are $19,866,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $11,276,300.00, and total agency appropriations for retiree health care legacy costs are estimated at $8,590,600.00.

Sec. 232. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 233. Sixty days prior to the public announcement of the intention to sell any department real property, the department shall submit notification of that intent to the subcommittees and the senate and house fiscal agencies.

Sec. 234. The one-time appropriations in part 1 for special maintenance shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 240. In addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1, the department shall provide not later than November 1, 2015 a list of program-specific metrics intended to measure its performance based on a return on taxpayer investment. The department shall deliver the program-specific metrics to members of the senate and house subcommittees that have subject matter jurisdiction for this budget, fiscal agencies, and the state budget director. The department shall provide an update on its progress in tracking program-specific metrics and the status of program success at an appropriations subcommittee meeting called for by the subcommittee chair.

MILITARY

UNCLASSIFIED POSITIONS

Sec. 300. (1) From the funds appropriated in part 1, there is funding to support unclassified employee positions as authorized by section 5 of article XI of the state constitution of 1963. These positions include the following: department director - the adjutant general for Michigan; assistant adjutant general - army; assistant adjutant general - installations; assistant adjutant general - air; senior policy executive - Michigan veterans affairs agency; senior

deputy director – state operations; director - strategy and policy; director - public safety group; and director - Michigan veterans affairs agency.

(2) Not less than 30 days prior to the department submitting a request for an additional unclassified employee position from the civil service commission, or for any substantive change to the duties of an existing unclassified employee position, the department shall notify the subcommittees and the senate and house fiscal agencies.

ARMORIES AND JOINT FORCE READINESS

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

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

(3) The department shall evaluate armories and submit a quarterly report on the status of the armories.

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

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

(6) By December 1, the department shall report the following information to the subcommittees, the senate and house fiscal

agencies, and the state budget office:

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

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

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

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

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

NATIONAL GUARD TRAINING FACILITIES AND AIR BASES

Sec. 304. (1) The department shall provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

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

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

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

(5) The department shall provide the following information as provided under section 219:

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

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

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

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

Sec. 305. There is hereby created and established under the jurisdiction and control of the department a revolving account to be known as the billeting fund account. All of the fees and other revenues generated from the operation of the chargeable transient quarters program shall be deposited in the billeting fund account. Appropriations will be made from the account for the support of program operations and the maintenance and operations of the chargeable transient quarters program and will not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report of operations and expenditures

regarding the billeting fund account to the appropriations committees of the senate and house of representatives, the house and senate fiscal agencies, and the state budget office at the end of the fiscal year.

MICHIGAN YOUTH CHALLENGE ACADEMY

Sec. 307. (1) The department shall maintain the Michigan youth challeNGe academy to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

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

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

(4) The department shall maintain the staffing and resources necessary to train at least 144 cadets simultaneously at the Michigan youth challeNGe academy.

(5) The department shall ensure that the average grade level increase for Michigan youth challeNGe academy graduates is 2 years as measured with the test adult basic education (TABE) metrics.

MILITARY FAMILY RELIEF FUND

Sec. 308. (1) The department shall provide grants for disbursement from the military family relief fund, as provided under the military family relief fund act, 2004 PA 363, MCL 35.1211

to 35.1216, and R 200.5 to R 200.95 of the Michigan administrative code.

(2) The department shall provide information on the revenues, expenditures for advertising and assistance grants, and fund balance of the Michigan military family relief fund, as provided under section 219.

(3) The department shall provide sufficient staffing and other resources to provide outreach to the Michigan families of members of the reserve component of the armed forces called into active duty and to support the processing and approval of at least 60 grant applications this fiscal year under the Michigan military relief fund and report those applications as provided in section 219.

STARBASE GRANT

Sec. 309. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fourth and fifth grades, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

NATIONAL GUARD TUITION ASSISTANCE PROGRAM

Sec. 310. (1) The department shall establish and maintain a National Guard tuition assistance program for members of the Michigan Air and Army National Guard.

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

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

(3) The department shall make efforts to increase the number of Michigan Air and Army National Guard members participating in the program to 1,000 during the third year of the program's existence. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Air and Army National Guard strength obtained and retained is competitive in comparison with the neighboring air and army national guards from the states of Illinois, Indiana, Ohio, and Wisconsin.

INFORMATION TECHNOLOGY SERVICES AND PROJECTS

Sec. 311. The funds appropriated in part 1 for information technology services and projects shall be used as a pass through via an IDG to the department of technology, management, and budget for technology services, including maintenance and repair services, and technology projects, to maximize the operational efficiency and effectiveness of the department.

MICHIGAN VETERANS AFFAIRS AGENCY

MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION

Sec. 400. (1) The MVAA agency shall provide outreach services to Michigan veterans that advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92. The MVAA shall also do the following:

(a) Maintain the staffing partnerships and other resources necessary to develop and operate an outreach program that will communicate benefit eligibility information to at least 50% of Michigan's population of veterans, as assessed by annual census estimates, with a goal of reaching 100% and enabling 100% to access benefit information online.

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

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

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

(e) Provide a report, as provided under section 219, on the MVAA's performance on the performance measures, outcomes, and initiatives developed by the agency in the strategic plan required by section 501 of 2013 PA 9.

(f) Provide a report to the subcommittees, senate and house fiscal agencies, and the state budget office no later than April 1 providing for the following:

(*i*) To the extent known, data on the estimated number of homeless veterans, by county, in this state.

(*ii*) A summary of the activities and strategies developed to date under the MVAA community assessment and regional service delivery model pilot.

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

(a) Regional coordinators shall be selected by the MVAA through a grant agreement with VSOs or by other means.

(b) Regional coordinators shall provide the following services:

(*i*) Coordinate veteran benefit counselors' efforts throughout a specified region.

(*ii*) Coordinate services with the department of health and human services and the department of corrections.

(*iii*) Coordinate with regional workforce and economic development agencies.

(*iv*) Coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.

(c) The MVAA may work with MVAA service officers, regional coordinators, county veteran counselors, VSO service officers, and other service providers to incorporate the provision of information relating to mental health care resources into their daily operations to aid veterans in understanding the mental health care

support services they may be eligible to receive.

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

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

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

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

(a) Report the following information as provided in section 219:

(*i*) The number of benefit claims, by type, submitted to the USDVA by MVAA and coalition partner veteran service officers.

(*ii*) The number of fully developed claims, submitted to the USDVA, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

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

(4) The MVAA shall maintain staffing and resources necessary to develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to our veterans. The MVAA shall report information as provided in section 219 on the number and percentage of county veterans counselors requesting training by the MVAA, with an overall goal of 100% of county veterans counselors trained.

(5) From the funds appropriated in part 1 for MVAA operations, the MVAA shall provide grant assistance to enhance the capacity and capabilities of counties in providing benefit claims assistance. These funds shall be used to continue the implementation of an Internet-based data system, to increase the number of county veterans counselors, and to increase the number of counties that provide service to veterans through county veterans counselors. The MVAA shall provide a report, as provided in section 219, on the expenditures and activities of the grant funds directed by this subsection.

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

VETERANS SERVICE ORGANIZATION GRANTS

Sec. 406. (1) The MVAA shall disburse VSO grants to assist them to achieve agency goals and performance objectives in partnership with the VSOs. Grants to VSOs will be disbursed to fund

1 programs and projects which are determined by the agency to meet
2 agency performance objectives and ensure that VSOs communicate the
3 availability of emergency grants through the Michigan veterans'
4 trust fund. In disbursing veterans service organization grants, the
5 MVAA shall do the following:
6 (a) Ensure that each VSO that receives grants is issued
7 performance standards.
8 (b) Ensure that each VSO that receives grant funds uses those
9 funds for veterans advocacy and outreach.
10 (c) Monitor the performance of each VSO that receives grants.
11 (2) Veterans service organization grants awarded by the MVAA
12 shall provide for the following, as developed by the MVAA:
13 (a) The provision of service to veterans statewide, using a
14 regional service delivery model, with services provided at
15 specified locations and times, including service provided in state
16 correctional facilities.
17 (b) The payment of a fixed hourly service rate.
18 (c) A specified number of service hours within each geographic
19 region of this state, with a statewide goal of at least 116,500
20 hours, including service hours provided to eligible incarcerated
21 veterans within 1 year of their earliest release date.
22 (d) Use of an MVAA-designated Internet-based claims data
23 system.
24 (3) The MVAA shall report the following information as
25 provided in section 219:
26 (a) A summary of activities supported through the
27 appropriation in part 1 for veterans service organization grants,

1 including separately for each service region, the amount of
2 expenditures to date, number of service hours, number of claims for
3 benefits submitted by type of claim, and other information deemed
4 appropriate by the MVAA.
5 (b) The number of fully developed claims, by type, submitted
6 to the USDVA by veterans service organizations, with an overall
7 goal of 40% of benefit claims submitted that are considered fully
8 developed by the USDVA.
9 **VETERANS' TRUST FUND ADMINISTRATION**
10 Sec. 407. (1) The Michigan veterans' trust fund board together
11 with the MVAA shall provide emergency grants for disbursement from
12 the Michigan veterans' trust fund, as provided under the following
13 program authorities:
14 (a) Sections 37, 38, and 39 of article IX of the state
15 constitution of 1963.
16 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.
17 (c) R 35.1 to R 35.7 of the Michigan administrative code.
18 (d) R 35.621 to R 35.623 of the Michigan administrative code.
19 (2) No later than December 1, the MVAA shall provide a
20 detailed report of the Michigan veterans' trust fund that includes,
21 for the prior fiscal year, information on grants provided from the
22 emergency grant program, including details concerning the
23 methodology of allocations, the selection of emergency grant
24 program authorized agents, a description of how the emergency grant
25 program is administered in each county, and a detailed breakdown of
26 trust fund expenditures for that year, including the amount
27 distributed to each county for administrative costs and emergency

grants. The report shall also include the number of approved applications, by category of assistance, and the number of denied applications, by reason of denial. The report shall also provide an update on the department's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus to its original amount of at least $50,000,000.00.

(3) It is the intent of the legislature that from the funds appropriated in part 1 to the Michigan veterans agency administration, Michigan veterans' trust fund administration, up to $550,000.00 shall be expended on administration costs; up to $400,000.00 shall be expended on establishing a system to apply for grants through an Internet website, including posting all relevant information and documentation needed for submitting a formal application electronically; and up to $450,000.00 shall be expended on implementation of a regional office model. Any funds not expended or encumbered at the end of the current fiscal year shall be deposited into the Michigan veterans' trust fund corpus.

VETERANS' TRUST FUND GRANTS

Sec. 408. (1) The MVAA shall provide a report, as provided under section 219, on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state administrative expenses, and county administrative expenses.

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

GRAND RAPIDS HOME FOR VETERANS

Sec. 501. (1) The MVAA and the board of managers shall provide compassionate and quality nursing and domiciliary care services at the Grand Rapids home for veterans so that members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) The department shall provide resources necessary to provide nursing care services to veterans in accordance with federal standards, including the following:

(a) A licensed minimum number of 403 residents in skilled nursing beds at the Grand Rapids home for veterans.

(b) A licensed minimum number of 72 residents in domiciliary beds at the Grand Rapids home for veterans.

(3) Appropriations in part 1 for the Grand Rapids home for veterans shall not be used for any purpose other than for veterans and veterans' families.

(4) Any contractor providing competency evaluated nursing assistants (CENA) to the Grand Rapids home for veterans shall ensure that each CENA has at least 8 hours of training on information provided by the home.

(5) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA has at least 1 eight-hour shift of shadowing at the veterans' home.

(6) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA is competent in the basic skills needed to perform his or

her assigned duties at the home.

(7) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA has at least 1 year of experience in long-term care.

(8) The Grand Rapids home for veterans shall provide each CENA at least 12 hours of in-service training once that individual has been assigned to the home.

(9) All complaints of abusive or neglectful care at the Grand Rapids home for veterans by a resident member, a resident member's family or legal guardian, or staff of the veterans' home, received by a supervisor shall be referred to the director of nursing upon receipt of such complaint. The director of nursing shall report on not less than a monthly basis, except that the board of managers may specify a more frequent reporting period, to the home administrator, board of managers, agency, subcommittees, the senate and house fiscal agencies, and the state budget office the following information:

(a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at the Grand Rapids home for veterans.

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

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

(10) The Grand Rapids home for veterans shall provide an on-site, board-certified psychiatrist for all resident members with mental health disorders in order to ensure that those resident

members receive needed services in a professional and timely manner. The Grand Rapids home for veterans shall provide all members and staff a safe and secure environment.

(11) The Grand Rapids home for veterans shall ensure that it effectively develops, executes, and monitors all comprehensive care plans in accordance with federal regulations and its internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.

(12) The Grand Rapids home for veterans shall implement controls over its food, maintenance supplies, and medical supplies inventories.

(13) The Grand Rapids home for veterans shall implement controls over its pharmaceutical inventory.

(14) The Grand Rapids home for veterans shall establish sufficient controls for calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle. The Grand Rapids home for veterans shall establish sufficient controls to ensure that all past due resident member maintenance assessments are addressed within 30 days.

(15) The Grand Rapids home for veterans shall establish sufficient controls over monetary donations and donated goods.

(16) The Grand Rapids home for veterans shall implement sufficient controls over the handling of resident member funds to ensure the release of funds within 3 business days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting

of that resident member's funds within 10 business days of the death of that resident member.

(17) The MVAA shall post on its website all policies adopted by the board of managers and the home related to the administrative operations of the home.

(18) The process by which visitors, residents, and employees of the Grand Rapids home for veterans may register complaints shall be displayed in high-traffic areas throughout the home.

(19) The MVAA shall report its findings regarding the Grand Rapids home for veterans' compliance with the requirements and standards under this section as provided in section 219. The quarterly reports shall include, but are not limited to, the following information:

(a) The number of patient care hours and staffing levels measured against USDVA-VHA standards.

(b) The number and dollar value of lost and discarded prescriptions and the number of early prescription refills.

(c) An accounting of resident member populations at the Grand Rapids home for veterans by period of service, by gender, by care setting, and by bed space available.

(d) The financial status of the Grand Rapids home for veterans, including an accounting of post and posthumous funds, donations, and state-appropriated funds.

(e) Information regarding assessments, reassessments, and admissions at the Grand Rapids home for veterans.

(f) The number of volunteer hours at the Grand Rapids home for veterans.

(20) The Grand Rapids home for veterans shall provide to the subcommittees, the senate and house fiscal agencies, and the state budget office the results of any annual or for-cause survey conducted by the USDVA-VHA and any corresponding corrective action plan. This information shall also be made available publicly through the department's or MVAA's website.

BOARD OF MANAGERS (GRAND RAPIDS)

Sec. 502. The board of managers shall exercise certain regulatory and governance authority regarding admission and member affairs at the Grand Rapids home for veterans. The board of managers shall also work to represent the interest of the veterans' community in both advisory and advocacy roles.

D.J. JACOBETTI HOME FOR VETERANS

Sec. 503. (1) The MVAA and the board of managers shall provide compassionate and quality nursing and domiciliary care services at the D.J. Jacobetti home for veterans so that members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) The department shall provide resources necessary to provide adequate nursing care services to veterans in accordance with federal standards, including the following:

(a) A licensed minimum number of 158 residents in skilled nursing beds at the D.J. Jacobetti home for veterans.

(b) A licensed minimum number of 11 residents in domiciliary beds at the D.J. Jacobetti home for veterans.

(3) Appropriations in part 1 for the D.J. Jacobetti home for veterans shall not be used for any purpose other than for veterans

and veterans' families.

(4) Any contractor providing competency evaluated nursing assistants (CENA) to the D.J. Jacobetti home for veterans shall ensure that each CENA has at least 8 hours of training on information provided by the home.

(5) Any contractor providing competency evaluated nursing assistants to the D.J. Jacobetti home for veterans shall ensure that each CENA has at least 1 eight-hour shift of shadowing at the home.

(6) Any contractor providing competency evaluated nursing assistants to the D.J. Jacobetti home for veterans shall ensure that each CENA is competent in the basic skills needed to perform his or her assigned duties at the home.

(7) Any contractor providing competency evaluated nursing assistants to the D.J. Jacobetti home for veterans shall ensure that each CENA has at least 1 year of experience in long-term care.

(8) The D.J. Jacobetti home for veterans shall provide each CENA at least 12 hours of in-service training once that individual has been assigned to the home.

(9) All complaints of abusive or neglectful care at the D.J. Jacobetti home for veterans by a resident member, a resident member's family or legal guardian, or staff of the home, received by a supervisor shall be referred to the director of nursing upon receipt of such complaint. The director of nursing shall report on not less than a monthly basis, except that the board of managers may specify a more frequent reporting period, to the home administrator, board of managers, agency, subcommittees, the senate

1 and house fiscal agencies, and the state budget office the
2 following information:
3 (a) A description of the process by which resident members and
4 others may file complaints of alleged abuse or neglect at the D.J.
5 Jacobetti home for veterans.
6 (b) Summary statistics on the number and the general nature of
7 complaints of abuse or neglect.
8 (c) Summary statistics on the final disposition of complaints
9 of abuse or neglect received.
10 (10) The MVAA shall post on its website all policies adopted
11 by the board of managers and the home related to the operations of
12 the home.
13 (11) The process by which visitors, residents, and employees
14 of the D.J. Jacobetti home for veterans may register complaints
15 shall be displayed in high-traffic areas throughout the home.
16 (12) The MVAA shall report the following, as provided under
17 section 219:
18 (a) An accounting of resident member populations at the D.J.
19 Jacobetti home for veterans by period of service, by gender, by
20 care setting, and by bed space available.
21 (b) The financial status of the D.J. Jacobetti home for
22 veterans, including an accounting of post and posthumous funds,
23 donations, and state-appropriated funds.
24 (c) Information regarding assessments, reassessments, and
25 admissions at the D.J. Jacobetti home for veterans.
26 (d) The number of volunteer hours at the D.J. Jacobetti home
27 for veterans.

(13) The D.J. Jacobetti home for veterans shall provide to the subcommittees and the senate and house fiscal agencies the results of any annual or for-cause survey conducted by the USDVA-VHA and any corresponding corrective action plan. This information shall also be made available publicly through the department's or MVAA's website.

BOARD OF MANAGERS (JACOBETTI)

Sec. 504. The board of managers shall exercise certain regulatory and governance authority regarding admission and member affairs at the D.J. Jacobetti home for veterans. The board of managers shall also work to represent the interest of the veterans' community in both advisory and advocacy roles.

CAPITAL OUTLAY

SPECIAL MAINTENANCE - NATIONAL GUARD

Sec. 601. (1) The appropriations in part 1 for special maintenance - National Guard shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance - National Guard shall be expended in accordance with the requirements of sections 302 and 304 and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

(3) The department shall provide a quarterly report as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriations years.

SPECIAL MAINTENANCE - VETERANS' HOMES

Sec. 603. (1) The appropriations in part 1 for special maintenance - veterans' homes shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance - veterans' homes shall be expended in accordance with the requirements of sections 501 and 503 and shall be expended according to the maintenance priorities of the department to repair and modernize the state's veterans' homes, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects designed to enhance the quality of life and medical care of members.

(3) The MVAA shall provide a quarterly report as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the Grand Rapids home for veterans and D.J. Jacobetti home for veterans funded from capital outlay appropriations made in part 1 and in prior appropriations years.

LAND AND ACQUISITIONS

Sec. 604. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions as provided under section 219.

ONE-TIME APPROPRIATIONS

SPECIAL MAINTENANCE - NATIONAL GUARD

Sec. 701. (1) The one-time appropriations in part 1 for special maintenance - National Guard shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The one-time appropriations for special maintenance - National Guard shall be expended in accordance with the requirements of sections 302 and 304 and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

(3) The department shall provide a quarterly report as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from one-time appropriations made in part 1.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2017 for the line items listed in part 1. The fiscal year 2016-2017 appropriations are anticipated to be the same as those for fiscal year 2015-2016, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2016 consensus revenue estimating conference.

Sec. 1202. The veterans affairs agency shall provide the percentage of Michigan veterans contacted, with a goal of 100%, and report upon those outreach findings to the subcommittees at quarterly legislative hearings.

Sec. 1203. The veterans affairs agency shall maintain a minimum 50% fully developed claims as determined by the USDVA.

PART 2B

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 2201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1B for fiscal year 2014-2015 is $0.00 and state spending

from state resources to be paid to local units of government for fiscal year 2014-2015 is $0.00.

Sec. 2202. The appropriations authorized under this part and part 1B are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 2203. The unexpended funds appropriated in part 1 for the Michigan Youth ChalleNGe Academy/Job ChalleNGe Program are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project to be carried forward is to implement the Michigan Youth ChalleNGe Academy/Job ChalleNGe Program and prepare participants to obtain employment in the manufacturing and industrial trades.

(b) The project will be accomplished by the department.

(c) The total estimated project completion cost is $4,995,700.00.

(d) The estimated completion date is September 30, 2018.