CHAPTER 36. MICHIGAN VETERANS' FACILITY

MICHIGAN VETERANS' FACILITY

Act 152 of 1885

AN ACT to authorize the establishment of facilities for former members of the armed forces of the United States in the state of Michigan; to create funds; and to provide for the promulgation of rules.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

The People of the State of Michigan enact:

36.1 State Veterans' Facility of Michigan; establishment.

Sec. 1. That there shall be established in this state an institution under the name and style of the “State Veterans' Facility of Michigan,” and whenever reference is made in the laws of this state to the “Michigan Soldiers' Home,” reference shall be deemed to be made to the “Michigan Veterans' Facility.”


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the State Veterans' Facilities of Michigan and Board of Managers created under Act 152 of Public Acts of 1885, as amended being Sections 36.1 to 36.12 of the Michigan Compiled Laws and certain other associated functions, from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1992-1, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

Transfer of powers: See MCL 16.528.


Compiler's note: The repealed section pertained to appointment, qualifications, and terms of members of board of managers.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

36.2a Michigan veterans' facility; general supervision and government by board of managers; membership; qualifications; appointment; terms; oath of office; removal; compensation; vacancy; definitions.

Sec. 2a. (1) The general supervision and government of the Michigan veterans' facility is vested in a board of managers consisting of 7 members. Each member shall have demonstrated knowledge, skills, and experience in public health, business, or finance. Members shall be appointed as follows:

(a) One representative of the American Legion.

(b) One representative of the Veterans of Foreign Wars of the United States.

(c) One representative of the Disabled American Veterans.

(d) One representative of any other congressionally chartered veterans' organization other than those organizations identified in subdivision (a), (b), or (c).

(e) Three members who are veterans, who may or may not be a member of 1 or more congressionally chartered veterans' organizations, but shall not represent any congressionally chartered veterans' organization of which they are a member.

(2) The members shall be appointed by the governor by and with the advice and consent of the senate. Each member shall hold office for the term of 3 years from the time of his or her appointment and shall continue to hold office at the pleasure of the governor. The members enumerated in subsection (1)(a), (b), (c), and (d) shall be appointed by the governor from a list of at least 3 individuals recommended by each respective organization.
(3) Each member of the board shall qualify by taking and filing the constitutional oath of office.

(4) The governor may remove any member of the board for misfeasance, malfeasance, or nonfeasance in office, after a hearing. Missing 3 or more consecutive meetings constitutes malfeasance and is grounds for removal.

(5) Members of the board shall serve without compensation, but shall be entitled to actual and necessary expenses incurred in attending scheduled meetings of the board of managers in accordance with the accounting laws of this state.

(6) If a vacancy occurs during the term of office of a member of the board of managers, the member’s successor shall be selected from the same organization and in the same manner as the original appointment for the balance of the unexpired term.

(7) As used in this act:

(a) "Board" means the board of managers of the Michigan veterans' facility created in this section.

(b) "Michigan veterans' facility" means a long-term care facility and ancillary facilities for veterans and their dependents. Michigan veterans' facility does not include a veterans' facility as that term is defined in section 2 of the Michigan veterans' facility authority act.

(c) "Veteran" means an individual who meets both of the following criteria:

(i) Is a veteran as defined in section 1 of 1965 PA 190, MCL 35.61.

(ii) Was honorably discharged.


Compiler's note: For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

36.6 Board of managers; expenses; reimbursement.

Sec. 6. Each member of the board is entitled to reimbursement of expenses from the appropriations to the facility in accordance with the accounting laws of this state.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

36.7 Board of managers; meetings; election and terms of officers; appointment of administrator; conducting business at public meeting; notice.

Sec. 7. (1) The board of managers shall meet annually at a facility and shall elect a chairperson, a chairperson pro tempore, a secretary, a treasurer, and a clerk, who shall hold office for 1 year and until a successor is elected and qualified. However, instead of electing a treasurer and a clerk, the board of managers may appoint the administrator of the facilities to perform the duties of the treasurer and the clerk and other duties prescribed by the board.

(2) The business that the board of managers may perform shall be conducted at a public meeting of the board held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and place of the meeting shall be given in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

36.8 Board of managers; meetings; preparation, review, and revision of system of government.

Sec. 8. The board of managers shall meet not less than once every 3 months. The board of managers shall
prepare, review, and revise a system of government for the homes, which shall include all rules, regulations, and laws necessary for effective management and preserving the health of the disabled veterans admitted to the home.


**Compiler's note:** For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

### 36.9 Report to governor and legislative committees; information concerning state veterans' facility; placement of report on public website.

Sec. 9. (1) No later than January 1, April 1, July 1, and October 1 of each year, the Michigan veterans affairs agency, its successor agency, or the department of military and veterans affairs shall report in writing all of the following information concerning any state veterans' facility to the governor, the senate and house committees on veterans affairs, and the senate and house appropriations subcommittees for the department of military and veterans affairs:

(a) Staffing levels and the extent to which staffing levels do or do not meet industry standards.

(b) Number of patient complaints, average time to review a complaint and respond, and response to each complaint.

(c) Timeliness of distribution of pharmaceutical drugs.

(d) Security provided for pharmaceutical drugs in the facility, including the title of the individuals providing the security.

(e) How patient money is accounted for, including the name and title of the individual who supervises patient spending accounts.

(f) Number of facility resident deaths that occurred since the most recent report.

(2) The department of military and veterans affairs shall place the reports required under subsection (1) on its public website in a prominent and conspicuous manner.


**Compiler's note:** Former MCL 36.9, which pertained to inspection of institution by member of board, was repealed by Act 283 of 2011, Eff. Jan. 1, 2012.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

### 36.10 Board of managers contract with authority; staffing.

Sec. 10. (1) The board of managers may enter into contracts with an authority under the Michigan veterans' facility authority act to do 1 or more of the following:

(a) Lease, sell, or otherwise convey property to that authority for the development of a veterans' facility as that term is defined in the Michigan veterans' facility authority act.

(b) Any other agreement regarding the care or housing of veterans in a Michigan veterans' facility.

(2) The board of managers shall provide staffing to any authority operated under the Michigan veterans' facility authority act that is sufficient to provide for the care, housing of veterans, and operations of any veterans' facility as that term is defined in the Michigan veterans' facility authority act.


**Compiler's note:** Former MCL 36.10, which pertained to appointment or removal of commandant for home, was repealed by Act 283 of 2011, Eff. Jan. 1, 2012.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

### 36.10a Report; supplemental report; audits.

Sec. 10a. (1) The board shall annually file a written report on its activities of the immediately preceding year with the governor and each house of the legislature. The board shall submit this report not later than 90 days after the end of the fiscal year. This report must specify all of the following:

(a) The status of development of each Michigan veterans' facility.

(b) A statement whether a Michigan veterans' facility will likely be closing in the next fiscal year.

(c) The census of each Michigan veterans' facility.
(d) Accounting of all revenues received and expended.
(e) Statistics on veterans who resided in each Michigan veterans’ facility.
(f) Recommendations for improvements at each Michigan veterans’ facility.
(g) Salaries and benefit costs of all staff positions at all Michigan veterans’ facilities.
(h) Any other matters the board considers pertinent.

(2) If the board indicates that a Michigan veterans’ facility will likely be closing in the next fiscal year under subsection (1)(b), then the board shall file a supplemental report on its activities every 90 days until the Michigan veterans’ facility is closed and no longer operational. The board shall file the supplemental report with the governor and each house of the legislature not later than 60 days after the 90-day period covered in the supplemental report. The supplemental report must specify all the items described in subsection (1)(a) to (h).

(3) The board’s accounts must be subject to annual financial audits by the state auditor general or a certified public accountant appointed by the auditor general. The auditor general shall perform a performance audit if a Michigan veterans’ facility receives a Centers for Medicare and Medicaid Services survey finding that indicates a “substandard quality of care” as that phrase is defined in 42 CFR 488.301, an unsatisfactory audit from the United States Department of Veterans Affairs, upon request by either house of the legislature, or as otherwise determined by the auditor general. Records must be maintained according to generally accepted auditing principles.


36.11 Veterans’ facility; eligibility for admission; maintenance charges; dismissal; creation of veterans’ facilities operation fund; credit of money to fund; expenditures; assignment of money to board of managers as condition of admission; expenditure of assigned money; creation of posthumous fund; expenditures.

Sec. 11. (1) A veteran of the armed forces of the United States eligible for United States department of veterans affairs’ health care or financial assistance for long-term nursing or day care may be admitted to a veterans’ facility in this state that is established under this act. Nothing in this section prevents the board of managers from admitting to membership in a facility any applicant otherwise qualified, but who has adequate means of support and is not dependent upon public or private charity, provided that the applicant, as a condition of admission, pays to the board of managers for the use and benefit of the state a sum for his or her support as the board of managers determines to be proper. The board of managers shall annually determine the per diem expense of maintenance of members in the facilities and shall require any member who has adequate means of support or sufficient property or income, to pay the board of managers in full for the expenses of maintenance. All members in the facilities shall be charged in the first instance with the maintenance, which shall be collected either in whole or in part, if the member has sufficient property or income, but otherwise the board of managers may remit the per diem charge either in whole or in part. The maintenance charges as determined by the board of managers shall be paid to the adjutant of the facilities in advance not later than the fifth day of each month. Failure to comply with a condition shall be cause for dismissal from a facility.

(2) There is created a veterans’ facilities operation fund in the state treasury. Except as provided by subsection (3), money received under this section and from the veterans’ administration in direct payment for services to members of the facilities established under this act shall be turned over to the state treasury and credited to the veterans’ facilities operation fund. Money in the veterans’ facilities operation fund shall be expended only for the operation of the facilities established under this act.

(3) The board of managers of the facilities may make a condition for admission to a facility that all applicants shall assign to the board of managers any balance of money accumulated while a member of the facility, or due to the applicant or on deposit with any bank, trust company, corporation, or with any individual, at the time of the death of the applicant. All such sums shall first be expended to pay for all residual maintenance costs attributable to the deceased individual and shall then be paid to the wife, minor children, or dependent mother or father, in the order named. If no such relative shall be found within a period of 2 years, or if no claim for the sums has been made within a period of 2 years, the balance of the money shall be paid into the posthumous fund, which is hereby created by this subsection. The posthumous fund shall be expended as prescribed by 1905 PA 313, MCL 36.61.


Compiler's note: The repealed section pertained to gifts to veterans' facility.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

36.11b Creation of post fund; expenditures.

Sec. 11b. Each gift received by the board of managers and which specifically provides that the gift is not for the use and benefit of the state shall be paid into the post fund, which is hereby created by this section. The post fund shall be expended as prescribed by Act No. 313 of the Public Acts of 1905, being section 36.61 of the Michigan Compiled Laws.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

36.11c Property of member; board may receive and hold in trust.

Sec. 11c. The board of managers or any officer or employee duly authorized by them may receive money, property or effects belonging to any member of the facility and hold same in trust, to be disposed of as directed by such member. Any balance of such money, property or effects remaining in trust at the time of his discharge from the facility shall be accounted for and paid to such member.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

36.12 Method of drawing and accounting for money from state treasury prescribed.

Sec. 12. The method of drawing money from the state treasury and accounting for the same, shall be similar to that now in force with other state institutions as prescribed by the general law.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of duties, responsibilities, and powers to provide assistance to state veterans home board of managers in administration of facilities from department of military and veterans affairs to Michigan veterans affairs agency, see E.R.O. No. 2013-2, compiled at MCL 32.92.

DORMITORY FOR EX-NURSES AND DEPENDENTS

Act 212 of 1893

WIDOWS, WIVES, AND MOTHERS
Act 15 of 1921

AN ACT prescribing the qualifications for admission to the veterans' facility for the widows, widowers, former spouses, spouses, and parents of former members of the armed forces of the United States; and repealing all acts and parts of acts inconsistent herewith.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

36.31 Veterans' facility; qualifications and conditions for admission of widows, widowers, former spouses, and spouses of members of armed forces; admission of parents.

Sec. 1. (1) The qualifications for admission to residence in a veterans' facility for the widows, widowers, former spouses, and spouses of any member of the armed forces of the United States who was honorably discharged, shall be as follows: The widow, widower, former spouse, or spouse, of any member of the armed forces of the United States who was honorably discharged from the armed forces, who served in the Mexican war, the war of the rebellion, the Spanish-American war, the war in the Philippines, the first world war, the second world war, or in any other war, campaign, or expedition in which the armed forces of the United States have been, are, or may be, participants, for not less than 90 days shall be eligible for admission into a veterans' facility. However, in the case of the widows, widowers, former spouses, and spouses, the former spouse, spouse, widower, or widow shall be at least 60 years of age at the time of making application for admission. Any former spouse, spouse, widower, or widow of any of the veterans of any class mentioned who has established residency in this state at the time of making his or her application for admission and who is disabled or unable to earn a living may be eligible for admission notwithstanding the limitations otherwise provided for in this section. If any widow, widower, or former spouse who may be eligible for membership under his or her first spouse should remarry, he or she will forfeit all rights to a veterans' facility and cannot again claim membership under his or her first spouse.

(2) The board of managers of the veterans' facilities may prescribe as a condition for admission that all applicants be charged maintenance in the same manner as members who qualify for membership as former members of the armed forces of the United States, which maintenance shall be paid to the adjutant of the veterans' facilities in advance, not later than the fifth day of each month. Failure to comply with any condition shall be cause for dismissal from a veterans' facility. The money received shall be turned over to the state treasurer and credited to the veterans' facilities operations fund. The board of managers of the veterans' facilities also may make a condition for admission to the veterans' facilities that all applicants shall assign to the board of managers any balance of money accumulated while a member of a facility or on deposit with any bank, trust company, corporation, or individual at the time of the death of the applicant. All sums shall be paid to the spouse, minor children, or dependent mother or father, in the order named, and, if no such relative shall be found within a period of 2 years, or if no claim has been made within a period of 2 years, the balance of any money shall be paid into a fund in the hands of the adjutant of the veterans' facilities to be expended under the direction of the board of managers to improve the service of the veterans' facilities. The money received shall be paid into a fund in the hands of the adjutant of the veterans' facilities in advance, not later than the fifth day of each month. Failure to comply with any condition shall be cause for dismissal from a veterans' facility. The money received shall be turned over to the state treasurer and credited to the veterans' facilities operations fund. The board of managers of the veterans' facilities also may make a condition for admission to the veterans' facilities that all applicants shall assign to the board of managers any balance of money accumulated while a member of a facility or on deposit with any bank, trust company, corporation, or individual at the time of the death of the applicant. All sums shall be paid to the spouse, minor children, or dependent mother or father, in the order named, and, if no such relative shall be found within a period of 2 years, or if no claim has been made within a period of 2 years, the balance of any money shall be paid into a fund in the hands of the adjutant of the veterans' facilities to be expended under the direction of the board of managers to improve the service of the veterans' facilities.

(3) The parent of any member of the armed forces of the United States who was honorably discharged from the armed forces who served in any of the wars described in subsection (1) may be admitted upon the approval of the board of managers, under rules and conditions as the board may prescribe.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the State Veterans' Facilities of Michigan and Board of Managers created under Act 152 of Public Acts of 1885, as amended being Sections 36.1 to 36.12 of the Michigan Compiled Laws and certain other associated functions, from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1992-1, compiled at MCL 36.71 of the Michigan Compiled Laws.

36.32 Construction of act.
Sec. 2. This act shall be construed as supplemental to any and all acts relating to the Michigan soldiers' home and to the home for the widows, wives and mothers established in connection therewith.


**Compiler's note:** For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the State Veterans' Facilities of Michigan and Board of Managers created under Act 152 of Public Acts of 1885, as amended being Sections 36.1 to 36.12 of the Michigan Compiled Laws and certain other associated functions, from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1992-1, compiled at MCL 36.71 of the Michigan Compiled Laws.

**DISCIPLINE AND GOVERNMENT**

**Act 90 of 1895**

GUARDIAN FOR MEMBERS
Act 54 of 1901

AN ACT to provide for the appointment of a guardian for members of the Michigan Soldiers' Home in certain cases.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the State Veterans' Facilities of Michigan and Board of Managers created under Act 152 of Public Acts of 1885, as amended being Sections 36.1 to 36.12 of the Michigan Compiled Laws and certain other associated functions, from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1992-1, compiled at MCL 36.71 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

36.51 Appointment of commandant as guardian of member.
Sec. 1. When, in the opinion of a majority of the board of managers of the Michigan soldiers' home, it is necessary that a guardian shall be appointed for any member of said home, the judge of probate of Kent county may, upon application being made to him, appoint the commandant of the Michigan soldiers' home to the office of said guardian.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the State Veterans' Facilities of Michigan and Board of Managers created under Act 152 of Public Acts of 1885, as amended being Sections 36.1 to 36.12 of the Michigan Compiled Laws and certain other associated functions, from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1992-1, compiled at MCL 36.71 of the Michigan Compiled Laws.

36.52 Commandant as guardian; execution of bond.
Sec. 2. The board of managers of said home shall require from the commandant a good and sufficient bond for the faithful performance of his duties as such guardian, and upon a satisfactory showing being made to the judge of probate that such bond has been executed, he shall not require a further bond to be given.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

36.53 Appointment of commandant as guardian; record.
Sec. 3. Whenever said board of managers deem it necessary that a guardian be appointed for any member of the Michigan soldiers' home the action taken in the matter by them shall be a matter of record upon the clerk's minutes of the proceedings of said board.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

36.54 Commandant as guardian; compensation, expenses.
Sec. 4. The commandant of said home shall receive no fees or allowances as compensation for his services as such guardian, but actual reasonable expenses incurred in the execution of his trust may be allowed.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

36.55 Commandant as guardian; delivery of trust and property to successor.
Sec. 5. When, from any cause, the commandant of said home shall cease to hold the office of commandant, his trust as guardian of any member of said home shall also cease, and he shall turn over to his successor in office all property in his hands belonging to his wards, members of the Michigan soldiers' home, and said successor shall, ex officio, become the guardian of said wards, subject to the same conditions as would be
required had he been originally appointed guardian of said wards.


**Compiler's note:** For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.
POST AND POSTHUMOUS FUNDS
Act 313 of 1905

AN ACT to provide for the disposition of the money now or hereafter accumulated in the “post fund” and the “posthumous fund” of the Michigan soldiers' home.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

36.61 Post fund and posthumous fund; expenditure by board of managers.

Sec. 1. The money on hand in the post fund and in the posthumous fund of the Michigan soldiers' home, and such money as may hereafter accumulate in said funds, may be expended by the board of managers of said home, in furnishing the new hospital, and for such other purposes for the benefit of the said home and the inmates thereof, as the said board of managers may, in its discretion, determine.


Compiler's note: For transfer of powers and duties of the State Veterans' Facilities of Michigan and the Board of Managers from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1991-7, compiled at MCL 36.71 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the State Veterans' Facilities of Michigan and Board of Managers created under Act 152 of Public Acts of 1885, as amended being Sections 36.1 to 36.12 of the Michigan Compiled Laws and certain other associated functions, from the Department of Public Health to the Department of Military Affairs, see E.R.O. No. 1992-1, compiled at MCL 36.71 of the Michigan Compiled Laws.
EXECUTIVE REORGANIZATION ORDER
E.R.O. No. 1991-7

36.71 Transfer of powers and duties of the state veterans' facilities and the board of managers from the department of public health to the department of military affairs.

WHEREAS, Article V, Section 2, of the Constitution of the State of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units which he considers necessary for efficient administration; and

WHEREAS, Michigan's commitment to provide care for its veterans started with the establishment of the Michigan Soldiers' Home on December 30, 1886; and

WHEREAS, the Michigan Veterans' Facility in Grand Rapids, and the D.J. Jacobetti Michigan Veterans' facility in Marquette, have evolved as the statutorily established successor institutions to the original Michigan Soldiers' Home; and

WHEREAS, these facilities were established to provide care and services exclusively for former members of the armed forces of the United States, in the State of Michigan and certain members of their families; and

WHEREAS, the Michigan Veterans' Facilities were, until September 1, 1991, administered by the Department of Public Health; and

WHEREAS, on January 17, 1991, Executive Reorganization Order No. 1991-6 was issued transferring the Michigan Veterans' Facilities from the Department of Public Health to the Department of Military Affairs; and

WHEREAS, on January 18, 1991, Executive Reorganization Order No. 1991-7 was issued, superseding Executive Reorganization Order 1991-6; and

WHEREAS, it is now necessary to amend and restate Executive Reorganization Order No. 1991-7; and

WHEREAS, it is necessary in the interests of efficient administration and effectiveness of government to effect changes in the organization of the Executive Branch of government.

NOW, THEREFORE, I, John Engler, Governor of the State of Michigan, pursuant to the powers vested in me by the Constitution of the State of Michigan of 1963 and the laws of the State of Michigan, do hereby order the following:

(1) All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting and procurement and management-related functions, of the State Veterans' Facilities of Michigan and the Board of Managers created under Act 152 of the Public Acts of 1885, as amended, being Sections 36.1 to 36.12 of the Michigan Compiled Laws and associated functions under Act 15 of the Public Acts of 1921, as amended, being Sections 36.31 and 36.32 of the Michigan Compiled Laws, Act 90 of the Public Acts of 1895, being Sections 36.42 and 36.43 of the Michigan Compiled Laws, Act 54 of the Public Acts of 1901, being Sections 36.51 to 36.55 of the Michigan Compiled Laws and Act 313 of the Public Acts of 1905, being Section 36.61 of the Michigan Compiled Laws have been transferred from the Department of Public Health to the Department of Military Affairs by Type I transfer as defined by Section 3 of Act 380 of the Public Act of 1965, being Section 16.103 of the Michigan Compiled Laws.

(2) The Adjutant General as head of the Department of Military Affairs shall provide executive direction and supervision for the implementation of the transfer. The assigned functions shall be administered under the direction and supervision of the Adjutant General as head of the Department of Military Affairs.

(3) All records, personnel, property and unexpended balances of appropriations, allocations and other funds used, held, employed, available or to be made available to the Department of Public Health for the activities transferred to the Department of Military Affairs by this Order have been transferred to the Department of Military Affairs.

(4) The Department of Military Affairs has made internal organizational changes as have been administratively necessary to complete the realignment of responsibilities prescribed by Executive Reorganization Order No. 1991-7 and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribeby this Order.

(5) The heads of the Departments of Public Health and Military Affairs have initiated coordination between their departments to facilitate the transfer and have developed a memorandum of record identifying any pending settlements, issues of compliance with applicable federal and State laws and regulations or other obligations to be resolved by the Department of Public Health.

(6) All rules, orders, contracts and agreements relating to the assigned functions lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended or repealed.

(7) Any suit, action or other proceeding lawfully commenced by, against or before any entity affected by this Order shall not abate by reason of the taking effect of this Order. Any suit, action or other proceeding
may be maintained by, against or before the appropriate successor of any entity affected by this Order.

(8) This Executive Order amends and restates Executive Reorganization Order No. 1991-7.

In fulfillment of the requirement of Article V, Section 2 of the Constitution of the State of Michigan of 1963, the provisions of this Executive Order which make substantive changes in Executive Reorganization Order No. 1991-7, being Section (2) of this Executive Order, shall become effective 60 days after filing.


MICHIGAN VETERANS' FACILITY AUTHORITY ACT
Act 560 of 2016

AN ACT to create the Michigan veterans' facility authority; to develop and operate certain veterans' facilities; to create funds and accounts; to authorize the issuing of bonds and notes; to prescribe the powers and duties of the authority and certain state departments and other state officials and employees; and to make appropriations and prescribe certain conditions for the appropriations.


The People of the State of Michigan enact:

36.101 Short title.
Sec. 1. This act shall be known and may be cited as the "Michigan veterans' facility authority act".


36.102 Definitions.
Sec. 2. As used in this act:
(a) "Authority" means the Michigan veterans' facility authority created under section 3.
(b) "Board" means the board of directors of the authority.
(c) "Bond" means a bond, note, or other obligation issued by the authority under this act.
(d) "Department" means the department of military and veterans affairs.
(e) "Develop" means to plan, acquire, construct, improve, enlarge, maintain, renew, renovate, repair, replace, lease, equip, furnish, market, promote, manage, or operate.
(f) "Veteran" means an individual who meets both of the following:
(i) Is a veteran as defined in section 1 of 1965 PA 190, MCL 35.61.
(ii) Was honorably discharged.
(g) "Veterans' facility" means a long-term care facility and ancillary facilities for veterans and their dependents as determined by the authority.


36.103 Michigan veterans' facility authority; creation; exercise of powers and duties; powers as essential governmental function; separate legal entity; operation and staffing.
Sec. 3. (1) The Michigan veterans' facility authority is created as a public body corporate and politic within the department. The authority shall be administered under the supervision of the department but shall exercise its prescribed statutory powers, duties, and functions independently of the department as an autonomous entity within the department. The exercise by the authority of the powers conferred by this act is an essential governmental function of this state.

(2) Notwithstanding the existence of common management, the authority shall be treated and accounted for as a separate legal entity with its separate corporate purposes as set forth in this act. The assets, liabilities, and funds of the authority shall not be consolidated or commingled with those of this state.


Compiler's note: The repealed section pertained to the exercise of duties of the authority.

36.105 Board of directors; duties; membership; terms; designated representative; compensation; expenses; chairperson; director of department as nonvoting member; appointment of veteran; quorum; actions by majority vote; appointment of executive director; employment and contract for legal, financial, and technical experts and certain other employees; board and authority subject to MCL 15.321 to 15.330 and MCL 15.301 to 15.310; discharge of duties; manner; business conducted at public meeting; availability of nonprivileged information.
Sec. 5. (1) The authority shall exercise its duties through a board of directors.
(2) The board shall be made up of the following members:
(a) Subject to subsection (7), the director of the department.
(b) Three members with professional knowledge, skill, or experience in long-term care, health care licensure or finance, or medicine who represent the interests of 1 or more congressionally chartered veterans' organizations appointed by the governor with the advice and consent of the senate.
(c) Three members with professional knowledge, skill, or experience in long-term care, health care licensure or finance, or medicine appointed by the governor with the advice and consent of the senate. One of the members appointed under this subdivision shall be a resident of the Upper Peninsula of this state.

(d) One member appointed by the governor from a list of 2 or more individuals selected by the majority leader of the senate, with professional knowledge, skill, or experience in long-term care, health care licensure or finance, or medicine.

(e) One member appointed by the governor from a list of 2 or more individuals selected by the speaker of the house of representatives, with professional knowledge, skill, or experience in long-term care, health care licensure or finance, or medicine.

(3) The appointed members shall serve for terms of 4 years. Of the 5 members first appointed, 1 shall be appointed for an initial term of 1 year, 2 shall be appointed for an initial term of 2 years, and 2 shall be appointed for an initial term of 3 years. The appointed members shall serve until a successor is appointed. A vacancy shall be filled for the balance of the unexpired term in the same manner as the original appointment.

(4) A director of a state department who is a designated member of the board may appoint a representative to serve in his or her absence.

(5) Members of the board shall serve without compensation but may receive reasonable reimbursement for necessary travel and expenses incurred in the discharge of their duties.

(6) The director of the department shall serve as chairperson of the board until January 1, 2019. At that time, the board members shall elect a chairperson who is not the director of the department or his or her designee.

(7) One year after the second facility operated by the authority is open and housing veterans, the director of the department shall then serve as a nonvoting member of the board. A new member who is a veteran who has professional knowledge, skill, or experience in long-term care, health care licensure or finance, or medicine shall be appointed by the governor with the advice and consent of the senate.

(8) A majority of the appointed and serving members of the board shall constitute a quorum of the board for the transaction of business. Actions of the board shall be approved by a majority vote of the members present at a meeting.

(9) The members of the board shall recommend by name the appointment of an executive director of the Michigan veterans' facility authority, to be appointed by the governor. The executive director is exempt from the classified state civil service and serves at the pleasure of the governor. The executive director shall administer the business operations of Michigan veterans' facilities, as that term is defined under section 2a of 1885 PA 152, MCL 36.2a, veterans' facilities developed and operated under this act, and the authority. The executive director shall receive compensation determined annually by the authority.

(10) The authority may employ or contract for legal, financial, and technical experts, and other officers, agents, and employees, permanent and temporary, as the authority requires, and shall determine their qualifications, duties, and compensation. The board may delegate to 1 or more agents or employees any powers or duties, and any limitations on those powers or duties, that the board considers proper.

(11) The members of the board and officers and employees of the authority are subject to 1968 PA 317, MCL 15.321 to 15.330, and 1968 PA 318, MCL 15.301 to 15.310.

(12) A member of the board or officer, employee, or agent of the authority shall discharge the duties of his or her position in a nonpartisan manner, with good faith, and with that degree of diligence, care, and skill that an ordinarily prudent person would exercise under similar circumstances in a like position. In discharging his or her duties, a member of the board or an officer, employee, or agent, when acting in good faith, may rely upon the opinion of the authority's counsel, upon the report of an independent appraiser selected with reasonable care by the board, or upon the financial statements of the authority represented to him or her by the executive director, or an officer of the authority having charge of its books or account, to be correct, or stated in a written report by a certified public accountant, or firm of certified public accountants, to fairly reflect the financial condition of the authority.

(13) The board shall organize and make its own policies and procedures. The board shall conduct all business at public meetings held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and place of each meeting shall be given in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(14) Upon request by a member of the legislature, the board shall make nonprivileged information regarding the operations and accounts of the authority and nonprivileged information regarding the care provided to veterans at a veterans’ facility available to members of the legislature.

and staffing of veterans' facility; duties.

Sec. 6. (1) The authority shall have all of the following powers:
(a) To solicit and accept gifts, grants, and loans from any person.
(b) To invest any money of the authority at the authority's discretion, in any obligations determined proper by the authority, and name and use depositories for its money.
(c) To procure insurance against any loss in connection with the property, assets, or activities of the authority.
(d) To sue and be sued, to have a seal, and to make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise of the authority's powers.
(e) To make and amend bylaws.
(f) To employ and contract with individuals necessary for the operation of the authority and 1 or more veterans' facilities.
(g) To procure insurance against any loss in connection with the property, assets, or activities of the authority.
(h) To sue and be sued, to have a seal, and to make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise of the authority's powers.
(i) To sue and be sued, to have a seal, and to make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise of the authority's powers.
(j) To sue and be sued, to have a seal, and to make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise of the authority's powers.
(k) To sue and be sued, to have a seal, and to make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise of the authority's powers.
(l) To sue and be sued, to have a seal, and to make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise of the authority's powers.
(m) To solicit federal funds and other funding sources to develop veterans' facilities.
(n) To solicit federal funds and other funding sources to develop veterans' facilities.
(o) To do any and all things necessary or convenient to carry out its purposes and exercise the powers expressly given and granted in this act.
(2) When hiring employees for a veterans' facility, the authority shall give preference to employees currently employed by a Michigan veterans' facility under 1885 PA 152, MCL 36.1 to 36.12.
(3) In determining the operation and staffing of a veterans' facility, the authority shall do both of the following:
(a) Consider nationally recognized models and guidelines for the delivery of health care in veterans' facilities.
(b) Follow the rules and regulations of the civil service commission.

36.107 Determination of public and governmental purpose; exercise of powers as essential governmental function; tax exemption; restrictions on use of bond proceeds.

Sec. 7. (1) It is determined that the creation of the authority and the carrying out of its authorized duties is in all respects a public and governmental purpose for the benefit of the people of this state and for the improvement of their health, safety, welfare, comfort, and security, and that these purposes are public purposes and that the authority performs an essential governmental function in the exercise of the powers conferred upon it by this act.
(2) The property, income, and operations of the authority, or those of any nonprofit corporation established by or on behalf of the authority, are exempt from taxation by this state and any political subdivision of this state.
(3) The authority shall prescribe restrictions on the use of the proceeds of any bond for which the interest is intended to be exempt from federal income tax and any related matters that are necessary to assure that exemption. The recipients of the proceeds of a bond described in this subsection shall be bound by those restrictions to the extent the restrictions are made applicable to them. A recipient of the proceeds of a bond bearing interest intended to be exempt from federal income tax, including, without limitation, this state or any political subdivision of this state, is authorized to execute a tax regulatory agreement with the authority and, as to any political subdivision that is a recipient of the proceeds of a bond bearing interest intended to be
exempt from federal income, this state. The execution of a tax regulatory agreement may be treated as a condition to receiving any proceeds of a bond issued under this act.


### 36.108 Issuance of bonds.

Sec. 8. (1) The authority shall have power and is hereby authorized from time to time to issue bonds in the principal amount or amounts and with the maturities as the authority shall determine to be necessary to provide sufficient funds for achieving its authorized purposes. The department of treasury shall provide technical expertise as necessary for the authority to issue bonds under this act.

(2) The board of the authority shall authorize the issuance of bonds by resolution. Except as otherwise provided in this subsection, the authority may issue bonds, including refunding bonds, without obtaining the consent of any department, division, commission, board, bureau, or agency of this state and without any other proceedings or the occurrence of any other conditions other than those proceedings, conditions, or things that are specifically required by this act. Every issue of bonds shall be special revenue obligations payable from and secured by a pledge of revenues and other assets, including without limitation the proceeds of the bonds deposited in a reserve fund for the benefit of the owners of the bonds, earnings on funds of the authority and other funds as may become available, upon the terms and conditions as specified by the authority in the authority resolution under which the bonds are issued or in a related trust agreement or trust indenture. The authority shall provide notice to the speaker of the house and majority leader of the senate of their intent to issue bonds under this section. The notice shall include estimated principal amount or amounts and authorized purpose of issuing the bond or bonds.

(3) The authority may issue bonds to refund any bonds by the issuance of new bonds, whenever it considers the refunding expedient, whether the bonds to be refunded have or have not matured, and to issue bonds partly to refund bonds then outstanding and partly for restructuring or any of its other authorized purposes.

(4) For each issue of bonds, the authority shall determine all of the following:

(a) The date of issuance.

(b) Whether the bonds shall bear no interest, appreciate as to principal amount, bear interest at fixed or variable rates, or any combination of these.

(c) Whether the bonds shall be payable at or prior to maturity.

(d) When the bonds shall mature.

(e) Whether the authority may redeem the bonds prior to maturity, at what price, and under what conditions.

(f) The method of payment of principal of and interest on the bonds.

(g) The form, denominations, and places of payment of principal of and interest on the bonds.

(h) If any officer whose signature or the facsimile of whose signature appears on any bond shall cease to be that officer before the delivery of the bond, that signature or facsimile shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until delivery of the bond.

(i) Any other terms and conditions necessary to issue the bonds in fully marketable form.

(5) The authority may sell the bonds in the manner determined by the authority board, at public or private sale, and on either a competitive or negotiated basis.

(6) This act shall govern the creation, perfection, priority, and enforcement of any pledge of revenues or other security made by the authority. Each pledge made by the authority shall be valid and binding at the time the pledge is made. The encumbered revenues, reserves, or earnings pledged or earnings on the investment of the encumbered revenues, reserves, or earnings pledged shall immediately be subject to the lien of the pledge without any physical delivery or further act and the lien on that pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority, irrespective of whether the parties have notice of the lien or pledge, and without filing or recording the pledge. The resolution or other instrument by which a pledge is created does not have to be recorded.

(7) This act shall also govern the negotiability of bonds issued under this act. Any bonds issued under this act shall be fully negotiable within the meaning and for all purposes of the uniform commercial code. By accepting the bond or obligation, each owner of a bond or other obligation of the authority shall be conclusively considered to have agreed that the bond is and shall be fully negotiable within the meaning and for all purposes of the uniform commercial code.

(8) In the discretion of the authority, any bonds may be secured by a trust agreement or trust indenture by and between the authority and a trustee, which may be any trust company or bank having the powers of a trust company, whether located within or without this state. A trust agreement or trust indenture authorized under this subsection, or an authority resolution providing for the issuance of bonds may provide for the creation of trusts and the appointment of trustees for the purpose of carrying out the provisions of the bond indenture or trust agreement.
and maintenance of reserves as the authority shall determine to be proper and may include covenants setting forth the duties of the authority in relation to the bonds, the income to the authority, and the sale agreement. A trust agreement or trust indenture authorized under this subsection or an authority resolution may contain provisions respecting the custody, safeguarding, and application of all money and bonds and may contain provisions for protecting and enforcing the rights and remedies under the sale agreement of the owners of the bonds and benefited parties as may be reasonable and proper and not in violation of law. It shall be lawful for any bank or trust company incorporated under the laws of this state that may act as depository of the proceeds of bonds or of any other funds or obligations received on behalf of the authority to furnish indemnifying bonds or to pledge obligations as may be required by the authority. Any trust agreement or trust indenture authorized under this subsection or an authority resolution may contain other provisions as the authority may consider reasonable and proper for priorities and subordination among the owners of bonds and benefited parties.

(9) A member of the board or an officer, appointee, or employee of the authority shall not be subject to personal liability when acting in good faith within the scope of his or her authority or on account of liability of the authority. The board may defend and indemnify a member of the board or an officer, appointee, or employee of the authority against liability arising out of the discharge of his or her official duties. The authority may indemnify and procure insurance indemnifying members of the board and other officers and employees of the authority from personal loss or accountability for liability asserted by a person with regard to bonds or other obligations of the authority, or from any personal liability or accountability by reason of the issuance of the bonds or other obligations or by reason of any other action taken or the failure to act by the authority. The authority may also purchase and maintain insurance on behalf of any person against the liability asserted against the person and incurred by the person in any capacity or arising out of the status of the person as a member of the board or an officer or employee of the authority, whether or not the authority would have the power to indemnify the person against that liability under this subsection.

(10) A member, officer, employee or agent of the authority shall not have an interest, either directly or indirectly, in any business organization engaged in any business, contract or transaction with the authority or in any contract of any other person engaged in any business with the authority, or in the purchase, sale, lease or transfer of any property to or from the authority.

(11) Bonds issued under this act are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(12) The issuance of bonds under this act is subject to the agency financing reporting act, 2002 PA 470, MCL 129.171 to 129.177.

(13) A resolution of the authority authorizing bonds, or the provisions of a trust agreement or trust indenture authorized by resolution of the authority, may delegate to an officer or other employee of the authority, or an agent designated by the authority, for the period of time as the authority determines, the power to cause the issue, sale, and delivery of the bonds within limits on those bonds established by the authority as to any of the following:

(a) The form.
(b) The maximum interest rate or rates.
(c) The maturity date or dates.
(d) The purchase price.
(e) The denominations.
(f) The redemption premiums.
(g) The nature of the security.
(h) The selection of an applicable interest rate index.
(i) Other terms and conditions with respect to the issuance of the bonds as the authority shall prescribe.

(14) The authority shall not issue bonds under this act for any of the following:

(a) Qualified residential rental projects as defined in section 142 of the internal revenue code of 1986, 26 USC 142.
(b) Qualified mortgage bonds as defined in section 143 of the internal revenue code of 1986, 26 USC 143.
(c) Mortgage credit certificates as defined in section 25 of the internal revenue code of 1986, 26 USC 25.

(15) The authority shall not issue bonds under this act for the purpose of paying operating costs or other recurring costs.

(16) The authority shall not issue bonds under this act that in total exceed $150,000,000.00.


36.109 Investment in bonds.

Sec. 9. Notwithstanding any restriction contained in any other law, rule, regulation, or order to the
contrary, this state and all political subdivisions of this state, their officers, boards, commissioners, departments or other agencies, governmental pension funds, all banks, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking or investment business, and all executors, administrators, guardians, trustees and other fiduciaries, and all other persons whatsoever who now are or may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest any sinking funds, money or other funds, including capital, belonging to them or within their control, in any bond. Bonds issued by the authority under this act are hereby made bonds that may properly and legally be deposited with, and received by, any state municipal officers or agency of this state, for any purpose for which the deposit of bonds or other obligations of this state is now, or may be, authorized by law.


36.110 Dissolution of authority; conditions; disposition of property, funds, and assets.

Sec. 10. The authority may be dissolved by act of the legislature on condition that the authority has no debts or obligations outstanding or that provision has been made for the payment or retirement of all debts or obligations. Upon any such dissolution of the authority, all property, funds, and assets of the authority shall be vested in this state.


36.111 Construction of act.

Sec. 11. This act and all powers granted hereby shall be liberally construed to effectuate its intent and their purposes, without implied limitations on the powers of the authority, the state budget director, and the state treasurer. This act shall constitute full, complete, and additional authority for all things that are contemplated in this act to be done. All rights and powers granted in this act shall be cumulative with those derived from other sources and shall not, except as expressly stated in this act, be construed in limitation of those rights and powers. Insofar as the provisions of this act are inconsistent with the provisions of any other act, general or special, the provisions of this act shall be controlling. If any clause, paragraph, section, or part of this act is adjudged by any court of competent jurisdiction to be invalid, that judgment shall not affect, impair, or invalidate the remainder of the clause, paragraph, section, or part but shall be applied in its operation to the clause, sentence, paragraph, section, or part directly involved in the controversy in which the judgment shall have been rendered.


36.112 Report; supplemental report; audits.

Sec. 12. (1) The authority shall annually file a written report on its activities of the immediately preceding year with the governor, each house of the legislature, and the chairperson of the appropriations subcommittee of each house of the legislature that has jurisdiction over military and veterans’ affairs. This report shall be submitted not later than 90 days following the end of the fiscal year. This report shall specify all of the following:

(a) The status of development of each veterans’ facility.
(b) A statement whether a veterans' facility will likely be opening in the next fiscal year.
(c) The census of each veterans' facility.
(d) Accounting of all revenues received and expended.
(e) Statistics on veterans who resided in each veterans' facility.
(f) Recommendations for improvements at each veterans' facility.
(g) Salaries and benefits costs of all staff positions within the authority and at all veterans' facilities.
(h) Any other matters the board considers pertinent.

(2) If the authority indicates that a veterans’ facility will likely be opening in the next fiscal year under subsection (1)(a), then the authority shall file a supplemental report on its activities every 90 days until the veterans’ facility is open and operational. The supplemental report shall be filed with the governor, each house of the legislature, and the chairperson of the appropriations subcommittee of each house of the legislature that has jurisdiction over military and veterans’ affairs not later than 60 days following the 90-day period covered in the supplemental report. The supplemental report shall specify all the items described in subsection (1)(a) to (g).

(3) The accounts of the authority shall be subject to annual audits by the state auditor general or a certified public accountant appointed by the auditor general. However, for the first 4 years of the authority's existence, the auditor general shall conduct a financial audit for the first year and biennially thereafter and shall conduct a performance audit for the second year and biennially thereafter. After the initial 4-year period of the
authority's existence, the auditor general shall perform a performance audit if a veterans' facility receives a Centers for Medicare and Medicaid Services survey finding that indicates a substandard quality of care as defined in 42 CFR 488.301, upon request by either house of the legislature, or as otherwise determined by the auditor general. Records shall be maintained according to generally accepted auditing principles.