# SUBSTITUTE FOR HOUSE BILL NO. 4466

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2022; to make appropriations for certain capital outlay projects; and to provide for the expenditure of the appropriations.

### THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1	PART 1
2	LINE-ITEM APPROPRIATIONS
3	Sec. 101. There is appropriated for the department of military
4	and veterans affairs for the fiscal year ending September 30, 2022,
5	from the following funds:
6	DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
7	APPROPRIATION SUMMARY
8	Full-time equated unclassified positions 4.0





Full-time equated classified positions	1,054.5	
GROSS APPROPRIATION		\$ 216,938,10
Total interdepartmental grants and		
intradepartmental transfers		101,800
ADJUSTED GROSS APPROPRIATION		\$ 216,836,300
Federal revenues:		
Total federal revenues		120,015,30
Special revenue funds:		
Total local revenues		(
Total private revenues		640,000
Total other state restricted revenues		21,336,70
State general fund/general purpose		\$ 74,844,30
Sec. 102. MILITARY		
Full-time equated unclassified positions	4.0	
Full-time equated classified positions	371.0	
Unclassified salariesFTEs	4.0	\$ 863,70
Departmentwide		1,803,60
Headquarters and armoriesFTEs	86.0	20,966,10
Michigan youth challeNGe academyFTEs	68.0	9,757,90
Military family relief fund		150,00
Military retirement		875,00
Military training sites and support facilities-		
	215.0	41,317,80
-FTEs		0.00
-FTEs National guard operations		298,20
	2.0	<u> </u>
National guard operations		298,20 6,515,20 2,322,00



Interdepartmental grant revenues:		
IDG - state police		101,800
Federal revenues:		
DOD - DOA - NGB		60,475,100
Federal counternarcotics revenues		100,000
Special revenue funds:		
Private donations		90,000
Billeting fund		1,375,000
Military family relief fund		150,000
Morale, welfare, and recreation fund		100,000
Rental fees		192,100
Test project fees		100,000
State general fund/general purpose	\$	22,185,50
Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
Full-time equated classified positions	52.0	
County veteran service fund	\$	4,000,000
Michigan veterans affairs agency		
administrationFTEs	44.0	7,458,600
Veterans trust fund administrationFTEs	8.0	1,142,900
Veterans trust fund grants		2,500,000
Veterans service grants		3,835,500
GROSS APPROPRIATION	\$	18,937,000
Appropriated from:		
Special revenue funds:		
Private donations		10,000
Michigan veterans trust fund		3,642,900
Veterans license plate fund		50,000
State general fund/general purpose	\$	15,234,100



Full-time equated classified positions	631.5	
Chesterfield Township home for veteransFTEs	115.0	\$ 20,937,000
D.J. Jacobetti home for veteransFTEs	200.0	24,639,20
Grand Rapids home for veteransFTEs	298.5	22,889,90
Information technology services and projects		1,405,20
Michigan veterans facility authority		634,10
Michigan veteran homes administrationFTEs	18.0	3,005,20
Veterans cemetery		85,20
GROSS APPROPRIATION		\$ 73,595,80
Appropriated from:		
Federal revenues:		
DVA - VHA		21,078,90
HHS - HCFA title XVIII, medicare		1,376,00
HHS - HCFA title XIX, medicaid		4,996,70
Special revenue funds:		
Private - veterans' home post and posthumous		540,00
Income and assessments		14,166,70
State general fund/general purpose		\$ 31,437,50
Sec. 105. CAPITAL OUTLAY		
Armory maintenance		\$ 1,000,00
Land and acquisitions		1,000,00
Special maintenance - National Guard		30,000,00
Special maintenance - veterans homes		500,00
GROSS APPROPRIATION		\$ 32,500,00
Appropriated from:		
Federal revenues:		



Michigan national guard construction fund	1,000,000
State general fund/general purpose	\$ 1,500,000
Sec. 106. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 579,800
GROSS APPROPRIATION	\$ 579,80
Appropriated from:	
Federal revenues:	
DOD - DOA - NGB	157,600
State general fund/general purpose	\$ 422,20
Sec. 107. ONE-TIME APPROPRIATIONS	
Grand Rapids home for veterans transition	\$ 6,456,00
GROSS APPROPRIATION	\$ 6,456,00
Appropriated from:	
Federal revenues:	
HHS - HCFA title XVIII, medicare	110,00
HHS - HCFA title XIX, medicaid	1,00
DVA - VHA	1,720,00
Special revenue funds:	
	520,00
Income and assessments	40,00
Income and assessments  Lease revenue	20,00
	\$ •
Lease revenue	\$ 4,065,000

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PROVISIONS CONCERNING APPROPRIATIONS 25

FOR FISCAL YEAR 26

# **GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under



- 1 part 1 for the fiscal year ending September 30, 2022 is
- 2 \$96,181,000.00 and state spending from state sources to be paid to
- 3 local units of government for fiscal year ending September 30, 2022
- 4 is \$4,136,500.00. The itemized statement below identifies
- 5 appropriations from which spending to local units of government
- 6 will occur:

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# 7 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS 8 County veteran service fund \$ 4,000,000 9 Michigan veterans affairs agency administration 90,000 10 Military training sites and support facilities 46,500 11 TOTAL \$ 4,136,500

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) "CENA" means competency evaluated nursing assistant.
- 17 (b) "Core services" means that term as defined in section 373 18 of the management and budget act, 1984 PA 431, MCL 18.1373.
- 19 (c) "Department" means the department of military and veterans
  20 affairs.
- 21 (d) "Director" means the director of the department.
- (e) "FTE" means full-time equated.
- 23 (f) "HVAC" means heating, ventilation, and air conditioning.
- 24 (g) "IDG" means interdepartmental grant.
- 25 (h) "Michigan veterans' facility authority" means the 26 authority created under section 3 of the Michigan veterans' 27 facility authority act, 2016 PA 560, MCL 36.103.
- 28 (i) "MVAA" means the Michigan veterans affairs agency.
- 29 (j) "MVH" means the Michigan veteran homes.



- (k) "Subcommittees" means the subcommittees of the senate and house appropriations committees with jurisdiction over the budget of the department.
  - (l) "Support services" means an activity, such as information technology, accounting, human resources, legal, and other support functions that are required to support the ongoing delivery of core services.
- 8 (m) "USDVA" means the United States Department of Veterans9 Affairs.
- 10 (n) "USDVA-VHA" means the USDVA Veterans Health
  11 Administration.
  - (o) "VSO" means veterans service organization.
- 13 (p) "Work project" means that term as defined in section 404
  14 of the management and budget act, 1984 PA 431, MCL 18.1404, and
  15 that meets the criteria in section 451a(1) of the management and
  16 budget act, 1984 PA 431, MCL 18.1451a.
- Sec. 204. The department and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on an internet site.
  - Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261:
    - (a) Funds appropriated in 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.
- 29 (b) Preference must be given to goods or services, or both,

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manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) 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. 206. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general 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. 208. Funds appropriated in 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 outside services that the attorney general authorizes.

Sec. 209. 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 appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$8,600,000.00 for federal contingency authorization. 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 \$1,100,000.00 for state restricted contingency authorization. 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 \$250,000.00 for local contingency authorization. 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 authorization. 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. 211. From the funds appropriated in part 1, the department shall provide to the department of technology, management, and budget information sufficient to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:
    - (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. 212. Within 14 days after the release of the executive budget recommendation, the department shall provide to the state budget office information sufficient to provide the senate and house appropriations chairs, the senate and house appropriations

subcommittees chairs, and the senate and house fiscal agencies with 1 an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund 3 expenditures for the fiscal years ending September 30, 2021 and September 30, 2022. 5

Sec. 213. 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 department's performance.

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2022 are estimated at \$18,414,700.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$10,316,900.00. Total agency appropriations for retiree health care legacy costs are estimated at \$8,097,800.00.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director 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 shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 216. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following information:

(a) The number of FTEs in pay status by type of staff and

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civil service classification.

- (b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.
- (2) By April 1 of the current fiscal year and semiannually thereafter, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following information:
- 10 (a) Number of employees that were engaged in remote work in 2021.
- 12 (b) Number of employees authorized to work remotely and the
  13 actual number of those working remotely in the current reporting
  14 period.
  - (c) Estimated net cost savings achieved by remote work.
  - (d) Reduced use of office space associated with remote work.
  - Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.
  - Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.
  - Sec. 219. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state

guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the subcommittees, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 221. The department shall provide biannual 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.
- (c) The number of active employees at the close of the reporting period by job classification and departmental branch of service.

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.
- 26 (c) Michigan youth challenGe academy.
- 27 (d) Military family relief fund.
- 28 (e) Starbase grant.
- 29 (f) National Guard tuition assistance program.

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- 1 (g) Michigan veterans affairs agency administration.
- 2 (h) Veterans service grants.
- 3 (i) Veterans' trust fund administration.
- 4 (j) Veterans' trust fund grants.
- 5 (k) County veteran service fund.
- (l) Michigan veterans' facility authority.
- 7 (m) Michigan veterans homes.
- Sec. 223. 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. 224. 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. 225. The department shall report to the subcommittees tentative plans for the required payment of any court judgment against the department, as soon as those plans are developed. The report must include, but is not limited to, all of the following information:
  - (a) A listing of all known court judgments that would result in a financial obligation for the department.
  - (b) The amount of time in which each of those financial obligations must be met.
  - (c) The proposed budget line items from which a payment for a court judgment of \$100,000.00 or more would be made.
- 27 (d) The estimated impact of the loss of revenue on the
  28 programs funded by the line items from which payments would be
  29 made.

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Sec. 226. (1) Money privately donated to the department for the Grand Rapids home for veterans, D.J. Jacobetti home for veterans, or Chesterfield Township home for veterans in excess of the appropriation in part 1 is appropriated and may be used for the purpose designated by the private source, if specified.

- (2) The department must notify the subcommittees and the house and senate fiscal agencies of the receipt of a donation under this subsection within 14 calendar days of receiving the donation. The notification must include the amount of the donation and the purpose for which the funds will be expended, if known.
- Sec. 227. (1) From the funds appropriated in part 1, the department and agencies that receive funding shall do all of the following:
- (a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office any amounts of severance pay for a department or agency director, deputy director, or other high-ranking department or agency official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.
- (b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department or agency employee receiving severance pay.
- (c) By February 1, report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay

- remitted to former department or agency employees during the fiscal year ending September 30, 2021 and the total number of former department or agency employees that were remitted severance pay during the fiscal year ending September 30, 2021.
  - (2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.
- Sec. 228. Any department, agency, board, commission, subdivision, or other executive branch entity or official of this state that receives funding under part 1 shall not do the following:
- 14 (a) Require as a condition of accessing any state services or 15 facilities that an individual provide proof he or she has received 16 a COVID-19 vaccine.
  - (b) Produce, develop, and issue a COVID-19 vaccine passport for the purpose of certifying that an individual has received a COVID-19 vaccine.
  - (c) Provide information of an individual's COVID-19 vaccine status to any person, company, or governmental entity for inclusion in a COVID-19 vaccine passport.

24 MILITARY

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- Sec. 301. (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.
- (2) The department shall report quarterly to the subcommitteesand house and senate fiscal agencies a list of the current

unclassified positions, which shall include the official titles and responsibilities of each position.

- (3) Upon the department being granted a request for an additional unclassified employee position from the civil service commission, or for any substantive changes to the duties of an existing unclassified employee position, the department shall notify the subcommittees and the senate and house fiscal agencies within 15 days.
- 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.
- 12 (2) The department shall operate and maintain National Guard13 armories.
- 14 (3) The department shall evaluate armories and submit a report15 biannually, 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

1 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.
- Sec. 303. (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 academy 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 academy from those youth served by department of health and human services programs. These eligible youth shall be given priority for enrollment in the academy.
- (4) The department shall maintain the staffing and resources necessary to train and graduate at least 114 students per cohort (228 annually).

- (5) The department shall ensure individual academic success as measured by the number of individuals who have received a general equivalency diploma, high school diploma, or high school credit recovery or by the improvement of tests of adult basic education scores, or both.
- (6) Any unexpended private donations to support the Michigan youth challenge academy at the close of this fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

Sec. 304. (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, biannually.
- (3) From the funds appropriated in part 1, 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 of the United States called into active duty and to support the processing and approval of grant applications for this fiscal year under the Michigan military relief fund and report those applications biannually.

Sec. 305. (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.
- 8 (5) The department shall provide the following information9 biannually:
- 10 (a) The apportioned and assigned strength of the Michigan Army11 National Guard.
- 12 (b) The apportioned and assigned strength of the Michigan Air13 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. 306. There is 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 senate and house fiscal agencies, and the state budget office at the end of the fiscal year.

Sec. 307. (1) The department shall maintain a National Guard tuition assistance program under section 3 of the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.433, for eligible persons as defined in section 2 of the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.432.

- (2) The objective of the National Guard tuition assistance program is to bolster military readiness by increasing recruitment and retention of Michigan Army and Air National Guard service members, to fill federally authorized strength levels for the state, to improve the Michigan Army and Air National Guard's competitive draw from other military enlistment options in the state, to enhance the ability of the Michigan Army and Air National Guard to compete for members and federal dollars with surrounding states, and to increase the pool of eligible candidates within the Michigan Army and Air National Guard to become commissioned officers.
- (3) The department shall make efforts to increase the number of national guard members who have received a credential or are still enrolled in the Michigan National Guard tuition assistance program after their initial term of enlistment with the goal of 55% of program participants, or at the current 4-year college graduation rate in Michigan, whichever is higher. 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 Army and Air National Guard strength obtained and retained is competitive in comparison with the neighboring army and air national guards from Illinois, Indiana, Ohio, and Wisconsin.

- (4) Not later than March 1, the department shall provide a report to the subcommittees on the Michigan National Guard tuition assistance program. The report shall include the number of guard members receiving tuition assistance, where those guard members received education or training under the program, the average amount of financial assistance received, the total funds spent on the program, and, in the opinion of the department, after those expenditures, whether any unmet needs remained. The report shall also include performance data regarding the number of members denied benefits from the program. The report shall include, but is not limited to, all of the following information:
- (a) The total number of applications for tuition assistance denied.
  - (b) A delineated list of the grounds for denial and the number of the total applicable to each reason for denial.
  - (c) A list of specific actions undertaken to increase the opportunities for expanding qualified educational and training programs.
  - (d) A list of any educational and training programs removed from eligibility and the rationale for their removal.
- (e) An explanation of any identified barriers to the successful utilization of funds appropriated in part 1 for the National Guard tuition assistance fund and applicable proposals for legislative action to address those barriers.

(5) The general fund/general purpose funds appropriated in part 1 for the National Guard tuition assistance fund shall be deposited to the restricted Michigan National Guard tuition assistance fund created in section 4 of the Michigan National Guard tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the restricted Michigan National Guard tuition assistance fund are appropriated and available for expenditure to support the Michigan National Guard tuition assistance program.

Sec. 308. 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 fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

Sec. 309. There is created and established under the jurisdiction and control of the department a revolving account to be known as the test project fees account. All of the fees and other revenues generated from the operation of the test project program shall be deposited in the test project fees fund account. Funds in the account shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the account at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 310. The morale, welfare, and recreation fund is created within the state treasury. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. The department shall be the administrator of the fund

for auditing purposes. All of the fees and other revenues generated from the operation of the morale, welfare, and recreation program shall be deposited in the morale, welfare, and recreation fund account. Money in the fund shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the fund at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 311. There is created and established under the jurisdiction and control of the department a revolving account to be known as the rental fees account. All of the fees and other revenues generated from the operation of the rental fees program shall be deposited in the rental fees fund account. Money in the account shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the account at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 312. On October 1, 2021, the department shall send a report to the subcommittees and the house and senate fiscal agencies on the amount of funds from appropriations in part 1 that will be made available to the Michigan volunteer defense force in the current fiscal year and any restrictions and stipulations made on those funds. The report must include an explanation for the amount of funds made available to the Michigan volunteer defense forces and for any restrictions or stipulations made on those funds.

## MICHIGAN VETERANS AFFAIRS AGENCY

Sec. 404. (1) Money privately donated to the department for the Michigan veterans affairs agency administration in excess of the appropriation in part 1 is appropriated and may be used for the purpose designated by the private source, if specified.

- (2) The department must notify the subcommittees and the house and senate fiscal agencies of the receipt of a donation under this subsection within 14 calendar days of receiving the donation. The notification must include the amount of the donation and the purpose for which the funds will be expended, if known.
- Sec. 405. (1) The MVAA shall provide a report biannually on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state operating and 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.
- (3) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:
- (a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.
  - (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.
  - (c) R 35.1 to R 35.7 of the Michigan Administrative Code.
  - (d) R 35.621 to R 35.623 of the Michigan Administrative Code.
- (4) No later than February 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the immediately preceding fiscal year, information on grants provided from the emergency grant program, including details

concerning the methodology of allocations, the selection of 1 emergency grant program authorized agents, a description of how the 2 emergency grant program is administered in each county, and a 3 4 detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for operating 5 6 costs, administrative costs and emergency grants. The report shall 7 also include the number of approved applications, by category of assistance, and the number of denied applications, by reason of 8 denial. The report shall also provide an update on the department's 9 10 efforts to reduce program administrative costs and maintain the 11 Michigan veterans' trust fund corpus at or above its original amount of at least \$50,000,000.00. 12

Sec. 406. (1) The MVAA shall provide outreach services to Michigan veterans to 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) Develop and operate an outreach program that communicates 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 veterans 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

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on paper and microfilm.

- (e) Provide a report biannually to the subcommittees, the senate and house fiscal agencies, and the state budget office providing, to the extent known, data on the estimated number of homeless veterans, by county, in this state.
- (f) Provide the percentage of Michigan veterans contacted through its outreach programs, with a goal of 90%, and report that percentage to the subcommittees biannually on the status of outreach.
- (2) From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services, as follows:
- (a) The MVAA shall coordinate with veteran benefit counselors throughout a specified region.
- (b) The MVAA shall coordinate services with the department of health and human services and the department of corrections.
- (c) The MVAA shall coordinate with regional workforce and economic development agencies.
- (d) The MVAA shall 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.
- (e) The MVAA may work with MVAA service officers, 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.
  - (f) 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.

- (g) 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.
- (h) The MVAA shall ensure that all MVAA service officers and VSO service officers 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 both of the following:
- (a) Report biannually on the number of benefit claims, by type, submitted to the USDVA by MVAA.
- (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 veterans. The MVAA shall report information biannually on the number and percentage of county veterans counselors trained by the MVAA, and the number and percentage who received funding from the MVAA to attend training, with an overall goal of 100% of county veterans counselors trained.

(5) 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).

Sec. 407. (1) The MVAA shall disburse grants to achieve agency goals and performance objectives in partnership with counties, VSOs, and tribal governments. Grants will be disbursed to fund programs and projects that are determined by the agency to meet agency performance objectives and ensure that grantees communicate the availability of emergency grants through the Michigan veterans' trust fund. In disbursing grants, the MVAA shall do all of the following:

- (a) Ensure that each grantee is issued performance standards.
- 14 (b) Ensure that each grantee uses those funds for veterans15 advocacy and outreach.
  - (c) Monitor the performance of each grantee.
  - (d) Require each grantee to report not less than quarterly on services provided to veterans and account for all grant fund expenditures.
    - (e) Require that each grantee report not less than quarterly both of the following:
  - (i) The number and type of claims originated and submitted by the grantee to the USDVA.
  - (ii) The number and type of claims originated by an organization other than the grantee and submitted by the grantee to the USDVA.
- 27 (f) Promulgate monthly benchmark requirements, based upon
  28 contractual obligations, that each grantee must meet and require
  29 each grantee to report on achieving the benchmark requirements not

- less than quarterly to the MVAA, in order to ensure that each grantee meets MVAA veteran service goals.
- (g) Assess the accuracy rate of claims reported by grantees and the attendance rate of grantees, based upon contractual obligations.
  - (h) Ensure that each grantee adheres to the MVAA approved schedule of operations.
  - (i) Report biannually to the subcommittees and senate and house fiscal agencies on grantee operations monitored under this subsection.
  - (2) Grants awarded to a VSO by the MVAA shall provide for the following, as developed by the MVAA:
  - (a) The provision of service to veterans statewide, using a regional service delivery model, with services provided at specified locations and times, including service provided in state correctional facilities.
  - (b) The payment of an hourly service rate that shall be set annually by MVAA based on funds appropriated in part 1.
  - (c) A specified number of service hours within each geographic region of this state, with a statewide goal based on both appropriations for the current fiscal year for the grant programs and the hourly service rate under subdivision (b). The statewide goal will include service hours provided to eligible incarcerated veterans within 1 year of their earliest release date.
  - (d) Use of an MVAA-designated internet-based claims data system.
- (3) Biannually, the MVAA shall report a summary of activities supported through the appropriation in part 1 for grants, including the amount of expenditures to date, number of service hours, number

of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

Sec. 409. (1) The department shall enter into an interagency agreement in cooperation with the department of health and human services in order to work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits. The interagency agreement shall include the specific outcome and performance reporting requirements described in this section. The interagency agreement shall require the department to provide all of the following items by January 1 for the current fiscal year to the subcommittees, the senate and house fiscal agencies, and the policy offices:

- (a) The number of veterans identified by the department of health and human services through eligibility determinations.
  - (b) The number of veterans referred to the department.
- (c) The number of referrals made by the department of health and human services that were contacted by the department.
- (d) The number of referrals made to the department that were eligible for veterans health care benefits or other benefits.
- (e) The specific actions and efforts undertaken by the department of health and human services and the department to identify female veterans who are applying for public assistance benefits, but who are eligible for veterans benefits.
- (2) By October 1 of the current fiscal year, the department of health and human services shall change the public assistance application form from asking whether the prospective applicant was a veteran to asking whether the applicant had ever served in the military.

(3) This section does not prohibit the department from entering into interagency agreements with any other public department or agency in this state in order to obtain the information detailed in subsection (1).

Sec. 410. The general fund/general purpose funds appropriated in part I for the county veteran service fund shall be deposited to the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a. All funds in the restricted county veteran service fund are appropriated and available for expenditure to support county veteran service grants.

## MICHIGAN VETERANS FACILITY AUTHORITY

Sec. 452. (1) The MVH and the Michigan veterans' facility authority shall provide compassionate and quality nursing and domiciliary care services at the Grand Rapids, D.J. Jacobetti, and Chesterfield Township homes for veterans so that members can achieve their highest potential of wellness, independence, selfworth, and dignity.

- (2) From the funds appropriated in part 1, the department shall provide resources necessary to provide nursing care services to veterans in accordance with federal standards and provide the results of the annual USDVA survey and certification as proof of compliance.
- (3) Appropriations in part 1 for a home operated by the MVH and the D.J. Jacobetti and Chesterfield Township homes for veterans shall not be used for any purpose other than for veterans and veterans' families.
- (4) Any contractor providing mental health services to the Grand Rapids, D.J. Jacobetti, and Chesterfield Township homes for

- veterans shall utilize mental health interventions that have been shown to be effective with the conditions they are treating, in accordance with evidence-based best practices supported by the USDVA-VHA, United States Department of Defense, the Substance Abuse and Mental Health Services Administration, the American
- Psychological Association, and the National Association of SocialWorkers.
  - (5) Any contractor providing CENAs to a home operated by the MVH shall ensure that each CENA has at least 8 hours of training on information provided by the home.
  - (6) Any contractor providing CENAs to a home operated by the MVH shall ensure that each CENA has at least one 8-hour shift of shadowing at the veterans' home.
  - (7) Any contractor providing CENAs to a home operated by the MVH shall ensure that each CENA is competent in the basic skills needed to perform his or her assigned duties at the home.
  - (8) A home operated by the MVH 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, D.J. Jacobetti, and Chesterfield Township homes for veterans by a resident member, a resident member's family or legal guardian, or staff of the veterans' homes received by a supervisor shall be referred to the director of nursing or his or her designee upon receipt of the complaint. The director of nursing or his or her designee shall report on not less than a monthly basis, except that the Michigan veterans' facility authority may specify a more frequent reporting period to the home administrator, Michigan veterans' facility authority, agency, subcommittees, senate and

- house fiscal agencies, and 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, D.J. Jacobetti, and Chesterfield Township homes 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 MVH 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 MVH shall provide all members and staff a safe and secure environment.
    - (11) The MVH shall ensure that they effectively develop, execute, and monitor all comprehensive care plans in accordance with federal regulations and their internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.
    - (12) The MVH shall implement controls over their food, maintenance supplies, pharmaceuticals, and medical supplies inventories.
    - (13) The MVH shall establish sufficient controls for calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle. The MVH shall establish sufficient controls to ensure that all past due resident member maintenance assessments are addressed within 30 days.

- (14) The MVH shall establish sufficient controls over monetary donations and donated goods.
- (15) The MVH shall implement sufficient controls over the handling of resident member funds to ensure the release of funds within 15 calendar 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 30 calendar days after the death of that resident member.
- (16) The MVH shall post on its website all policies adopted by the Michigan veterans' facility authority and the veterans' homes related to the administrative operations of the veterans' homes.
- (17) The process by which visitors, residents, and employees of the Grand Rapids, D.J. Jacobetti, and Chesterfield Township homes for veterans may register complaints shall be displayed in high-traffic areas throughout the home.
- (18) The MVH shall provide copies of each facility's USDVA State Veteran Home quarterly report to the legislature and the state budget office. These quarterly reports shall be posted on the MVH website.
- (19) The MVH shall provide to the legislature and the state budget office biannual reports regarding the status of Centers for Medicare and Medicaid certification efforts, including, but not limited to, descriptions of incremental milestones, associated expenditures, and the percentage of plan completed until such time certification has been achieved and reported.
- (20) The MVH 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 for the homes in its

system. This information shall also be made available publicly through the MVH's website.

Sec. 453. The department shall ensure that the quality of care for members of the Grand Rapids, D.J. Jacobetti, and Chesterfield Township homes for veterans shall meet or exceed the quality of care for the full spectrum of health care services to meet or exceed the Centers for Medicare and Medicaid Services certification standards. The department shall provide a report biannually to the subcommittees that contains evidence that the quality of care for the full spectrum of health care services has met or exceeded Centers for Medicare and Medicaid Services certification standards.

## CAPITAL OUTLAY

Sec. 501. (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 biannually.
- Sec. 502. (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 section 452 of this part 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 report biannually 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.
- Sec. 503. (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 section 402 of this part 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 MVH shall provide a report biannually providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the Grand Rapids, D.J. Jacobetti, and Chesterfield Township homes for veterans funded from capital outlay appropriations made in part 1 and in prior appropriations years.
- Sec. 504. (1) The appropriations in part 1 for armory 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.

(2) The appropriations for armory maintenance shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

