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**SFA****BILL ANALYSIS**

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House Bill 4646 (as passed by the House)  
Sponsor: Representative Bob Brown  
House Committee: Senior Citizens and Veterans' Affairs  
Senate Committee: Human Resources, Labor and Veterans Affairs

Date Completed: 10-8-97

### **CONTENT**

The bill would amend Public Act 190 of 1965 (which provides for uniform service dates for veterans) to redefine the beginning of the Vietnam era as October 25, 1956.

Currently, the Act defines the Vietnam era as the period beginning August 5, 1964, and ending May 7, 1975. "Veteran" means a person, who has served in the active military service forces, during a period of war or who has received the armed forces expeditionary or other campaign service medal during an emergency condition and who was discharged or released under honorable conditions. It also includes a person who has died in active military service.

MCL 35.61

Legislative Analyst: N. Nagata

### **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on State and local government. Expanding the time-frame in which a Michigan veteran is termed a Vietnam era war veteran as the bill proposes to do would add approximately 50,000 Michigan veterans to those who are defined as wartime veterans. This would make these veterans eligible for certain State and local benefits for which they currently are not eligible. At the State level, these veterans would become eligible to apply for emergency grants from the Michigan Veteran's Trust Fund and also to apply for membership at the Grand Rapids and D. J. Jacobetti Veteran's facilities. Emergency grants under the Michigan Veteran's Trust Fund were established to assist wartime veterans on a temporary basis and are limited to \$3,000 in a given year. It is not known how many of the 50,000 veterans would apply and be granted an emergency grant. Currently, 0.6% of all wartime veterans receive an emergency grant averaging \$330 per year. If the 50,000 persons with added eligibility under the bill reflected a similar participation rate, it would theoretically add \$99,000 to the total grants awarded by the program. However, the potential new eligible individuals would be competing with other veterans for the approximately \$1.5 million available for grants that are disbursed on a priority basis according to need.

A more significant fiscal impact from the bill could be upon the State's veterans' facilities where the 50,000 additional veterans would become eligible for admission under the bill. The impact, other than a possible increase in applications itself, would be that the facilities would not be eligible for collecting funds from the U.S. Department of Veteran's Affairs (VA) to support the care of these individuals. This is because the VA offers State nursing home support only for veterans who meet the VA's definition of a wartime veteran, and the House-passed version of the bill lists the beginning of the Vietnam War era as 1956, while the VA has the era beginning in 1961. Benefits from the VA

represent approximately 30% of the monthly maintenance rates for a nursing home patient at the State's veterans' facilities. To have members at the State veteran's home not eligible for this VA benefit would result in additional GF/GP expenditures by the State above and beyond what a facility member could afford to pay in maintenance costs.

The bill could also have a fiscal impact on county governments, which are required under the Soldier's Relief Commission Act to provide burial costs for needy wartime veterans. It is not known how many of the 50,000 veterans who would be defined as war veterans might eventually be eligible for this benefit.

Fiscal Analyst: B. Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.