

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 181, entitled

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide

for the preparation of certain reports related to the appropriations.

Patrick Colbeck

Peter MacGregor

Roger Kahn

Nancy E. Jenkins

Vincent Gregory

Richard LeBlanc

Conferees for the Senate

Conferees for the House

**SUBSTITUTE FOR
SENATE BILL NO. 181**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2012; to provide for the expenditure of the appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS
FOR FISCAL YEAR 2011-2012

Sec. 101. Subject to the conditions set forth in this act, the

1 amounts listed in this part for the department of military and
 2 veterans affairs are appropriated for the fiscal year ending
 3 September 30, 2012 from the funds indicated in this part. The
 4 following is a summary of the appropriations in this part:

5 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

6 APPROPRIATION SUMMARY

7	Full-time equated unclassified positions.....	7.0	
8	Full-time equated classified positions.....	819.0	
9	GROSS APPROPRIATION.....		\$ 152,483,500
10	Total interdepartmental grants and intradepartmental		
11	transfers		1,152,800
12	Schedule of interdepartmental grant revenue sources:		
13	IDG, challenge grant	152,800	
14	IDG, community health	100,000	
15	IDG, state police	900,000	
16	ADJUSTED GROSS APPROPRIATION		\$ 151,330,700
17	Total federal revenues.....		87,678,000
18	Schedule of federal revenue sources:		
19	DOD-DOA-NGB	59,527,800	
20	DVA-VHA	24,657,500	
21	HHS-Medicare	3,262,000	
22	HHS-Medicaid	180,700	
23	Federal counter narcotics revenues.....	50,000	
24	Total local revenues.....		744,800
25	Schedule of local revenue sources:		
26	Local - school aid revenue	744,800	

1	Total private revenues.....	1,423,300
2	Schedule of private revenue sources:	
3	Private donations	883,300
4	Private-veterans' home post and posthumous	
5	funds	540,000
6	Total other state restricted revenues.....	28,439,700
7	Schedule of restricted revenue sources:	
8	Rental fees	346,400
9	Mackinac bridge authority	70,000
10	Test project fees	100,000
11	Income and assessments	21,857,800
12	Lease revenue	12,200
13	Michigan veterans trust fund	5,053,300
14	Michigan family relief fund	1,000,000
15	State general fund/general purpose.....	\$ 33,044,900
16	Sec. 102. MILITARY	
17	Full-time equated unclassified positions.....	7.0
18	Full-time equated classified positions.....	285.0
19	Military.....	\$ <u>54,119,800</u>
20	GROSS APPROPRIATION.....	\$ 54,119,800
21	Appropriated from:	
22	Interdepartmental grant revenues.....	1,000,000
23	Federal revenues.....	38,523,900
24	State restricted revenues.....	884,500
25	State general fund/general purpose.....	\$ 13,711,400
26	Schedule of programs:	
27	Headquarters and armories	11,363,300

1	Unclassified military personnel.....	665,000	
2	Military appeals tribunal	900	
3	State active duty	100,100	
4	Homeland security	1,000,000	
5	Military training sites and support		
6	facilities	28,212,100	
7	Military training site and support facilities test		
8	projects	100,000	
9	Departmentwide accounts	1,861,300	
10	Special maintenance - state	651,200	
11	Special maintenance - federal.....	5,300,000	
12	Military retirement	3,784,100	
13	Counter narcotic operations	50,000	
14	Information technology services and		
15	projects	1,031,800	
16	Sec. 103. VETERANS AND COMMUNITY OUTREACH		
17	Full-time equated classified positions.....	33.0	
18	Veterans and community outreach.....		\$ <u>15,402,100</u>
19	GROSS APPROPRIATION.....		\$ 15,402,100
20	Appropriated from:		
21	Interdepartmental grant revenues.....		152,800
22	Federal revenues.....		4,728,000
23	Local revenues.....		744,800
24	Private revenues.....		883,300
25	State restricted revenues.....		5,653,300
26	State general fund/general purpose.....		\$ 3,239,900
27	Schedule of programs:		

1	Veterans advice, advocacy and assistance	
2	grants	3,029,600
3	Veterans' affairs directorate administration.	205,300
4	Veterans' trust fund administration.....	1,306,800
5	Veterans' trust fund grants	3,746,500
6	Michigan emergency volunteers.....	5,000
7	Challenge program	4,186,900
8	Military family relief fund	600,000
9	Starbase grant	2,322,000
10	Sec. 104. HOMES	
11	Full-time equated classified positions.....	501.0
12	Homes.....	\$ <u>66,261,600</u>
13	GROSS APPROPRIATION.....	\$ 66,261,600
14	Appropriated from:	
15	Federal revenues.....	27,726,100
16	Private revenues.....	540,000
17	State restricted revenues.....	21,901,900
18	State general fund/general purpose.....	\$ 16,093,600
19	Schedule of programs:	
20	Grand Rapids veterans' home	48,251,000
21	Board of managers	665,000
22	D.J. Jacobetti veterans' home.....	17,070,600
23	Board of managers	275,000
24	Sec. 105. CAPITAL OUTLAY	
25	Capital outlay.....	\$ <u>16,700,000</u>
26	GROSS APPROPRIATION.....	\$ 16,700,000
27	Appropriated from:	

1	Federal revenues.....	16,700,000
2	State general fund/general purpose.....	\$ 0
3	Schedule of programs:	
4	Special maintenance, remodeling and	
5	additions	15,000,000
6	Camp grayling - light demolition range.....	1,700,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2011-2012

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2011-2012 is \$61,484,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2011-2012 is \$120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

19	Military.....	\$ 70,000
20	Schedule of programs:	
21	Payments in lieu of taxes.....	70,000
22	Veterans and community outreach.....	50,000
23	Schedule of programs:	
24	County counselor education and training expenses	<u>50,000</u>
25	TOTAL	\$ 120,000

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

4 Sec. 203. As used in this act:

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

7 (b) "DOD" means the United States department of defense.

8 (c) "DOD-DOA-NGB" means the DOD department of the army,
9 national guard bureau.

10 (d) "DTMB" means the department of technology, management, and
11 budget.

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

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

15 (g) "IDG" means interdepartmental grant.

16 (h) "Work project" means, except as used in section 211, a
17 group of activities featuring a fixed duration, budget, and scope
18 that is expected to cause a measurable change in the delivery,
19 efficiency, or effectiveness of 1 or more operations.

20 (i) "Large veterans service organization" means a VSO that can
21 certify that its membership exceeds 30,000 individuals.

22 (j) "Medium veterans service organization" means a VSO that
23 can certify that its membership is between 2,500 and 30,000
24 individuals.

25 (k) "Small veterans service organization" means a VSO that can
26 certify that its membership is between 1,000 and 2,499 individuals.

27 (l) "VSO" means veterans service organization.

1 Sec. 204. The following shall constitute the appropriations
2 from part 1 for interdepartmental grant funds received by the
3 department from sources outside the department: \$152,800.00 from
4 challenge grant; \$100,000.00 from the department of community
5 health; and \$900,000.00 from the department of state police.

6 Sec. 206. (1) In addition to the funds appropriated in part 1,
7 there is appropriated an amount not to exceed \$10,000,000.00 for
8 federal contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item
10 in this act under section 393(2) of the management and budget act,
11 1984 PA 431, MCL 18.1393.

12 (2) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$2,000,000.00 for state
14 restricted contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in this act under section 393(2) of the management and budget act,
17 1984 PA 431, MCL 18.1393.

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

24 (4) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$100,000.00 for private
26 contingency funds. These funds are not available for expenditure
27 until they have been transferred to another line item in this act

1 under section 393(2) of the management and budget act, 1984 PA 431,
2 MCL 18.1393.

3 Sec. 207. (1) The department shall maintain a searchable
4 website accessible by the public at no cost that includes, but it
5 not limited to, all of the following:

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

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

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

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

13 (e) Job specifications and wage rates.

14 (2) The department may develop and operate its own website to
15 provide this information or may reference the state's central
16 transparency website as the source for this information.

17 Sec. 208. Unless otherwise specified, the department shall use
18 the Internet to fulfill the reporting requirements of this act.
19 This requirement may include transmission of reports via electronic
20 mail to the recipients identified for each reporting requirement,
21 or it may include placement of reports on an Internet or Intranet
22 site.

23 Sec. 209. Funds appropriated in part 1 shall not be used for
24 the purchase of foreign goods or services, or both, if
25 competitively priced and of comparable quality American goods or
26 services, or both, are available. Preference should be given to
27 goods or services, or both, manufactured or provided by Michigan

1 businesses, if they are competitively priced and of comparable
2 quality. In addition, preference should be given to goods or
3 services, or both, that are manufactured or provided by Michigan
4 businesses owned and operated by veterans, if they are
5 competitively priced and of comparable quality.

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

13 Sec. 211. Amounts appropriated in part 1 for information
14 technology may be designated as work projects and carried forward
15 to support technology projects under the direction of the
16 department of technology, management, and budget. Funds designated
17 in this manner are not available for expenditure until approved as
18 work projects under section 451a of the management and budget act,
19 1984 PA 431, MCL 18.1451a.

20 Sec. 212. The departments and agencies receiving
21 appropriations in part 1 shall receive and retain copies of all
22 reports funded from appropriations in part 1. Federal and state
23 guidelines for short-term and long-term retention of records shall
24 be followed. The department may electronically retain copies of
25 reports unless otherwise required by federal and state guidelines.

26 Sec. 213. (1) Due to the current budgetary problems in this
27 state, out-of-state travel for this fiscal year ending September

1 30, 2012 shall be limited to situations in which 1 or more of the
2 following conditions apply:

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

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

8 (c) The travel is necessary to produce budgetary savings or to
9 increase state revenues, including protecting existing federal
10 funds or securing additional federal funds.

11 (d) The travel is necessary to comply with federal
12 requirements.

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

15 (f) The travel is financed entirely by federal or nonstate
16 funds.

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

22 Sec. 214. From the funds appropriated in part 1 for
23 information technology, departments and agencies shall pay user
24 fees to the department of technology, management, and budget for
25 technology-related services and projects. The user fees shall be
26 subject to provisions of an interagency agreement between the
27 department and agencies and the department of technology,

1 management, and budget.

2 Sec. 215. The department shall not take disciplinary action
3 against an employee for communicating with a member of the
4 legislature or his or her staff.

5 Sec. 216. (1) Notwithstanding any other provision of this act,
6 the schedule of programs in part 1 lists programs which may, but
7 are not required to be, funded under this act.

8 (2) Notwithstanding any other provisions of this act, the
9 schedule of revenue sources in part 1 may or may not be received
10 from the funding entities listed.

11 (3) Any funding required by statute is not subject to funding
12 flexibility and shall be funded in accordance with that statute.

13 Sec. 217. The department shall improve its budgetary
14 efficiency pertaining to the delivery of core services delineated
15 in section 211 by doing all of the following:

16 (a) Prioritizing personnel over buildings in budgetary
17 efficiency considerations.

18 (b) Pursuing the physical or virtual consolidation of support
19 service functions such as information technology, human resources,
20 and accounting as a means of improving standardization and
21 efficiency.

22 (c) Seeking expenditure reductions whenever possible through
23 the streamlining of existing service delivery activities

24 (d) Identifying efficiencies that can be gained via the
25 reduction or elimination of programs, policies, and practices which
26 have outlived their usefulness.

27 Sec. 218. (1) Any unused general fund/general purpose funds

1 for this fiscal year created through efficiencies and identified by
2 the department as potential lapsed funds shall be designated as the
3 department incentive pool balance, provided that all the
4 requirements of this part have been met.

5 (2) Any funds associated with any supplemental general
6 fund/general purpose fund requests for this fiscal year shall be
7 debited against this fiscal year's department incentive pool
8 balance if it does not meet 1 or more of the following criteria:

9 (a) The supplemental funds pertain to the addition of a new
10 core service.

11 (b) The supplemental funds pertain to the expansion of
12 existing service capacity beyond current fiscal year expectations.

13 (3) At the end of this fiscal year, if the incentive pool
14 balance is positive, the department incentive pool balance shall be
15 allocated as follows:

16 (a) Ten percent of the unused funds shall be allocated as work
17 project funds to be used in a manner that provides direct benefit
18 to department employees or their families within 12 months of the
19 end of this fiscal year.

20 (b) Forty percent of the unused funds shall be allocated as
21 work project funds to be used at the discretion of the department
22 for projects designed to improve service delivery.

23 (c) Fifty percent of the unused funds shall be lapsed to the
24 general fund/general purpose fund.

25 Sec. 219. (1) The department shall be available to meet on a
26 quarterly basis before the appropriate senate and house
27 appropriations subcommittee.

1 (2) The department shall provide all information necessary to
2 validate that the requirements of this part have been achieved.

3 (3) The department shall provide a corrective action plan
4 within 30 days of a quarterly report under this section for any
5 requirements of this part that have not been achieved. The
6 department shall provide a monthly status of corrective action
7 plans.

8 (4) The department shall provide a summary of fund shifts,
9 that have been approved by the state budget office, that have
10 occurred between core services on a quarterly basis to the senate
11 and house appropriations subcommittees.

12 (5) The department shall provide the following data to the
13 senate and house appropriations subcommittees:

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

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

22 (c) Evidence of efficiencies and management of funds within
23 established appropriations, documented through the DTMB monthly
24 expenditure report as described in section 301(3) of this part.

25 (d) A list of projected armory closings from section 302(6) of
26 this part.

27 (e) A list of property sales as described in section 223 of

1 this part.

2 (6) The department shall provide a corrective action plan for
3 any service metrics that do not meet requirements. The department
4 shall provide a status of correction action plans at the next
5 quarterly review.

6 (7) The Grand Rapids and D.J. Jacobetti veterans' homes shall
7 provide to the appropriate house and senate appropriations
8 subcommittees the results of the veterans' homes annual veterans'
9 affairs inspection and their corrective action plans.

10 Sec. 220. The department shall provide the following data to
11 the appropriate senate and house appropriations subcommittees on an
12 annual basis:

13 (a) Using information received from the grant recipients in
14 section 401 of this part, a progress report on metric requirements,
15 copies of certified financial audits and tax reports of grant
16 recipients, a listing from grant recipients of expenditures by
17 spending category, including a listing of individual salaries of
18 each officer and administrative staff, a listing of volunteer hours
19 including the hours, series, and donations provided to residents of
20 the Grand Rapids veterans' home and the D.J. Jacobetti veterans'
21 home. The department shall provide within the report a specific
22 notification whether any veterans grant recipients failed to comply
23 with established reporting requirements.

24 (b) The Grand Rapids veterans' home and the D.J. Jacobetti
25 veterans' home shall produce a report including an accounting of
26 member populations and bed space available, a description and
27 accounting of services and activities provided to members,

1 financial information, and current state nursing home licensure
2 status.

3 (c) A detailed report of the Michigan veteran's trust fund
4 that includes information on grants provided from the emergency
5 grant program, including details concerning the methodology of
6 allocations, the selection of emergency grant program authorized
7 agents, and a detailed breakdown of trust fund expenditures for
8 that year. The report shall also provide an update on the
9 department's efforts to reduce program administrative costs and
10 maintain the Michigan veterans' trust fund corpus to its original
11 amount of at least \$50,000,000.00.

12 Sec. 221. Grant recipients in section 401 of this part shall
13 submit a report to the department on the number of claims filed for
14 veterans in this state with the United States department of
15 veterans affairs and the number of actual claims awarded.

16 Sec. 222. The appropriations in part 1 are for the core
17 services, support services, and work projects of the department,
18 including, but not limited to, the following core services:
19 armories and joint forces readiness, maintenance and operation of
20 army national guard training facilities, operation and maintenance
21 of air national guard air bases, veterans affairs directorate and
22 administration of the veterans trust fund, administration and
23 oversight of veterans advice, advocacy, and assistance grants,
24 training support for county veterans counselors, administration of
25 the military family relief fund, the Michigan youth challenge
26 academy program, and the administration of the Grand Rapids
27 veterans' home and the D.J. Jacobetti veterans' home.

1 Sec. 223. Sixty days prior to the public announcement of the
2 intention to sell any department property, the department shall
3 submit notification of that intent to the appropriate senate and
4 house appropriations subcommittees and the senate and house fiscal
5 agencies.

6 Sec. 224. The department shall consult with the house and
7 senate appropriations subcommittees on state police and military
8 and veterans affairs regarding the projected closing or
9 consolidation of any national guard armories.

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

16 Sec. 226. The department shall seek partnerships with United
17 States armed forces reserve units for the colocation of activities,
18 including sharing in the acquisition and costs for facilities.

19 Sec. 227. Bids for contract services shall not exclude public
20 employee unions from the bid process.

21 Sec. 228. Not later than November 15, the department shall
22 prepare and transmit a report that provides for estimates of the
23 total general fund/general purpose appropriations lapses at the
24 close of the fiscal year. This report shall summarize the projected
25 year-end general fund/general purpose appropriations lapses by
26 major departmental program or program areas. The report shall be
27 transmitted to the office of the state budget, the chairpersons of

1 the senate and house standing committees on appropriations, and the
2 senate and house fiscal agencies.

3 Sec. 229. Within 14 days after the release of the executive
4 budget recommendation, the department shall provide the state
5 budget director, the senate and house appropriations chairs, the
6 senate and house appropriations subcommittees on state police and
7 military and veterans affairs, respectively, and the senate and
8 house fiscal agencies with an annual report on estimated state
9 restricted fund balances, state restricted fund projected revenues,
10 and state restricted fund expenditures for the fiscal years ending
11 September 30, 2011 and September 30, 2012.

12 **MILITARY**

13 Sec. 301. (1) The department shall provide administrative
14 support for department operations.

15 (2) The department shall maintain the staffing and resources
16 necessary to ensure proper accountability of state funds.

17 (3) The department shall maintain the staffing and resources
18 necessary to adhere to the state of Michigan financial management
19 guide for accounting, contracting, purchasing, budgeting, and
20 financial reporting and the administrative guide to state
21 government.

22 (4) The department shall ensure fiscal controls relating to
23 procurement of goods and services and other expenditures.

24 Sec. 302. (1) The department shall operate and maintain
25 national guard armories.

26 (2) The department shall provide resources necessary to ensure

1 that armories are maintained in accordance with army regulation
2 210-4.

3 (3) The department shall evaluate armories for consolidation,
4 energy, and utility efficiency and identify work projects that
5 would improve this efficiency.

6 (4) The department shall provide armory equipment maintenance
7 by maintaining equipment and tracking and monitoring trends in
8 repair maintenance to determine whether a piece of equipment is to
9 be retired or kept.

10 (5) The department shall provide security for national guard
11 armories by ensuring that a passive electronic security system is
12 in place at all armories.

13 (6) The department shall consult with the house and senate
14 appropriations subcommittees on state police and military and
15 veterans affairs regarding the projected closing or consolidation
16 of any national guard armories.

17 (7) Using individual facility assessments, the department
18 shall improve the adequacy of utilities and infrastructure of the
19 armories. The department shall improve quality rating at the armory
20 facilities based on the number of faults corrected and dollars
21 available (spent) during the fiscal year.

22 Sec. 303. (1) The department shall provide army national guard
23 forces, when directed, for state and local emergencies and in
24 support of national military requirements.

25 (2) The department shall provide resources necessary to train
26 and equip military forces to standards set by the United States
27 armed forces.

1 Sec. 304. (1) The department shall operate and maintain army
2 national guard training facilities, including Fort Custer and Camp
3 Grayling.

4 (2) The department shall provide resources necessary to meet
5 building maintenance requirements per performance specifications
6 established in master cooperative agreement appendix 1, section
7 104, national guard bureau regulations.

8 (3) Army national guard training facilities security
9 management shall secure all locations, monitor alarm equipment, and
10 adhere to state laws, statutes, and army regulation 190-56 and
11 master cooperative agreement appendix 3, section 308, national
12 guard bureau regulations.

13 (4) Using individual facility assessments, the department
14 shall improve the adequacy of utilities and infrastructure of the
15 air bases. The department shall improve quality rating at the air
16 base facilities based on the number of faults corrected and dollars
17 available (spent) during the fiscal year.

18 Sec. 305. (1) The department shall provide air national guard
19 forces when directed, for state and local emergencies and in
20 support of national military requirements.

21 (2) The department shall provide resources necessary to train
22 and equip military forces to standards set by the United States
23 armed forces.

24 (3) Using individual facility assessments, the department
25 shall improve the adequacy of utilities and infrastructure of the
26 military training sites and support facilities. The department
27 shall improve quality rating at the facilities based on the number

1 of faults corrected and dollars available (spent) during the fiscal
2 year.

3 Sec. 306. (1) The department shall operate and maintain air
4 national guard air bases, including Selfridge air national guard
5 base, Battle Creek air national guard base, and Alpena combat
6 readiness training center.

7 (2) The department shall provide resources necessary to meet
8 facility maintenance at air national guard bases, including
9 maintenance and preventive maintenance of authorized building and
10 systems at no less than the minimum standards required by
11 applicable federal, state, and local agencies.

12 (3) The department shall maintain the staffing and resources
13 necessary to provide security services at air national guard bases,
14 including the security of the location and the monitoring of alarm
15 equipment, in accordance with air force instruction 31-101 and
16 master cooperative agreement appendix 23, section 2308, national
17 guard bureau regulations.

18 VETERANS AND COMMUNITY OUTREACH

19 Sec. 401. (1) The department shall provide advice, advocacy,
20 and assistance services to Michigan veterans.

21 (2) The department shall maintain the staffing and resources
22 necessary to develop and operate a program that will provide
23 benefits counseling and representation to veterans of this state
24 for the purpose of assisting veterans to obtain United States
25 department of veteran affairs health, financial, and memorial
26 benefits for which they are eligible.

1 (3) The department shall create a 5-member advisory board
2 consisting of presidents/commanders from 2 large veterans service
3 organizations, 2 medium veterans service organizations, and 1 small
4 veterans service organization. The board shall meet no less than
5 twice a year, without reimbursement by the department, and have the
6 following duties:

7 (a) Assist the department in establishing criteria for grant
8 awards. The department, while utilizing advice provided by the
9 board in establishing grant criteria, is solely responsible for
10 determination of the amounts and recipients of the grants.

11 (b) Serve as a liaison between the grant recipients, the
12 department, and the legislature.

13 (c) Assist the department in developing plans, reviewing
14 service delivery, and identifying goals to better assist veterans
15 in applying for and receiving benefits from the federal, state, and
16 local governments.

17 (d) Provide a forum regarding veterans' issues, including
18 suggesting changes in department programs that address veterans'
19 changing needs.

20 (4) Of the appropriation in part 1 for veterans advice,
21 advocacy, and assistance, grants shall be distributed by the
22 department in the form of 5 grants for the period beginning October
23 1, 2010, including 1 specialized grant. The specialized grant shall
24 be awarded to a group specializing in advocacy for paralyzed
25 veterans.

26 (5) Money used for grants shall be used only for salaries,
27 wages, related personnel costs, in-state training, and equipment

1 for accredited veteran service advocacy officers and necessary
2 support and managerial staff.

3 (6) The department shall take steps to improve the
4 coordination of veterans' benefits counseling in the state to
5 maximize the effective and efficient use of taxpayer dollars in
6 this goal and to ensure that every veteran is served.

7 (7) The department shall increase its responsibility in the
8 administration, management, oversight, and outreach of the delivery
9 of services to veterans by working with grant recipients, the
10 veterans advisory board, county veterans counselors, and
11 representatives from the Michigan veterans trust fund to identify,
12 implement, and evaluate steps to do all the following:

13 (a) Maximize the coordination between all organizations that
14 assist veterans and identify areas of redundancy in services to
15 consolidate.

16 (b) Increase the percentage of veterans in this state who
17 become aware of their eligibility for service-connected disability
18 or pension benefits from the United States department of veterans
19 affairs.

20 (c) Improve national standing with regard to veterans affairs
21 benefits granted per veteran.

22 (d) Expand training opportunities for veteran service
23 organization service officers.

24 (e) Increase the percentage of veterans in this state who
25 become aware of their eligibility for enrollment in the veterans
26 affairs health care system.

27 (f) Publicize the availability, benefit, and value of burial

1 in the Fort Custer and Great Lakes national cemeteries.

2 Sec. 402. (1) The Michigan veterans' trust fund board together
3 with the department shall provide emergency grants for disbursement
4 from the Michigan veterans' trust fund.

5 (2) The Michigan veterans' trust fund board together with the
6 department shall maintain the staffing and resources necessary to
7 provide outreach to veterans who may need and qualify for veterans
8 trust fund emergency grants.

9 (3) The Michigan veterans' trust fund board shall work to
10 increase the percentage of grant applications that are approved and
11 received by eligible families by 5% over those approved and
12 received by eligible families in fiscal year 2009-2010.

13 Sec. 403. (1) The department shall provide grants for
14 disbursement from the military family relief fund.

15 (2) The department shall maintain the staffing and resources
16 necessary to provide outreach to the Michigan families of active
17 members of the armed forces.

18 (3) The department shall work to increase the percentage of
19 military family relief grant applications that are approved and
20 received by eligible families by 5% over those approved and
21 received by eligible families in fiscal year 2009-2010.

22 Sec. 404. (1) The department shall provide training support
23 for county veterans counselors.

24 (2) The department shall provide resources necessary to
25 provide county veterans counselors with training to ensure quality
26 services to veterans.

27 (3) The department shall work with counties towards the goal

1 of having at least 1 county veterans counselor in every county in
2 this state.

3 (4) The Michigan veterans' affairs directorate administration
4 and the Michigan veterans' trust fund administration shall take
5 steps to assist the county veterans counselors of this state to
6 obtain training necessary for the execution of their duties.

7 Sec. 405. (1) The department shall maintain the Michigan youth
8 challenge academy to provide values, skills, education, and self-
9 discipline instruction for at-risk youth.

10 (2) The department shall maintain the staffing and resources
11 necessary to recruit and train a starting class size of 144 cadets.

12 (3) The department shall provide food services for cadets
13 enrolled in the Michigan youth challenge academy which shall
14 include 3 balanced meals a day in accordance with current dietary
15 guidelines for Americans and the daily food guide of the United
16 States department of agriculture.

17 (4) The department shall ensure that at least 65% of the
18 cadets who enroll in the Michigan youth challenge academy meet the
19 requirement for graduation from the academy.

20 (5) The department shall ensure that at least 65% of the
21 cadets who enroll in Michigan youth challenge academy take the
22 general educational development exam and that at least 70% of those
23 taking the exam earn a passing grade.

24 (6) The department shall ensure that less than 3% of cadets
25 who enroll in the Michigan youth challenge academy enter the
26 correctional system within 5 years of graduation from the academy.

27 (7) The department shall take steps to recruit candidates to

1 the challenge program from economically disadvantaged areas,
2 including those with low-income and high-unemployment backgrounds.

3 (8) The department shall partner with the department of human
4 services to identify youth who may be eligible for the challenge
5 program from those youth served by department of human series
6 programs. These eligible youth shall be given priority for
7 enrollment in the program.

8 (9) The funds appropriated in this act for private donations
9 to the Michigan youth challenge program shall be considered state
10 restricted revenue, and unexpended funds remaining at the close of
11 the fiscal year shall not lapse to the general fund but shall be
12 carried forward to the subsequent fiscal year.

13 HOMES

14 Sec. 501. (1) The department shall provide compassionate,
15 quality interdisciplinary care at the state's Grand Rapids and D.J.
16 Jacobetti veterans' homes so that members can achieve their highest
17 potential of wellness, independence, self-worth, and dignity.

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

21 (a) A licensed maximum capacity of skilled nursing beds of 618
22 at the Grand Rapids veterans' home.

23 (b) A licensed maximum capacity of domiciliary beds of 140 at
24 the Grand Rapids veterans' home.

25 (c) A licensed maximum capacity of skilled nursing beds of 182
26 at the D.J. Jacobetti veterans' home.

1 (d) A licensed maximum capacity of domiciliary beds of 59 at
2 the D.J. Jacobetti veterans' home.

3 (3) The Grand Rapids and D.J. Jacobetti veterans' homes shall
4 ensure that their medical staffing is in accordance with United
5 States department of veterans administration standards.

6 (4) The Grand Rapids and D.J. Jacobetti veterans' homes shall
7 ensure that transportation is assured for each resident for every
8 medical appointment outside the veterans' home.

9 (5) The Grand Rapids and D.J. Jacobetti veterans' homes shall
10 ensure that each member resident receives daily laundry service.

11 (6) The Grand Rapids and D.J. Jacobetti veterans' homes shall
12 ensure that maintenance and custodial services are provided for
13 each home in accordance with applicable local, state, and federal
14 standards.

15 (7) The Grand Rapids and D.J. Jacobetti veterans' homes shall
16 ensure that each resident receives a medical and care assessment
17 including a dietary plan upon admission to the home, with meals and
18 snacks provided in accordance with the plan and the United States
19 department of veterans administration rule 325.20803.

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

25 (9) Appropriations in this act for the Grand Rapids and D.J.
26 Jacobetti veterans' homes shall not be used for any purpose other
27 than for veterans and veterans' families.

1 (10) The department shall, prior to altering the spending plan
2 by the board of managers of post and posthumous funds, report to
3 the appropriate senate and house appropriations subcommittees 30
4 days prior to that action and shall indicate the rationale for that
5 decision.

6 (11) Any contractor providing competency evaluated nursing
7 assistants (CENA) to the Grand Rapids and D.J. Jacobetti veterans'
8 homes shall ensure that each CENA has at least 8 hours of training
9 on information provided by the veterans' home.

10 (12) Any contractor providing competency evaluated nursing
11 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes
12 shall ensure that each CENA has at least 1 eight-hour shift of
13 shadowing at the veterans' home.

14 (13) Any contractor providing competency evaluated nursing
15 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes
16 shall ensure that each CENA is competent in the basic skills needed
17 to perform his or her assigned duties at the veterans' home.

18 (14) Any contractor providing competency evaluated nursing
19 assistants to the Grand Rapids and D.J. Jacobetti veteran's homes
20 shall ensure that each CENA has at least 1 year of experience in
21 long-term care.

22 (15) The Grand Rapids and D.J. Jacobetti veterans' homes shall
23 provide each CENA at least 12 hours of in-service training once
24 that individual has been assigned to the veterans' home.

25 (16) The Grand Rapids and D.J. Jacobetti veterans' homes shall
26 ensure that care services are provided to each resident of the
27 veterans' homes in accordance with standards set by the United

1 States department of veterans' affairs.

2 **CAPITAL OUTLAY**

3 Sec. 601. (1) The director shall allocate lump-sum
4 appropriations made in this act consistent with statutory
5 provisions and the purposes for which funds were appropriated.
6 Lump-sum allocations shall address priority program or facility
7 needs and may include, but are not limited to, design,
8 construction, remodeling and addition, special maintenance, major
9 special maintenance, energy conservation, and demolition.

10 (2) The state budget director may authorize that funds
11 appropriated for lump-sum appropriations shall be available for no
12 more than 3 fiscal years following the fiscal year in which the
13 original appropriation was made. Any remaining balance from
14 allocations made in this section shall lapse to the fund from which
15 it was appropriated pursuant to the lapsing of funds as provided in
16 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

17 Sec. 602. The appropriations in part 1 for capital outlay
18 shall be carried forward at the end of the fiscal year consistent
19 with section 248 of the management and budget act, 1984 PA 431, MCL
20 18.1248.

21 PART 2A
22 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
23 FOR FISCAL YEAR 2012-2013

24 **GENERAL SECTIONS**

1 Sec. 1201. It is the intent of the legislature to provide
2 appropriations for the fiscal year ending on September 30, 2013 for
3 the line items listed in part 1. The fiscal year 2012-2013
4 appropriations are anticipated to be the same as those for fiscal
5 year 2011-2012, except that the line items will be adjusted for
6 changes in caseload and related costs, federal fund match rates,
7 economic factors, and available revenue. These adjustments will be
8 determined after the January 2012 consensus revenue estimating
9 conference.