

HOUSE BILL NO. 6377

September 15, 2022, Introduced by Rep. Hauck and referred to the Committee on Appropriations.

A bill to amend 1953 PA 192, entitled

"An act to create a county department of veterans' affairs in certain counties, and to prescribe its powers and duties; to create the county veteran service fund and to provide for contributions to and expenditures from that fund; and to transfer the powers and duties of the soldiers' relief commission in those counties,"

by amending section 3a (MCL 35.623a), as amended by 2021 PA 34.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3a. (1) The county veteran service fund is created within
- 2 the state treasury.

1 (2) The state treasurer may receive money or other assets from
2 any source for deposit into the fund. The state treasurer shall
3 direct the investment of the fund. The state treasurer shall credit
4 to the fund interest and earnings from fund investments.

5 (3) Money in the fund at the close of the fiscal year remains
6 in the fund and does not lapse to the general fund.

7 (4) The Michigan veterans affairs agency is the administrator
8 of the fund for auditing purposes.

9 (5) Money in the fund may be used to cover necessary
10 administrative and implementation costs incurred by the Michigan
11 veterans affairs agency, as specifically appropriated from the
12 fund.

13 (6) The Michigan veterans affairs agency shall create and
14 operate a grant program that provides grants to counties for
15 allowable expenditures related to county veteran service
16 operations. The Michigan veterans affairs agency shall make grants
17 from the fund, upon appropriation, to each county that enters into
18 a grant agreement with the Michigan veterans affairs agency and
19 meets the conditions listed in subsection (8) for the sole use of
20 supporting allowable expenditures made by the county's veteran
21 service operations. A grant must be disbursed within 60 days after
22 the date that the Michigan veterans affairs agency receives a
23 completed and signed grant agreement from the county requesting the
24 grant. The total disbursement for each grant must be determined by
25 combining the following amounts:

26 (a) Except as otherwise provided in this subdivision, a base
27 amount of \$50,000.00. In a fiscal year when money in the fund is
28 insufficient to support the \$50,000.00 base amount, an amount equal
29 to and not to exceed the total amount appropriated to the fund for

1 the fiscal year beginning October 1 divided by 83. A disbursement
2 under this subdivision must be used for 1 of the following
3 purposes:

4 (i) Establishing new capacity and capabilities for a county to
5 provide veteran service operations.

6 (ii) Enhancing and increasing existing veteran service
7 operations through local county offices.

8 (b) A per capita amount according to the number of veterans
9 residing in each county to support allowable expenditures related
10 to county veteran service operations. The amount in this
11 subdivision must be determined by dividing the amount remaining in
12 the fund after accounting for all disbursements under subdivision
13 (a) by the total number of veterans residing in this state and
14 multiplying the resulting dollar amount by the number of veterans
15 residing in the county receiving the grant. Population figures for
16 veterans residing in this state and in each county of this state
17 must be obtained from the most recent Geographic Distribution of VA
18 Expenditures (GDX) Report published by the United States Department
19 of Veterans Affairs.

20 (7) If the amount remaining in the fund after accounting for
21 all disbursements under subsection (6) (a) is less than the amount
22 obtained by multiplying \$1,000.00 by the number of counties
23 receiving grants, the Michigan veterans affairs agency shall not
24 perform a calculation under subsection (6) (b) and shall not
25 disburse the portion of grant funds described under that
26 subsection.

27 (8) Except as otherwise provided in subsection (10), to be
28 eligible to receive a grant under subsection (6) in the fiscal year
29 ending September 30, 2021, and each fiscal year thereafter, by no

1 later than September 30 **of each year** a county must satisfy all of
2 the following as certified in a form and manner prescribed by the
3 Michigan veterans affairs agency:

4 (a) ~~Except as otherwise provided in this subdivision, maintain~~
5 ~~a minimum level of county funding for veteran service operations~~
6 ~~equal to the level of county funding for veteran service operations~~
7 ~~for the fiscal year immediately preceding October 1, 2018. For the~~
8 ~~fiscal years~~ **year** ending September 30, 2021 and ~~September 30, 2022,~~
9 **each fiscal year thereafter,** maintain at least 70% of the total
10 county funding for veteran service operations for the fiscal year
11 immediately preceding October 1, 2018. If a county reduces the
12 level of county funding for veteran service operations ~~for the~~
13 ~~fiscal years ending September 30, 2021 or September 30, 2022, it~~
14 **below 70% of the total county funding for veteran service**
15 **operations for the fiscal year immediately preceding October 1,**
16 **2018, the county** shall not utilize grant funding awarded under
17 subsection (6) to supplant those reductions.

18 (b) Demonstrate an effort to achieve both of the following:

19 (i) Establish remote access to the United States Department of
20 Veterans Affairs computing systems.

21 (ii) Require county veteran service officers to obtain a PIV
22 card.

23 (c) Submit quarterly reports to the Michigan veterans affairs
24 agency in accordance with the reporting requirements determined by
25 that agency.

26 (d) Provide no less than 20 hours per week toward veteran
27 service operations. Upon request, the Michigan veterans affairs
28 agency may grant an exemption from this requirement. In determining
29 whether or not to grant an exemption under this subdivision, the

1 Michigan veterans affairs agency shall consider necessary
2 information and factors, including, but not limited to, the total
3 veteran population of a county and any existing agreements that
4 promote coordination of services between counties.

5 (e) Submit financial reports to the Michigan veterans affairs
6 agency on a regular basis, as determined by that agency,
7 demonstrating that the county expended the grant funds received
8 under subsection (6) directly and solely for allowable expenditures
9 related to county veteran service operations during the period of
10 the report.

11 (9) If the Michigan veterans affairs agency determines, by
12 audit or otherwise, that a county expended the grant funds received
13 under subsection (6) for purposes other than for allowable
14 expenditures related to county veteran service operations, the
15 Michigan veterans affairs agency shall notify the county of its
16 findings and recover any misused grant funds before issuing any new
17 grants to the county.

18 (10) Retroactive to the fiscal year ending September 30, 2020,
19 and for the fiscal years ending September 30, 2021 and September
20 30, 2022, the Michigan veterans affairs agency may suspend the
21 requirements in subsection (8) to allow a county to utilize
22 available money in a county veteran service fund for the purposes
23 of forming an emergent need relief program to provide direct
24 financial assistance through its veteran service operations in the
25 county. In establishing an emergent need relief program, the
26 Michigan veterans affairs agency and counties shall ensure all
27 other available resources are applied before awarding assistance
28 under this program.

29 (11) As used in this section:

1 (a) "Accredited veteran service officer" means an individual
2 who has met the qualifications for accreditation under 38 USC 5904
3 and 38 CFR 14.629.

4 (b) "Allowable expenditures" means those expenditures
5 determined by the Michigan veterans affairs agency to be necessary
6 and proper to support veteran service operations in this state.

7 (c) "County veteran service fund" or "fund" means the fund
8 created in subsection (1).

9 (d) "PIV card" means a personal identity verification card
10 issued by the United States Department of Veterans Affairs.

11 (e) "Veteran service operations" means assistance and
12 programming of any kind to meet the needs of veterans in this
13 state. Veteran service operations include, but are not limited to,
14 providing assistance, programming, and services for the purpose of
15 assisting veterans in this state and providing advice, advocacy,
16 and assistance to veterans, servicemembers, dependents, or
17 survivors by an accredited veteran service officer to obtain United
18 States Department of Veterans Affairs health, financial, or
19 memorial benefits for which they are eligible.