

**SUBSTITUTE FOR
HOUSE BILL NO. 4240**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2020, from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions9.0
Full-time equated classified positions924.5

1	GROSS APPROPRIATION.....	\$	202,447,900
2	Interdepartmental grant and intradepartmental		
3	transfer revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers		101,800
6	ADJUSTED GROSS APPROPRIATION.....	\$	202,346,100
7	Federal revenues:		
8	Total federal revenues.....		106,130,200
9	Special revenue funds:		
10	Total local revenues.....		0
11	Total private revenues.....		630,000
12	Total other state restricted revenues.....		23,503,700
13	State general fund/general purpose.....	\$	72,082,200
14	Sec. 102. MILITARY		
15	Full-time equated unclassified positions9.0		
16	Full-time equated classified positions353.0		
17	Unclassified salaries--9.0 FTE positions.....	\$	1,544,600
18	Departmentwide.....		1,761,900
19	Headquarters and armories--86.0 FTE positions.....		20,557,400
20	Michigan youth challenge academy--50.0 FTE positions..		7,504,700
21	Military family relief fund.....		600,000
22	Military retirement.....		1,000,000
23	Military training sites and support facilities--215.0		
24	FTE positions		36,262,500
25	National Guard operations.....		398,200
26	National Guard tuition assistance fund--2.0 FTE		
27	positions		6,506,900

1	Starbase grant.....		<u>2,322,000</u>
2	GROSS APPROPRIATION.....	\$	78,458,200
3	Appropriated from:		
4	Interdepartmental grant and intradepartmental		
5	transfer revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		101,800
8	Federal revenues:		
9	Total federal revenues.....		53,530,700
10	Special revenue funds:		
11	Total local revenues.....		0
12	Total private revenues.....		90,000
13	Total other state restricted revenues.....		2,044,100
14	State general fund/general purpose.....	\$	22,691,600
15	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
16	Full-time equated classified positions253.0		
17	Board of managers (veterans homes).....	\$	940,000
18	County veteran service fund.....		4,200,000
19	D.J. Jacobetti home for veterans--205.0 FTE positions.		24,918,600
20	Michigan veterans affairs agency administration--39.0		
21	FTE positions		7,132,100
22	Michigan veterans facility authority--3.0 FTE		
23	positions		1,272,300
24	Veterans service grants.....		3,835,500
25	Veterans trust fund administration--6.0 FTE positions.		1,479,200
26	Veterans trust fund grants.....		<u>3,746,500</u>
27	GROSS APPROPRIATION.....	\$	47,524,200

1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues.....	10,447,800
4	Special revenue funds:	
5	Total private revenues.....	540,000
6	Total other state restricted revenues.....	10,936,800
7	State general fund/general purpose.....	\$ 25,599,600
8	Sec. 104. GRAND RAPIDS HOME FOR VETERANS	
9	Full-time equated classified positions318.5	
10	Veterans home operations.....	\$ 9,038,900
11	Purchased services.....	10,340,000
12	Salaries, wages, and fringe benefits--318.5 FTE	
13	positions	<u>31,885,400</u>
14	GROSS APPROPRIATION.....	\$ 51,264,300
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues.....	21,565,000
18	Special revenue funds:	
19	Total other state restricted revenues.....	6,797,700
20	State general fund/general purpose.....	\$ 22,901,600
21	Sec. 105. CAPITAL OUTLAY	
22	Land and acquisitions.....	\$ 3,300,000
23	Special maintenance - National Guard.....	20,000,000
24	Special maintenance - veterans homes.....	<u>500,000</u>
25	GROSS APPROPRIATION.....	\$ 23,800,000
26	Appropriated from:	
27	Federal revenues:	

1	Total federal revenues.....	20,000,000
2	Special revenue funds:	
3	Total other state restricted revenues.....	3,300,000
4	State general fund/general purpose.....	\$ 500,000
5	Sec. 106. INFORMATION TECHNOLOGY	
6	Information technology services and projects.....	\$ <u>1,401,100</u>
7	GROSS APPROPRIATION.....	\$ 1,401,100
8	Appropriated from:	
9	Federal revenues:	
10	Total federal revenues.....	586,700
11	Special revenue funds:	
12	Total other state restricted revenues.....	425,100
13	State general fund/general purpose.....	\$ 389,300
14	Sec. 107. ONE-TIME APPROPRIATIONS	
15	Buddy-to-buddy veterans program.....	\$ <u>100</u>
16	GROSS APPROPRIATION.....	\$ 100
17	Appropriated from:	
18	State general fund/general purpose.....	\$ 100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2019-2020

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2019-2020 is \$95,585,900.00 and state

1 spending from state sources to be paid to local units of government
2 for fiscal year 2019-2020 is \$4,515,000.00. The itemized statement
3 below identifies appropriations from which spending to local units
4 of government will occur:

5 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

6	County veteran service fund.....	\$	4,200,000
7	Michigan veterans affairs agency administration.....	\$	90,000
8	Military training sites and support facilities.....	\$	<u>225,000</u>
9	TOTAL.....	\$	4,515,000

10 Sec. 202. The appropriations made and expenditures authorized
11 under this act and the departments, commissions, boards, offices,
12 and programs for which appropriations are made under this act are
13 subject to the management and budget act, 1984 PA 431, MCL 18.1101
14 to 18.1594.

15 Sec. 203. As used in this part and part 1:

16 (a) "Core services" means that term as defined in section 373
17 of the management and budget act, 1984 PA 431, MCL 18.1373.

18 (b) "Department" means the department of military and veterans
19 affairs.

20 (c) "Director" means the director of the department.

21 (d) "FTE" means full-time equated.

22 (e) "HVAC" means heating, ventilation, and air conditioning.

23 (f) "IDG" means interdepartmental grant.

24 (g) "Michigan veterans' facility authority" means the
25 authority created under section 3 of the Michigan veterans'
26 facility authority act, 2016 PA 560, MCL 36.103.

27 (h) "MVAA" means the Michigan veterans affairs agency.

1 (i) "Subcommittees" means the subcommittees of the senate and
2 house appropriations committees with jurisdiction over the budget
3 of the department.

4 (j) "Support services" means an activity, such as information
5 technology, accounting, human resources, legal, and other support
6 functions that are required to support the ongoing delivery of core
7 services.

8 (k) "USDVA" means the United States Department of Veterans
9 Affairs.

10 (l) "USDVA-VHA" means the USDVA Veterans Health
11 Administration.

12 (m) "VSO" means veterans service organization.

13 (n) "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.

17 Sec. 204. The department and agencies receiving appropriations
18 in part 1 shall use the internet to fulfill the reporting
19 requirements of this part. This requirement may include
20 transmission of reports via electronic mail to the recipients
21 identified for each reporting requirement, or it may include
22 placement of reports on an internet or intranet site.

23 Sec. 205. 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 must be given to goods
27 or services, or both, manufactured or provided by Michigan

1 businesses, if they are competitively priced and of comparable
2 quality. In addition, preference shall 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. 206. The director shall take all reasonable steps to
7 ensure businesses in deprived and depressed communities compete for
8 and perform contracts to provide services or supplies, or both. The
9 director shall strongly encourage firms with which the department
10 contracts to subcontract with certified businesses in depressed and
11 deprived communities for services or supplies, or both.

12 Sec. 207. The department and agencies receiving appropriations
13 in part 1 shall prepare a report on out-of-state travel expenses
14 not later than January 1 of each year. The travel report shall be a
15 listing of all travel by classified and unclassified employees
16 outside this state in the immediately preceding fiscal year that
17 was funded in whole or in part with funds appropriated in the
18 department's budget. The department and agencies shall submit the
19 report to the senate and house appropriations committees, the house
20 and senate fiscal agencies, and the state budget director. The
21 report shall include the following information:

22 (a) The dates of each travel occurrence.

23 (b) The transportation and related costs of each travel
24 occurrence, including the proportion funded with state general
25 fund/general purpose revenues, the proportion funded with state
26 restricted revenues, the proportion funded with federal revenues,
27 and the proportion funded with other revenues.

1 Sec. 208. Funds appropriated in part 1 shall not be used by a
2 principal executive department, state agency, or authority to hire
3 a person to provide legal services that are the responsibility of
4 the attorney general. This prohibition does not apply to legal
5 services for bonding activities and for those outside services that
6 the attorney general authorizes.

7 Sec. 209. Not later than November 30, the state budget office
8 shall prepare and transmit a report that provides for estimates of
9 the total general fund/general purpose appropriation lapses at the
10 close of the prior fiscal year. This report shall summarize the
11 projected year-end general fund/general purpose appropriation
12 lapses by major departmental program or program areas. The report
13 shall be transmitted to the chairpersons of the senate and house
14 appropriations committees, the subcommittees, and the senate and
15 house fiscal agencies.

16 Sec. 210. (1) In addition to the funds appropriated in part 1,
17 there is appropriated an amount not to exceed \$12,000,000.00 for
18 federal contingency funds. These funds are not available for
19 expenditure until they have been transferred to another line item
20 in part 1 under section 393(2) of the management and budget act,
21 1984 PA 431, MCL 18.1393.

22 (2) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$3,000,000.00 for state
24 restricted contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item
26 in part 1 under section 393(2) of the management and budget act,
27 1984 PA 431, MCL 18.1393.

1 (3) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$500,000.00 for local
3 contingency funds. These funds are not available for expenditure
4 until they have been transferred to another line item in part 1
5 under section 393(2) of the management and budget act, 1984 PA 431,
6 MCL 18.1393.

7 (4) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$100,000.00 for private
9 contingency funds. These funds are not available for expenditure
10 until they have been transferred to another line item in part 1
11 under section 393(2) of the management and budget act, 1984 PA 431,
12 MCL 18.1393.

13 Sec. 211. The department shall cooperate with the department
14 of technology, management and budget to maintain a searchable
15 website accessible by the public at no cost that includes, but is
16 not limited to, all of the following for each department or agency:

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

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

19 (c) Fiscal year-to-date payments to a selected vendor,
20 including the vendor name, payment date, payment amount, and
21 payment description.

22 (d) The number of active department employees by job
23 classification.

24 (e) Job specifications and wage rates.

25 Sec. 212. Within 14 days after the release of the executive
26 budget recommendation, the department shall cooperate with the
27 state budget office to provide the senate and house appropriations

1 chairs, the senate and house appropriations subcommittees chairs,
2 and the senate and house fiscal agencies with an annual report on
3 estimated state restricted fund balances, state restricted fund
4 projected revenues, and state restricted fund expenditures for the
5 fiscal years ending September 30, 2019 and September 30, 2020.

6 Sec. 213. The department shall maintain, on a publicly
7 accessible website, a department scorecard that identifies, tracks,
8 and regularly updates key metrics that are used to monitor and
9 improve the department's performance.

10 Sec. 214. Total authorized appropriations from all sources
11 under part 1 for legacy costs for the fiscal year ending September
12 30, 2020 are estimated at \$17,277,800.00. From this amount, total
13 agency appropriations for pension-related legacy costs are
14 estimated at \$8,399,100.00. Total agency appropriations for retiree
15 health care legacy costs are estimated at \$8,878,700.00.

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

19 Sec. 216. The department shall provide biannual reports to the
20 subcommittees, the senate and house fiscal agencies, and the state
21 budget office, which shall provide the following data:

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

24 (b) The department's financial status, featuring a report of
25 budgeted versus actual expenditures by part 1 line item including a
26 year-end projection of budget requirements. If projected department
27 budget requirements exceed the allocated budget, the report shall

1 include a plan to reduce overall expenses while still satisfying
2 specified service level requirements.

3 (c) A report on the status of performance metrics cited in
4 this part and information required to be reported in this part.

5 (d) The number of active employees at the close of the
6 reporting period.

7 (e) Evidence of efficiencies and management of funds within
8 established appropriations.

9 Sec. 217. The appropriations in part 1 are for the core
10 services, support services, and work projects of the department,
11 including, but not limited to, the following core services:

12 (a) Armories and joint force readiness.

13 (b) National Guard training facilities and air bases.

14 (c) Michigan youth challenge academy.

15 (d) Military family relief fund.

16 (e) Starbase grant.

17 (f) National Guard tuition assistance program.

18 (g) Michigan veterans affairs agency administration.

19 (h) Veterans service grants.

20 (i) Veterans' trust fund administration.

21 (j) Veterans' trust fund grants.

22 (k) Board of managers (veterans homes).

23 (l) Grand Rapids home for veterans.

24 (m) D.J. Jacobetti home for veterans.

25 (n) Michigan veterans' facility authority.

26 (o) County veteran service fund.

27 Sec. 218. The appropriations in part 1 for capital outlay

1 shall be carried forward at the end of the fiscal year consistent
2 with section 248 of the management and budget act, 1984 PA 431, MCL
3 18.1248.

4 Sec. 219. Sixty days prior to the public announcement of the
5 intention to sell any department real property, the department
6 shall submit notification of that intent to the subcommittees and
7 the senate and house fiscal agencies.

8 **MILITARY**

9 Sec. 302. (1) From the funds appropriated in part 1 for
10 military operations, effective and efficient executive direction
11 and administrative leadership shall be provided to the department.

12 (2) The department shall operate and maintain National Guard
13 armories.

14 (3) The department shall evaluate armories and submit a report
15 as provided under section 216 of this part on the status of the
16 armories.

17 (4) The department shall maintain a system to measure the
18 condition and adequacy of the armories.

19 (5) The Michigan Army National Guard and Air National Guard
20 shall work to provide a culture that is free of sexual assault,
21 through an environment of prevention, education and training,
22 response capability, victim support, reporting procedures, and
23 appropriate accountability that enhances the safety and well-being
24 of all guard members.

25 (6) By December 1, the department shall report the following
26 information to the subcommittees, the senate and house fiscal

1 agencies, and the state budget office:

2 (a) An assessment of the grounds and facilities of each armory
3 to objectively measure and determine the current facility condition
4 and capability to support authorized manpower, unit training, and
5 operations.

6 (b) Recommendations for the placement of new armories, the
7 relocation or consolidation of existing armories, or a change in
8 the mission of units assigned to armories to ideally position the
9 National Guard in current or projected population centers.

10 (c) Recommendations for the enhanced use of armories to
11 facilitate family support programs during deployments.

12 (d) An analysis of the feasibility, potential costs, and
13 benefits of use of armories shared with other local, state, or
14 federal agencies to improve responses to local emergencies as well
15 as the community support provided to armories.

16 (e) An investment strategy and proposed funding amounts in a
17 prioritized project list to correct the most critical facility
18 shortfalls across the inventory of armories in this state.

19 Sec. 303. (1) The department shall maintain the Michigan youth
20 challenge academy to provide values, skills, education, and self-
21 discipline instruction for at-risk youth as provided under 32 USC
22 509.

23 (2) The department shall take steps to recruit candidates to
24 the challenge academy from economically disadvantaged areas,
25 including those with low-income and high-unemployment backgrounds.

26 (3) The department shall partner with the department of health
27 and human services to identify youth who may be eligible for the

1 challeNGe academy from those youth served by department of health
2 and human services programs. These eligible youth shall be given
3 priority for enrollment in the academy.

4 (4) The department shall maintain the staffing and resources
5 necessary to train and graduate at least 114 students per cohort
6 (228 annually).

7 (5) The department shall ensure individual academic success as
8 measured by the number of individuals who have received a general
9 equivalency diploma, high school diploma, or high school credit
10 recovery or by the improvement of tests of adult basic education
11 scores, or both.

12 (6) Any unexpended private donations to support the Michigan
13 youth challeNGe academy at the close of this fiscal year shall not
14 lapse to the general fund but shall be carried forward to the
15 subsequent fiscal year.

16 Sec. 304. (1) The department shall provide grants for
17 disbursement from the military family relief fund, as provided
18 under the military family relief fund act, 2004 PA 363, MCL 35.1211
19 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative
20 Code.

21 (2) The department shall provide information on the revenues,
22 expenditures for advertising and assistance grants, and fund
23 balance of the Michigan military family relief fund, as provided
24 under section 216 of this part.

25 (3) The department shall provide sufficient staffing and other
26 resources to provide outreach to the Michigan families of members
27 of the reserve component of the Armed Forces of the United States

1 called into active duty and to support the processing and approval
2 of grant applications for this fiscal year under the Michigan
3 military relief fund and report those applications as provided
4 under section 216 of this part.

5 Sec. 305. (1) The department shall provide Army and Air
6 National Guard forces, when directed, for state and local
7 emergencies and in support of national military requirements.

8 (2) The department shall operate and maintain Army National
9 Guard training facilities, including Fort Custer and Camp Grayling.

10 (3) The department shall maintain a system that measures the
11 condition and adequacy of air facilities using both quality and
12 functionality criteria.

13 (4) The department shall operate and maintain Air National
14 Guard air bases, including Selfridge Air National Guard base,
15 Battle Creek Air National Guard base, and Alpena combat readiness
16 training center.

17 (5) The department shall provide the following information as
18 provided under section 216 of this part:

19 (a) The apportioned and assigned strength of the Michigan Army
20 National Guard.

21 (b) The apportioned and assigned strength of the Michigan Air
22 National Guard.

23 (c) Recruiting, retention, and attrition data, including
24 measurement against stated performance goals, for the Michigan Army
25 National Guard.

26 (d) Recruiting, retention, and attrition data, including
27 measurement against stated performance goals, for the Michigan Air

1 National Guard.

2 Sec. 306. There is created and established under the
3 jurisdiction and control of the department a revolving account to
4 be known as the billeting fund account. All of the fees and other
5 revenues generated from the operation of the chargeable transient
6 quarters program shall be deposited in the billeting fund account.
7 Appropriations will be made from the account for the support of
8 program operations and the maintenance and operations of the
9 chargeable transient quarters program and will not exceed the
10 estimated revenues for the fiscal year in which they are made,
11 together with unexpended balances from prior years. The department
12 shall submit an annual report of operations and expenditures
13 regarding the billeting fund account to the appropriations
14 committees of the senate and house of representatives, the senate
15 and house fiscal agencies, and the state budget office at the end
16 of the fiscal year.

17 Sec. 307. (1) The department shall maintain a National Guard
18 tuition assistance program for members of the Michigan Army and Air
19 National Guard.

20 (2) The objective of the National Guard tuition assistance
21 program is to bolster military readiness by increasing recruitment
22 and retention of Michigan Army and Air National Guard service
23 members, to fill federally authorized strength levels for the
24 state, to improve the Michigan Army and Air National Guard's
25 competitive draw from other military enlistment options in the
26 state, to enhance the ability of the Michigan Army and Air National
27 Guard to compete for members and federal dollars with surrounding

1 states, and to increase the pool of eligible candidates within the
2 Michigan Army and Air National Guard to become commissioned
3 officers.

4 (3) The department shall make efforts to increase the number
5 of national guard members who have received a credential or are
6 still enrolled in the Michigan National Guard tuition assistance
7 program after their initial term of enlistment with the goal of 55%
8 of program participants, or at the current 4-year college
9 graduation rate in Michigan, whichever is higher. To evaluate the
10 effectiveness of the program, the department shall monitor the
11 number of new recruits and new reenlistments and the percentage of
12 those who become participants in the program to determine whether
13 the percentage of authorized Michigan Army and Air National Guard
14 strength obtained and retained is competitive in comparison with
15 the neighboring army and air national guards from Illinois,
16 Indiana, Ohio, and Wisconsin.

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

25 Sec. 308. The department shall maintain the starbase program
26 at Air National Guard facilities, as provided under 10 USC 2193b,
27 to improve the knowledge, skills, and interest of students,

1 primarily in the fifth grade, in math, science, and technology. The
2 starbase program is to specifically target minority and at-risk
3 students for participation.

4 **MICHIGAN VETERANS AFFAIRS AGENCY**

5 Sec. 401. The board of managers and Michigan veterans'
6 facility authority shall exercise certain regulatory and governance
7 authority regarding admission and member affairs at the Grand
8 Rapids and D.J. Jacobetti homes for veterans. The board of managers
9 shall also work to represent the interest of the veterans'
10 community in both advisory and advocacy roles.

11 Sec. 402. (1) The MVAA, the board of managers, and the
12 Michigan veterans' facility authority shall provide compassionate
13 and quality nursing and domiciliary care services at the Grand
14 Rapids and D.J. Jacobetti homes for veterans so that members can
15 achieve their highest potential of wellness, independence, self-
16 worth, and dignity.

17 (2) The department shall provide resources necessary to
18 provide nursing care services to veterans in accordance with
19 federal standards and provide the results of the annual USDVA
20 survey and certification as proof of compliance.

21 (3) Appropriations in part 1 for the Grand Rapids and the D.J.
22 Jacobetti homes for veterans shall not be used for any purpose
23 other than for veterans and veterans' families.

24 (4) Any contractor providing mental health services to the
25 Grand Rapids and D.J. Jacobetti homes for veterans shall utilize
26 mental health interventions that have been shown to be effective

1 with the conditions they are treating, in accordance with evidence-
2 based best practices supported by the USDVA-VHA, United States
3 Department of Defense, the Substance Abuse and Mental Health
4 Services Administration, the American Psychological Association,
5 and the National Association of Social Workers.

6 (5) Any contractor providing competency evaluated nursing
7 assistants (CENA) to the Grand Rapids home for veterans shall
8 ensure that each CENA has at least 8 hours of training on
9 information provided by the home.

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

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

18 (8) The Grand Rapids home for veterans shall provide each CENA
19 at least 12 hours of in-service training once that individual has
20 been assigned to the home.

21 (9) All complaints of abusive or neglectful care at the Grand
22 Rapids and the D.J. Jacobetti homes for veterans by a resident
23 member, a resident member's family or legal guardian, or staff of
24 the veterans' homes received by a supervisor shall be referred to
25 the director of nursing or his or her designee upon receipt of the
26 complaint. The director of nursing or his or her designee shall
27 report on not less than a monthly basis, except that the board of

1 managers may specify a more frequent reporting period to the home
2 administrator, board of managers, agency, subcommittees, senate and
3 house fiscal agencies, and state budget office the following
4 information:

5 (a) A description of the process by which resident members and
6 others may file complaints of alleged abuse or neglect at the Grand
7 Rapids and the D.J. Jacobetti homes for veterans.

8 (b) Summary statistics on the number and general nature of
9 complaints of abuse or neglect.

10 (c) Summary statistics on the final disposition of complaints
11 of abuse or neglect received.

12 (10) The Grand Rapids and D.J. Jacobetti homes for veterans
13 shall provide an on-site, board-certified psychiatrist for all
14 resident members with mental health disorders in order to ensure
15 that those resident members receive needed services in a
16 professional and timely manner. The Grand Rapids and D.J. Jacobetti
17 homes for veterans shall provide all members and staff a safe and
18 secure environment.

19 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
20 shall ensure that they effectively develop, execute, and monitor
21 all comprehensive care plans in accordance with federal regulations
22 and their internal policies, with a goal that a comprehensive care
23 plan is fully developed for all resident members.

24 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
25 shall implement controls over their food, maintenance supplies,
26 pharmaceuticals, and medical supplies inventories.

27 (13) The Grand Rapids and D.J. Jacobetti homes for veterans

1 shall establish sufficient controls for calculating resident member
2 maintenance assessments in order to accurately calculate resident
3 member maintenance assessments for each billing cycle. The Grand
4 Rapids and D.J. Jacobetti homes for veterans shall establish
5 sufficient controls to ensure that all past due resident member
6 maintenance assessments are addressed within 30 days.

7 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
8 shall establish sufficient controls over monetary donations and
9 donated goods.

10 (15) The Grand Rapids and D.J. Jacobetti homes for veterans
11 shall implement sufficient controls over the handling of resident
12 member funds to ensure the release of funds within 30 calendar days
13 upon the resident member leaving the home and to ensure that a
14 representative of a resident member is provided a full accounting
15 of that resident member's funds within 30 calendar days of the
16 death of that resident member.

17 (16) The MVAA shall post on its website all policies adopted
18 by the board of managers, the Michigan veterans' facility
19 authority, and the veterans' homes related to the administrative
20 operations of the veterans' homes.

21 (17) The process by which visitors, residents, and employees
22 of the Grand Rapids and D.J. Jacobetti homes for veterans may
23 register complaints shall be displayed in high-traffic areas
24 throughout the home.

25 (18) The MVAA shall report its findings regarding the state
26 veterans' homes' compliance with the requirements and standards
27 under this section in a quarterly report to the legislature and the

1 state budget office. The quarterly reports shall include, but are
2 not limited to, all of the following information:

3 (a) Quality of care metrics, including:

4 (i) The number of patient care hours and staffing levels
5 measured against USDVA-VHA standards.

6 (ii) Sentinel events reported to the USDVA.

7 (iii) Fall and wound reports.

8 (iv) Complaint reports, including abuse and neglect complaints
9 and outcomes of complaint investigations.

10 (v) Additional minimum data set quality of care indicators
11 used to measure quality of care in long-term care facilities.

12 (b) Quarterly budget update.

13 (c) An accounting of resident member populations at the Grand
14 Rapids and D.J. Jacobetti homes for veterans as follows:

15 (i) By demographics, including period of service, gender, and
16 age.

17 (ii) By care setting, payment source, and associated revenue
18 projections.

19 (d) Updates related to the modernization of the Grand Rapids
20 and D.J. Jacobetti homes for veterans, including information
21 related to the following:

22 (i) Infrastructure and capital outlay improvements.

23 (ii) Information technology updates.

24 (iii) Financial management.

25 (e) Updates on corrective action status related to any audit
26 and survey findings until those findings have been fully addressed.

27 (19) The Grand Rapids and D.J. Jacobetti homes for veterans

1 shall provide to the subcommittees, the senate and house fiscal
2 agencies, and the state budget office the results of any annual or
3 for-cause survey conducted by the USDVA-VHA and any corresponding
4 corrective action plan. This information shall also be made
5 available publicly through the department's or MVAA's website.

6 (20) The MVAA shall provide to the legislature and the state
7 budget office biannual reports as provided in section 216 of this
8 part regarding the status of Centers for Medicare and Medicaid
9 certification efforts, including, but not limited to, descriptions
10 of incremental milestones, associated expenditures, and the
11 percentage of plan completed.

12 Sec. 404. The department shall ensure that the quality of care
13 for members of the Grand Rapids and D.J. Jacobetti homes for
14 veterans shall meet or exceed the quality of care for the full
15 spectrum of health care services to meet or exceed the Centers for
16 Medicare and Medicaid Services certification standards. The
17 department shall provide a report as provided under section 216 of
18 this part to the subcommittees, which contains evidence that the
19 quality of care for the full spectrum of health care services has
20 met or exceeded Centers for Medicare and Medicaid Services
21 certification standards.

22 Sec. 405. (1) The MVAA shall provide a report, as provided
23 under section 216 of this part, on the financial status of the
24 Michigan veterans' trust fund, including the number and amount of
25 emergency grants, state administrative expenses, and county
26 administrative expenses.

27 (2) The Michigan veterans' trust fund board together with the

1 agency shall maintain the staffing and resources necessary to
2 process a minimum of 2,000 applications for veterans' trust fund
3 emergency grants.

4 (3) The Michigan veterans' trust fund board together with the
5 MVAA shall provide emergency grants for disbursement from the
6 Michigan veterans' trust fund, as provided under the following
7 program authorities:

8 (a) Sections 37, 38, and 39 of article IX of the state
9 constitution of 1963.

10 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

11 (c) R 35.1 to R 35.7 of the Michigan Administrative Code.

12 (d) R 35.621 to R 35.623 of the Michigan Administrative Code.

13 (4) Not later than February 1, the MVAA shall provide a
14 detailed report of the Michigan veterans' trust fund that includes,
15 for the immediately preceding fiscal year, information on grants
16 provided from the emergency grant program, including details
17 concerning the methodology of allocations, the selection of
18 emergency grant program authorized agents, a description of how the
19 emergency grant program is administered in each county, and a
20 detailed breakdown of trust fund expenditures for that year,
21 including the amount distributed to each county for administrative
22 costs and emergency grants. The report shall include the number of
23 approved applications, by category of assistance, and the number of
24 denied applications, by reason of denial. The report shall provide
25 an update on the department's efforts to reduce administrative
26 costs and grow the Michigan veterans' trust fund corpus for the
27 purpose of endowing the program to meet the needs of future

1 generations of veterans not to fall below its original amount of at
2 least \$50,000,000.00.

3 Sec. 406. (1) The MVAA shall provide outreach services to
4 Michigan veterans to advise them on the benefits to which they are
5 entitled, as provided under Executive Reorganization Order No.
6 2013-2, MCL 32.92. The MVAA shall also do the following:

7 (a) Maintain the staffing partnerships and other resources
8 necessary to develop and operate an outreach program that
9 communicates benefit eligibility information to at least 50% of
10 Michigan's population of veterans, as assessed by annual census
11 estimates, with a goal of reaching 100% and enabling 100% to access
12 benefit information online.

13 (b) Communicate veteran benefit information pertaining to the
14 Michigan military family relief fund, Michigan veterans' trust
15 fund, and USDVA health, financial, and memorial benefits to which
16 veterans are entitled.

17 (c) Provide sufficient staffing and other resources to approve
18 requests for military discharge certificates (DD-214) annually.

19 (d) Continue the process to digitize all medical records,
20 military discharge documents, and burial records that are currently
21 on paper and microfilm.

22 (e) Provide a report, as provided under section 216 of this
23 part, on the MVAA's performance on the performance measures,
24 outcomes, and initiatives developed by the agency in the strategic
25 plan required by section 501 of 2013 PA 9.

26 (f) Provide a report to the subcommittees, the senate and
27 house fiscal agencies, and the state budget office no later than

1 April 1 providing, to the extent known, data on the estimated
2 number of homeless veterans, by county, in this state.

3 (g) Provide the percentage of Michigan veterans contacted
4 through its outreach programs and report that percentage to the
5 subcommittees as provided under section 216 of this part on the
6 status of outreach.

7 (2) From the funds appropriated in part 1, the MVAA shall
8 provide for the regional coordination of services, as follows:

9 (a) Regional coordinators shall be selected by the MVAA
10 through a staff augmentation service contract with VSOs or with a
11 Michigan-based nonprofit organization.

12 (b) Regional coordinators shall provide the following
13 services:

14 (i) Coordinate with veteran benefit counselors throughout a
15 specified region.

16 (ii) Coordinate services with the department of health and
17 human services and the department of corrections.

18 (iii) Coordinate with regional workforce and economic
19 development agencies.

20 (iv) Coordinate activities among local foundations, nonprofit
21 organizations, and community groups to improve accessibility,
22 enrollment, and utilization of the array of health care, education,
23 employment assistance, and quality of life services provided at the
24 local level.

25 (c) The MVAA may work with MVAA service officers, regional
26 coordinators, county veteran counselors, VSO service officers, and
27 other service providers to incorporate the provision of information

1 relating to mental health care resources into their daily
2 operations to aid veterans in understanding the mental health care
3 support services they may be eligible to receive.

4 (d) The MVAA shall coordinate with the department of health
5 and human services to identify Medicaid recipients who are veterans
6 and who may be eligible for federal veterans health care benefits
7 or other benefits, to the extent that the identification does not
8 violate applicable confidentiality requirements.

9 (e) The MVAA shall collaborate with the department of
10 corrections to create and maintain a process by which prisoners can
11 obtain a copy of their DD-214 form or other military discharge
12 documentation if necessary.

13 (f) The MVAA shall ensure that all MVAA service officers, VSO
14 service officers, and regional coordinators receive appropriate
15 training in processing applications for benefits payable to
16 veterans due to military sexual trauma, post-traumatic stress
17 disorder, depression, anxiety, substance abuse, or other mental
18 health issues.

19 (3) The MVAA shall provide claims processing services to
20 Michigan veterans in support of benefit claims submitted to the
21 USDVA for the health, financial, and memorial benefits for which
22 they are eligible, and shall do all of the following:

23 (a) Report the following information as provided in section
24 216 of this part:

25 (i) The number of benefit claims, by type, submitted to the
26 USDVA by MVAA.

27 (ii) The number of fully developed claims submitted to the

1 USDVA, with an overall goal of 40% of benefit claims submitted that
2 are considered fully developed by the USDVA.

3 (b) Maintain the staffing and resources necessary to process a
4 minimum of 500 claims per year.

5 (4) The MVAA shall maintain staffing and resources necessary
6 to develop and implement a process to ensure that all county
7 counselors receive the training and accreditation necessary to
8 provide quality services to veterans. The MVAA shall report
9 information as provided in section 216 of this part on the number
10 and percentage of county veterans counselors trained by the MVAA,
11 and the number and percentage who received funding from the MVAA to
12 attend training, with an overall goal of 100% of county veterans
13 counselors trained.

14 (5) From the funds appropriated in part 1 for MVAA, the MVAA
15 is authorized to expend up to \$50,000.00 to hire legal services to
16 represent veterans benefit cases before federal court to maintain
17 accreditation under 38 CFR 14.628(d)(1)(iv).

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

25 (a) Ensure that each grantee is issued performance standards.

26 (b) Ensure that each grantee uses those funds for veterans
27 advocacy and outreach.

1 (c) Monitor the performance of each grantee.

2 (d) Require each grantee to report not less than quarterly on
3 services provided to veterans and account for all grant fund
4 expenditures.

5 (e) Require that each grantee report not less than quarterly
6 on the following:

7 (i) The number and type of claims originated and submitted by
8 the grantee to the USDVA.

9 (ii) The number and type of claims originated by an
10 organization other than the grantee and submitted by the grantee to
11 the USDVA.

12 (f) Promulgate monthly benchmark requirements, based upon
13 contractual obligations, that each grantee must meet and require
14 each grantee to report on achieving the benchmark requirements not
15 less than quarterly to the MVAA, in order to ensure that each
16 grantee meets MVAA veteran service goals.

17 (g) Assess the accuracy rate of claims reported by grantees
18 and the attendance rate of grantees, based upon contractual
19 obligations.

20 (h) Ensure that each grantee adheres to the MVAA approved
21 schedule of operations.

22 (i) Report to the subcommittees and senate and house fiscal
23 agencies on grantee operations monitored under this subsection, as
24 provided in section 216 of this part.

25 (2) Grants awarded to the VSO by the MVAA shall provide for
26 the following, as developed by the MVAA:

27 (a) The provision of service to veterans statewide, using a

1 regional service delivery model, with services provided at
2 specified locations and times, including service provided in state
3 correctional facilities.

4 (b) The payment of an hourly service rate that shall not
5 exceed \$34.00 per hour.

6 (c) A specified number of service hours within each geographic
7 region of this state, with a statewide goal based on both
8 appropriations for the fiscal year ending September 30, 2020 for
9 the grant programs and the hourly service rate under subdivision
10 (b). The statewide goal will include service hours provided to
11 eligible incarcerated veterans within 1 year of their earliest
12 release date.

13 (d) Use of an MVAA-designated internet-based claims data
14 system.

15 (3) The MVAA shall report the following information as
16 provided in section 216 of this part:

17 (a) A summary of activities supported through the
18 appropriation in part 1 for grants, including the amount of
19 expenditures to date, number of service hours, number of claims for
20 benefits submitted by type of claim, and other information deemed
21 appropriate by the MVAA.

22 (b) The number and percentage of fully developed claims
23 submitted to the USDVA and the number and percentage of fully
24 developed claims submitted that are considered fully developed by
25 the USDVA with an overall goal of 40%.

26 Sec. 409. The general fund/general purpose funds appropriated
27 in part 1 for the county veteran service fund shall be deposited to

1 the restricted county veteran service fund created in 2018 PA 210.
2 All funds in the restricted county veterans service fund are
3 appropriated and available for expenditure to support county
4 veterans' services grants.

5 Sec. 410. From the funds appropriated in part 1, the MVAA
6 shall conduct an assessment of the need for, feasibility, and
7 annual cost to the state of establishing and maintaining a new
8 veterans' cemetery in the upper peninsula of the state. The
9 assessment shall consider the availability of any federal funds
10 available for veterans cemeteries for its determinations. The MVAA
11 shall report the findings of the assessment to each chairperson of
12 the subcommittees, the house and senate fiscal agencies, and the
13 state budget office by not later than September 30, 2020.

14 **CAPITAL OUTLAY**

15 Sec. 501. (1) The department shall provide for the acquisition
16 and disposition of National Guard armories, facilities, and lands
17 as provided under sections 368, 382, and 382a of the Michigan
18 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

19 (2) The department shall provide a listing of property sales
20 and acquisitions as provided under section 216 of this part.

21 Sec. 502. (1) The appropriations in part 1 for special
22 maintenance - National Guard shall be carried forward at the end of
23 the fiscal year consistent with section 248 of the management and
24 budget act, 1984 PA 431, MCL 18.1248.

25 (2) The appropriations for special maintenance - National
26 Guard shall be expended in accordance with the requirements of

1 sections 302 and 305 of this part and shall be expended according
2 to the maintenance priorities of the department to repair and
3 modernize military training sites and support facilities, including
4 armories, which may include projects such as roof, HVAC, or boiler
5 replacement, interior renovations, facility expansion, improvements
6 to parking facilities, and other projects.

7 (3) The department shall provide a report as provided under
8 section 216 of this part providing information on the status,
9 projected costs, and projected completion date of current and
10 planned special maintenance projects at the armories and other
11 National Guard facilities funded from capital outlay appropriations
12 made in part 1 and in prior appropriations years.

13 Sec. 503. (1) The appropriations in part 1 for special
14 maintenance - veterans homes shall be carried forward at the end of
15 the fiscal year consistent with section 248 of the management and
16 budget act, 1984 PA 431, MCL 18.1248.

17 (2) The appropriations for special maintenance - veterans
18 homes shall be expended in accordance with the requirements of
19 section 402 of this part and shall be expended according to the
20 maintenance priorities of the department to repair and modernize
21 the state's veterans' homes, which may include projects such as
22 roof, HVAC, or boiler replacement, interior renovations, facility
23 expansion, improvements to parking facilities, and other projects
24 designed to enhance the quality of life and medical care of
25 members.

26 (3) The MVAA shall provide a quarterly report as provided
27 under section 216 of this part providing information on the status,

1 projected costs, and projected completion date of current and
2 planned special maintenance projects at the Grand Rapids home for
3 veterans and D.J. Jacobetti home for veterans funded from capital
4 outlay appropriations made in part 1 and in prior appropriations
5 years.