

For Fiscal Year Ending  
September 20, 2000

SENATE BILL NO. 369

## EXECUTIVE BUDGET BILL

February 23, 1999, Introduced by Senators HOFFMAN, GOUGEON, MC MANUS, STEIL and GOSCHKA and referred to the Committee on Appropriations.

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2000; to provide for the expenditure of the appropriations; 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:

## 1 PART 1

## 2 LINE-ITEM APPROPRIATIONS

3        Sec. 101. Subject to the conditions set forth in this bill, the  
4        amounts listed in this part are appropriated for the department of  
5        military and veterans affairs for the fiscal year ending September 30,  
6        2000, from the funds indicated in this part. The following is a

1 summary of the appropriations in this part:

2 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

3 APPROPRIATION SUMMARY:

4 Full-time equated unclassified positions . . . 7.0

5 Full-time equated classified positions . . 1,042.0

6 GROSS APPROPRIATION . . . . . \$ 91,673,700

7 Interdepartmental grant revenues:

8 Total interdepartmental grants and

9 intradepartmental transfers . . . . . 0

10 ADJUSTED GROSS APPROPRIATION . . . . . \$ 91,673,700

11 Federal revenues:

12 Total federal revenues . . . . . 31,637,400

13 Special revenue funds:

14 Total local revenues . . . . . 0

15 Total private revenues . . . . . 375,000

16 Total other state restricted revenues . . . . . 22,409,100

17 State general fund/general purpose . . . . . \$ 37,252,200

18 **Sec. 102. HEADQUARTERS AND ARMORIES**

19 Full-time equated unclassified positions . . . 7.0

20 Full-time equated classified positions . . . 105.0

21 Headquarters and armories--105.0 FTE positions . . \$ 9,741,400

22 Unclassified military personnel . . . . . 578,800

23 Challenge program . . . . . 1,960,000

24 Military appeals tribunal . . . . . 900

25 Michigan emergency volunteers . . . . . 5,000

26 State active duty . . . . . 60,100

27 GROSS APPROPRIATION . . . . . \$ 12,346,200

28 Appropriated from:

29 Federal revenues:

30 DOD-DOA-NGB . . . . . 2,882,600

31 Special revenue funds:

32 Armory rentals . . . . . 350,000

1	Mackinac bridge authority . . . . .	40,000
2	State general fund/general purpose . . . . .	\$ 9,073,600
3	<b>Sec. 103. MILITARY TRAINING SITES AND SUPPORT FACILITIES</b>	
4	Full-time equated classified positions . . . . .	229.0
5	Military training sites and support facilities--	
6	229.0 FTE positions . . . . .	\$ 12,060,700
7	Military training sites and support facilities test	
8	projects . . . . .	<u>100,000</u>
9	GROSS APPROPRIATION . . . . .	\$ 12,160,700
10	Appropriated from:	
11	Federal revenues:	
12	DOD-DOA-NGB . . . . .	10,439,900
13	Special revenue funds:	
14	Test project fees . . . . .	100,000
15	State general fund/general purpose . . . . .	\$ 1,620,800
16	<b>Sec. 104. DEPARTMENTWIDE APPROPRIATIONS</b>	
17	Departmentwide accounts . . . . .	\$ 1,849,000
18	Special maintenance-state . . . . .	436,200
19	Special maintenance-federal . . . . .	2,361,800
20	Military retirement . . . . .	2,166,900
21	Counternarcotic operations . . . . .	50,000
22	Starbase grant . . . . .	<u>250,000</u>
23	GROSS APPROPRIATION . . . . .	\$ 7,113,900
24	Appropriated from:	
25	Federal revenues:	
26	DOD-DOA-NGB . . . . .	3,824,000
27	DOJ-DEA . . . . .	50,000
28	Special revenue funds:	
29	State general fund/general purpose . . . . .	\$ 3,239,900
30	<b>Sec. 105. VETERANS' SERVICE ORGANIZATIONS</b>	
31	American legion . . . . .	\$ 738,800
32	Disabled American veterans . . . . .	670,800

1	Marine corps veterans . . . . .	308,100
2	American veterans of World War II and Korea . . .	425,700
3	Veterans of foreign wars . . . . .	811,500
4	Michigan paralyzed veterans of America . . . . .	151,700
5	Purple heart . . . . .	144,700
6	Veterans of World War I . . . . .	100
7	Polish legion of American veterans . . . . .	37,800
8	Jewish veterans of America . . . . .	37,800
9	State of Michigan council - Vietnam veterans . .	
10	of America . . . . .	146,100
11	Catholic war veterans . . . . .	<u>12,100</u>
12	GROSS APPROPRIATION . . . . . \$	3,485,200
13	Appropriated from:	
14	State general fund/general purpose . . . . . \$	3,485,200
15	<b>Sec. 106. GRAND RAPIDS VETERANS' HOME</b>	
16	Full-time equated classified positions . . . 539.0	
17	Grand Rapids veterans' home--539.0 FTE positions . \$	38,853,600
18	Board of managers . . . . .	<u>300,000</u>
19	GROSS APPROPRIATION . . . . . \$	39,153,600
20	Appropriated from:	
21	Federal revenues:	
22	HHS-HCFA, Medicare, hospital insurance . . . . .	412,200
23	DVA-VHA . . . . .	10,603,500
24	Special revenue funds:	
25	Private-veterans' home post and posthumous funds .	300,000
26	Income and assessments . . . . .	12,954,100
27	Lease revenue . . . . .	75,000
28	State general fund/general purpose . . . . . \$	14,808,800
29	<b>Sec. 107. D.J. JACOBETTI VETERANS' HOME</b>	
30	Full-time equated classified positions . . . 153.0	
31	D.J. Jacobetti veterans' home--153.0 FTE	
32	positions . . . . . \$	12,356,300

1	Board of managers . . . . .		<u>75,000</u>
2	GROSS APPROPRIATION . . . . .	\$	12,431,300
3	Appropriated from:		
4	Federal revenues:		
5	DVA-VHA . . . . .		3,118,700
6	HHS-HCFA, Medicare, hospital insurance . . . . .		306,500
7	Special revenue funds:		
8	Private-veterans' home post and posthumous		
9	funds . . . . .		75,000
10	Income and assessments . . . . .		4,198,600
11	State general fund/general purpose . . . . .	\$	4,732,500
12	<b>Sec. 108. MICHIGAN VETERANS' TRUST FUND</b>		
13	Full-time equated classified positions . . . . 16.0		
14	Veterans' affairs directorate administration--3.0		
15	FTE positions . . . . .	\$	291,400
16	Administration--13.0 FTE positions . . . . .		944,900
17	Veterans' trust fund grants . . . . .		<u>3,746,500</u>
18	GROSS APPROPRIATION . . . . .	\$	4,982,800
19	Appropriated from:		
20	Special revenue funds:		
21	Michigan veterans' trust fund . . . . .		4,691,400
22	State general fund/general purpose . . . . .	\$	291,400
23	PART 2		
24	PROVISIONS CONCERNING APPROPRIATIONS		
25	<b>GENERAL SECTIONS</b>		
26	Sec. 201. (1) Pursuant to section 30 of Article IX of the state		
27	constitution of 1963, total state spending under part 1 for fiscal year		
28	1999-2000 is \$59,661,300.00 and state appropriations to be paid to		
29	local units of government are as follows:		
30	DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
31	Military training sites and support		
32	facilities- payments in lieu of taxes . . . . .	\$	<u>61,900</u>

1       Total . . . . . \$           61,900

2       (2) If it appears to the principal executive officer of a  
3 department or branch that state spending to local units of government  
4 will be less than the amount that was projected to be expended under  
5 subsection (1), the principal executive officer shall immediately give  
6 notice of the approximate shortfall to the state budget director.

7       Sec. 202. The expenditures and funding sources authorized under  
8 this bill are subject to the management and budget act, 1984 PA 431,  
9 MCL 18.1101 to 18.1594.

10       Sec. 203. (1) In addition to the funds appropriated in this bill,  
11 there is appropriated an amount not to exceed \$1,900,000.00 for federal  
12 contingency funds. These funds are not available for expenditure until  
13 they have been transferred to another line item in this bill pursuant  
14 to section 393(2) of the management and budget act, 1984 PA 431, MCL  
15 18.1393.

16       (2) In addition to the funds appropriated in this bill, there is  
17 appropriated an amount not to exceed \$1,000,000.00 for state restricted  
18 contingency funds. These funds are not available for expenditure until  
19 they have been transferred to another line item in this bill pursuant  
20 to section 393(2) of the management and budget act,

1 1984 PA 431, MCL 18.1393.

2 (3) In addition to the funds appropriated in this bill, there is  
3 appropriated an amount not to exceed \$100,000.00 for local contingency  
4 funds. These funds are not available for expenditure until they have  
5 been transferred to another line item in this bill pursuant to section  
6 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

13 Sec. 204. The department of civil service shall bill departments  
14 and agencies at the end of the first fiscal quarter for the 1% charge  
15 authorized by section 5 of article XI of the state constitution of  
16 1963. Payments shall be made for the total amount of the billing by  
17 the end of the second fiscal quarter.

18 Sec. 205. As used in this bill:

19 (a) "Department" means the Michigan department of military and  
20 veterans affairs.

21 (b) "Director" means the director of the department of military and  
22 veterans affairs.

23 (c) "DOD" means the United States department of defense.

24 (d) "DOD-DOA-NGB" means the DOD department of the army, national  
25 guard bureau.

26 (e) "DOJ" means the United States department of justice.

27 (f) "DOJ-DEA" means the DOJ drug enforcement agency.

28 (g) "DVA" means the United States department of veterans' affairs.

29 (h) "DVA-VHA" means the DVA veterans' health administration.

30 (I) "FTE" means full-time equated position.

31

1       (j) "HHS" means the United States department of health and human  
2 services.

3       (k) "HHS-HCFA" means the HHS health care financing administration.

4       Sec. 206. (1) Beginning October 1, 1999, a hiring freeze is  
5 imposed on the state classified civil service. State departments and  
6 agencies are prohibited from hiring any new full-time state classified  
7 civil service employees and prohibited from filling any vacant state  
8 classified civil service positions. This hiring freeze does not apply  
9 to internal transfers of classified employees from one position to  
10 another within a department or to positions that are funded with 80% or  
11 more federal or restricted funds.

12       (2) The state budget director shall grant exceptions to this hiring  
13 freeze when the state budget director believes that the hiring freeze  
14 will result in rendering a state department or agency unable to  
15 deliver basic services.

16       **HEADQUARTERS AND ARMORIES**

17       Sec. 301. Money appropriated in this bill for state active duty  
18 shall be used to fund nonfederally supported missions of the national  
19 guard when called to state duty.

20       **DEPARTMENTWIDE APPROPRIATIONS**

21       Sec. 401. Money available from the Michigan national guard armory  
22 construction fund created in section 382a of the Michigan military act,  
23 1967 PA 150, MCL 32.782a, is appropriated for expenditure for the  
24 purposes specified in that section.

25       **VETERANS' SERVICE ORGANIZATIONS**

26       Sec. 501. (1) Money appropriated in section 105 for grants to  
27 veterans' service organizations shall be used only for salaries, wages,  
28 related personnel costs, training, and equipment for accredited veteran  
29 service advocacy officers and necessary support and managerial staff.  
30 Training shall be provided for service advocacy officers and shall be  
31 conducted by accredited advocacy officers.

32       (2) To receive a grant from the money appropriated in section 105,



1 a veterans' service organization shall meet the following eligibility  
2 requirements:

3 (a) Be congressionally chartered by the United States congress.

4 (b) Be an active participating member of the Michigan veterans  
5 organizations' rehabilitation and veterans service committee and abide  
6 by its rules, guidelines, and programs.

7 (c) Demonstrate the receipt of monetary or service support from its  
8 own organization.

9 (d) Comply with the department's and the legislature's requirements  
10 of accounting audits, service work activity, accounting of recoveries,  
11 listing of volunteer hours, budget requests, and other requirements  
12 specified in subsection (3).

13 (e) For a veterans' service organization founded after September  
14 30, 1989, be in operation and providing service to Michigan veterans  
15 for not less than 2 years before receiving an initial state grant.  
16 During this 2-year period of time, the organization shall file a  
17 listing of service work activity and an accounting of recoveries with  
18 the department, the senate and house fiscal agencies, and the senate  
19 and house subcommittees on military affairs on forms as prescribed by  
20 the department.

21 (3) A veterans' service organization receiving a grant from the  
22 money appropriated in section 105 shall file with the department a  
23 certified accounting of its expenditures within 120 days after the  
24 organization's fiscal year end. Each organization shall provide a  
25 detailed budget request for the fiscal year ending September 30, 2001  
26 to the department by November 15, 1999 within the format as prescribed  
27 by the department to be used in the development of the budget ending  
28 September 30, 2001. Each veterans' service organization shall provide

1 5 copies of a listing of all service activity, an accounting of  
2 recoveries, and a listing of volunteer hours for the fiscal year ending  
3 September 30, 1999 to the department by January 31, 2000. The listing  
4 of volunteer hours shall include the hours, services, and donations  
5 provided to residents of the Grand Rapids veterans' home and the D.J.  
6 Jacobetti veterans' home. A veterans' service organization receiving a  
7 grant from the money appropriated in section 105 shall use the forms  
8 recommended by the Michigan veterans organizations' rehabilitation and  
9 veterans service committee for filing reports required by this bill.  
10 The department shall forward information required under this section to  
11 the senate and house fiscal agencies and to the senate and house  
12 appropriations subcommittees on military affairs.

13 Sec. 502. Appropriations in section 105 for veterans' service  
14 organizations shall include funding to provide services to veterans of  
15 World War I.

16 **VETERANS' HOMES**

17 Sec. 601. Appropriations in this bill for the Grand Rapids  
18 veterans' home and the D.J. Jacobetti veterans' home shall not be used  
19 for any purpose other than for veterans and veterans' families.

20 Sec. 602. The money appropriated in this bill for the boards of  
21 managers may be expended for facility improvements, the purchase and  
22 repair of equipment and furnishings, member services, and other  
23 purposes that benefit the Grand Rapids veterans' home and the D.J.  
24 Jacobetti veterans' home.

25 Sec. 603. The money appropriated in this bill for the boards of  
26 managers of the Grand Rapids veterans' home and the D.J. Jacobetti  
27 veterans' home shall be considered a work project account, and  
28 unexpended money remaining at the close of the fiscal year shall not  
29 lapse to the general fund but shall be carried forward to the

1 subsequent fiscal year.

2 **MICHIGAN VETERANS' TRUST FUND**

3 Sec. 701. In compliance with the various veterans' benefit  
4 programs funded by this state, a veteran who is denied benefits as a  
5 result of lack of properly disseminated information or due to  
6 misinformation relative to benefit eligibility shall be provided a  
7 review hearing by the Michigan veterans' trust fund board.

8 Sec. 702. The department may receive and expend revenue deposited  
9 to the Vietnam veterans memorial monument fund created under section 3  
10 of the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL  
11 35.1053.

12 Sec. 703. The Michigan veterans affairs directorate  
13 administration and the Michigan veterans trust fund administration  
14 shall take steps to assist the county veterans counselors of the state  
15 to obtain training necessary for the execution of their duties.

16 Sec. 704. The Michigan veterans' memorial park commission may  
17 receive and expend gifts, contributions, and bequests from any person,  
18 public or private corporation, organization, foundation, governmental  
19 entity, or any other source for the purpose of establishing a veterans'  
20 memorial park as described in Executive Order No. 1992-12. Money  
21 contributed to the Michigan veterans' memorial park commission shall be  
22 deposited in the state treasury through the department and shall be  
23 available for expenditure. Project costs authorized by this bill shall  
24 not exceed the gifts, contributions, and bequests received. Money  
25 under this section and any specific work orders or projects adopted by  
26 the Michigan veterans' memorial park commission in accordance with  
27 section 451(4) of the management and budget act, 1984 PA 431, MCL  
28 18.1451, do not lapse at the end of this fiscal year but are available  
29 for expenditure until September 30, 2001. Expenditures shall be in  
30 accordance with methods and procedures approved by the

- 1 Michigan veterans' memorial park commission, the department, and
- 2 appropriate state agencies.

Final page.