

LINE ITEM AND BOILERPLATE SUMMARY

MILITARY AND VETERANS AFFAIRS

**Fiscal Year 2020-21
Public Act 66 of 2020
House Bill 5396 as Enacted**



Michael Clossen, Fiscal Analyst

November 2020

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GOVERNING COMMITTEE**

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Lee Chatfield

Triston Cole

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November 2020

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2020-21 appropriation acts. Each **Summary** contains line-by-line appropriation and revenue source detail, and a brief explanation of each boilerplate section in the appropriation bill.

In this report, line item vetoes are presented in the following manner: appropriation amounts shown in ~~strikeout~~ are those that appear in the enrolled bill; amounts shown directly below ~~strikeout~~ amounts reflect the effect of the veto.

Line Item Summaries are available on the HFA website (www.house.mi.gov/hfa), or from Kathryn Bateson, Administrative Assistant (373-8080 or kbateson@house.mi.gov).

A handwritten signature in black ink that reads "Mary Ann Cleary". The signature is written in a cursive, flowing style.

Mary Ann Cleary, Director

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GLOSSARY

STATE BUDGET TERMS

Line Item

Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function.

Boilerplate

Specific language sections in an appropriation bill which direct, limit, or restrict line-item expenditures, express legislative intent, and/or require reports.

Lapse

Appropriated amounts that are unspent or unobligated at the end of a fiscal year; appropriations are automatically terminated at the end of a fiscal year unless otherwise provided by law.

Work Project

Account authorized through statutory process which allows appropriated spending authorization from one fiscal year to be utilized for expenditures in a succeeding fiscal year or years for a specific project or purpose.

APPROPRIATIONS AND FUND SOURCES

Appropriations

Authority to expend funds for a particular purpose. An appropriation is not a mandate to spend.

Gross: Total of all applicable appropriations in an appropriation bill.

Adjusted Gross: Net amount of gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

Interdepartmental Grant (IDG) Revenue

Funds received by one state department from another state department—usually for service(s) provided.

Intradepartmental Transfer (IDT) Revenue

Funds transferred from one appropriation unit to another within the same departmental budget.

Federal Revenue

Federal grant or match revenue; generally dedicated to specific programs or purposes.

Local Revenue

Revenue received from local units of government for state services.

Private Revenue

Revenue from non-government entities: rents, royalties or interest payments, payments from hospitals or individuals, or gifts and bequests.

State Restricted Revenue

State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue; at year-end, unused restricted revenue generally remains in the restricted fund.

General Fund/General Purpose (GF/GP) Revenue

Unrestricted general fund revenue available to fund basic state programs and other purposes determined by the Legislature; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

MAJOR STATE FUNDS

General Fund

The state's primary operating fund; receives state revenue not dedicated to another state fund.

School Aid Fund (SAF)

A restricted fund that serves as the primary state funding source for K-12 schools and Intermediate School Districts. Constitutionally, SAF revenue may also be used for postsecondary education.

Budget Stabilization Fund

The Countercyclical Economic and Budget Stabilization Fund (also known as the "rainy day fund"); the Management and Budget Act provides guidelines for making deposits into and withdrawals from the fund.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

The Michigan Department of Military and Veterans Affairs serves the dual purpose of providing an operational military force in support of state and federal homeland security needs and providing a network of services and programs in support of the state's veteran population and their families, including state veterans homes.

Full-time equated unclassified positions	9.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	1,052.5	Full-time equated (FTE) positions in the state classified service. <i>Note: based on 2,088 hours for 1.0 FTE position.</i>
GROSS APPROPRIATION	\$226,092,500	Total of all applicable line item appropriations.
Total interdepartmental grant/intradepartmental transfer revenue	101,800	Revenue received from other departments or transferred within the department.
ADJUSTED GROSS APPROPRIATION	\$225,990,700	Gross appropriation less (or minus) interdepartmental grant (IDG) or intradepartmental transfer (IDT) revenue.
Total federal revenue	123,626,100	Revenue received from federal departments and agencies.
Total local revenue	0	Revenue received from local units of government.
Total private revenue	630,000	Revenue received from private individuals and entities.
Total state restricted revenue	20,313,400	State revenue dedicated to a specific fund (other than the General Fund) or restricted for a specific purpose.
STATE GENERAL FUND/ GENERAL PURPOSE	\$81,421,200	Unrestricted state revenue from taxes and other sources.

SECTION 102: MILITARY

The Michigan National Guard, established by Michigan Military Act, 1967 PA 150 as amended, serves to protect lives and property of Michigan citizens during times of emergency response and civil unrest in order to preserve peace, order, and public safety at direction of the governor, and to assist the federal government in defending sovereign interests of the United States. There are approximately 11,000 members of the Michigan National Guard, organized along several Army National Guard (ARNG) and Air National Guard (ANG) units.

Full-time equated unclassified positions	9.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	371.0	Full-time equated (FTE) positions in the state classified service.
Unclassified salaries – 9.0 FTE positions	\$1,566,700	Salaries of state special duty military personnel and unclassified civilian personnel. Funding Source(s): GF/GP 1,566,700 <i>Related Boilerplate Section(s): 301</i>
Departmentwide	1,792,200	Travel, equipment, worker's compensation, vehicle liability insurance, rent, training, and safety supplies related to department offices and National Guard facility staff. Funding Source(s): Federal 1,512,800 GF/GP 279,400 <i>Related Boilerplate Section(s): 207</i>
Headquarters and armories – 86.0 FTE positions	20,871,100	Executive and general administration of department and Michigan National Guard; includes fringe benefits of unclassified positions, and other functions, including: <u>Office of the Adjutant General (TAG):</u> Support staff for TAG and Assistant Adjutant General-Army, public affairs, legislative liaison, and homeland security (anti-terrorism) staff. <u>State Operations and Financial Services:</u> Includes staff responsible for budgeting, accounting, and purchasing. <u>Human Resource Services:</u> Supports Civil Service staff responsible for state human resources functions for department. <u>Information Management:</u> Military-related information technology management functions, including telecommunications and network operations. <u>Construction and Facilities Management Office:</u> Responsible for operation of National Guard and departmental facilities; ensures facilities meet applicable health, safety, and environmental requirements; oversees construction, remodeling, operational maintenance, and special maintenance activities of National Guard and departmental facilities; includes maintenance mechanics responsible for day-to-day operational maintenance at state-owned National Guard armories (readiness centers) and other sites. Funding Source(s): Federal 12,997,900 Restricted 167,300 GF/GP 7,705,900 <i>Related Boilerplate Section(s): 302, 504</i>

Michigan youth challenge academy – 68.0 FTE positions	9,759,900	Voluntary boot camp-style program for 16 to 18 year-old high school dropouts administered by department in Battle Creek; two 22-week residential programs per calendar year, followed by 12-month post-residential mentoring phase for graduates. Academic, vocational, and fiduciary services are under contract with Marshall Public Schools.
		Funding Source(s): Federal 6,654,900 Private 90,000 GF/GP 3,015,000
		<i>Related Boilerplate Section(s): 303</i>
Military family relief fund	150,000	Established by 2004 PA 363. Provides emergency grant funding to assist families of members of reserved component called into active duty. Revenue comes from voluntary contribution through check-off box on state income tax form.
		Funding Source(s): Restricted 150,000
		<i>Related Boilerplate Section(s): 304</i>
Military retirement	658,000	Supports Military Retirement System payment obligations.
		Funding Source(s): GF/GP 658,000
		<i>Related Boilerplate Section(s): None</i>
Military training sites and support facilities – 215.0 FTE positions	41,056,700	Physical operations and maintenance of Michigan National Guard training sites and support facilities, including Camp Grayling, Ft. Custer, Army Aviation Support Facilities, U.S. Property and Fiscal Office, Combined Support Maintenance Shop, Motor Vehicle Storage Buildings, Alpena Combat Readiness Training Center, Battle Creek ANG Base, and Selfridge ANG Base, as well as costs associated with equipment testing by defense-related companies at state military facilities, primarily Camp Grayling. Federal government directly provides equipment and personnel (technicians) to maintain equipment, while state maintains physical properties. State employees include building trades professionals, maintenance mechanics, other laborers, environmental resource staff, and fire/crash rescue officers at ANG bases.
		Funding Source(s): Federal 36,791,000 Restricted 1,460,400 GF/GP 2,805,300
		<i>Related Boilerplate Section(s): 305, 306, 501, 502</i>
National Guard operations	298,200	Programs in support of National Guard operations and activities, including: <u>Military Appeals Tribunal</u> : Per diem payments and administrative costs of Military Appeals Tribunal. Tribunal is a five-member board appointed by the governor; has appellate jurisdiction, upon petition by an accused National Guard service member, to hear and review the record in all decisions of a court martial under Michigan Code of Military Justice, 1980 PA 523. It sits as a panel of three members with concurrence of two members necessary for a decision. Members are eligible for a per diem equal to 1/250 of state salary paid to circuit court judges, plus reimbursement for actual food, lodging, and travel expenses incurred. <u>State Active Duty</u> : Funding for military personnel who are called to state duty to perform unique administrative or maintenance functions necessary to support operations of department; typically includes ceremonial purposes, such as gubernatorial inauguration. <i>[continued on next page]</i>

National Guard operations
(continued)

Homeland Security: Activities related to Homeland Security program; assessment, development, and evaluation of plans to detect, prepare for, prevent, protect against, respond to, and recover from terrorist threats/attacks.

Michigan Emergency Volunteers: Materials and supplies for statutory organization of state military personnel that would be activated if all or part of Michigan National Guard was mobilized for service during a national emergency.

Counterdrug Program: Coordinates with federal, state, and local law enforcement agencies to counter flow of illegal drugs in Michigan; helicopters assist in locating marijuana and U.S. Customs Agency support at Port Huron and Detroit border entry points.

Funding Source(s):	IDG	101,800
	Federal	100,000
	GF/GP	96,400

Related Boilerplate Section(s): 305

National Guard tuition assistance fund – 2.0 FTE positions 6,516,600 Established by Michigan National Guard Tuition Assistance Act, 2014 PA 259. Supports National Guard tuition assistance program. GF/GP appropriations to the fund are made to increase fund balance in order to appropriate necessary restricted funds to program.

Funding Source(s):	GF/GP	6,516,600
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Related Boilerplate Section(s): 307

Starbase grant 2,322,000 Program targeted at disadvantaged, at-risk 5th grade students; promotes math, science, and engineering literacy, drug demand reduction, goal setting skills, physical fitness, and environmental responsibility; program operates at three ANG facilities (Selfridge ANGB, Battle Creek ANGB, and Alpena CRTC). Supported by National Guard Bureau.

Funding Source(s):	Federal	2,322,000
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Related Boilerplate Section(s): 308

GROSS APPROPRIATION \$84,991,400 Total of all applicable line item appropriations.

Total interdepartmental grant/intradepartmental transfer revenue 101,800 Homeland Security: Grant received from Department of State Police to support activities related to homeland security; funds a portion of National Guard Operations line item.

Total federal revenue 60,378,600 DOD-DOA-NGB (\$60,278,600): Federal grant or matching revenue received from National Guard Bureau, which supports various functions of Michigan National Guard, including headquarters and armories, military training sites and support facilities, Michigan Youth ChalleNGe Academy, Starbase grant, and department-wide costs.
Counternarcotic Revenues (\$100,000): Federal counternarcotic revenues to support counter-drug program within National Guard Operations line item.

Total private revenue 90,000 MYCA Donations: Private donations to Michigan Youth ChalleNGe Academy.

Total state restricted revenue 1,777,700 Billeting Fund (\$1,460,400): Supports Chargeable Transient Quarters Program; hotel-like lodging for military members performing training or other official duties at Fort Custer and Camp Grayling.
Military Family Relief Fund (\$150,000): Supported by private donations used to assist military families in emergency situations.
Rental Fees (\$167,300): Fees collected for the rental of space and facilities at state armories.

STATE GENERAL FUND/ \$22,643,300 Unrestricted state revenue from taxes and other sources.
GENERAL PURPOSE

SECTION 103: MICHIGAN VETERANS AFFAIRS AGENCY

The Michigan Veterans Affairs Agency (MVAA) appropriations unit provides funding for various state programs and services for veterans administered by MVAA. The agency was established by Executive Reorganization Order 2013-2 to serve as the coordinating body for state services to veterans. The agency directly administers several programs for veterans, often coordinating its activities with several veteran's service organizations and county veteran's affairs departments. Activities include operation of three veterans' homes and Michigan Veterans' Facility Authority, administration of Michigan Veterans' Trust Fund, County Veteran Service Fund, and grants to veterans' service organizations. The agency also coordinates activities of departments and agencies across state government in delivery of state healthcare, education, employment, and other quality of life programs to veterans.

Full-time equated classified positions	50.0	Full-time equated (FTE) positions in the state classified service.
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County veteran service fund	\$4,000,000	Grants to counties for county veteran services including advocacy, advice, and assistance by an accredited veteran service officer to obtain health, financial, or memorial benefits for which they are eligible.
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Funding Source(s): GF/GP 4,000,000

Related Boilerplate Section(s): 410

Michigan veterans affairs agency administration – 44.0 FTE positions	7,458,200	Operation and administration of Michigan Veterans Affairs Agency; agency includes director, general counsel, senior policy executive, deputy director overseeing homes and Michigan Veterans' Trust Fund, chief executive officer of Veterans Health System, and deputy director overseeing communications, outreach, strategic planning, and service delivery.
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Strategic Planning: Coordinates development and delivery of programs and services to veterans across state departments, focusing on healthcare services, education benefits, employment services, and quality of life programs.

Strategic Communications and Customer Service: Develops web portal and social media, program outreach and communications, benefit claims management (VetraSpec), development of "no wrong door" approach to service delivery, and improving collaboration with other non-government providers of services to veterans.

Targeted Outreach and Performance Management: Assists with filing claims for VA benefits, and training and accountability activities for veteran service organizations (VSOs), and county veterans' affairs departments.

Veterans Service Regional Coordinators: Provides funding to VSOs or others to hire regional coordinators responsible for managing workload of VSO service officers, monitoring service officer performance, and ensuring compliance with grant and boilerplate performance requirements. Coordinators also serve as liaisons to other public and private agencies serving veterans.

County Veterans Service Enhancements: Provides financial assistance to county veterans service departments to expand veterans benefits claims processing capabilities. Funds are used to support technology improvements, such as acquisition of an electronic claims management system, to hire additional VA accredited counselors, or to establish a veterans service department either directly through county employees or indirectly through service agreements with neighboring counties.

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Michigan veterans affairs agency administration – 44.0 FTE positions
(continued)

Legal Services/Federal Claims Representation: Supports legal services/federal claims representation of MVAA. Funding supports agency’s legal costs incurred in representing veterans’ claims for VA benefits before the Board of Veterans Appeals, Court of Appeals for Veterans Claims, and beyond. Legal services are a necessary part of MVAA’s accreditation by the VA to assist veterans in filing claims for VA benefits.

Funding Source(s): Restricted 50,000
GF/GP 7,408,200

Related Boilerplate Section(s): 406, 410, 411

Veterans service grants 3,835,500 Grant funding distributed to VSOs, which assist veterans with receiving various services and obtaining benefits. Grants are to be distributed by agency in a manner that assists agency in achieving its goals and performance objectives; includes a performance goal that 40% of VSO filed claims for veterans’ benefits be fully developed as determined by U.S. Department of Veterans Affairs. Grant parameters include provision of services using a regional service delivery model, and payment of hourly service rate.

Funding Source(s): GF/GP 3,835,500

Related Boilerplate Section(s): 407

Veterans trust fund administration – 6.0 FTE positions 920,000 Costs of Michigan Veterans’ Trust Fund Board of Trustees and Michigan Veterans Affairs Agency staff associated with administration of emergency grant program; includes charges paid to Office of Auditor General for audit costs; funded from investment earnings of Michigan Veterans’ Trust Fund.

Funding Source(s): Restricted 920,000

Related Boilerplate Section(s): 405

Veterans trust fund grants 1,480,000 Earnings from trust fund are used for emergency grant program, which provides grants to veterans having temporary financial difficulties; assistance given for housing, utilities, food, medical treatment, and medical equipment. Funds are provided to counties, which review claims for grant assistance, to support administrative costs and to provide emergency grants.

Funding Source(s): Restricted 1,480,000

Related Boilerplate Section(s): 405

GROSS APPROPRIATION \$17,693,700 Total of all applicable line item appropriations.

Total state restricted revenue 2,450,000 Michigan Veterans Trust Fund (\$2,400,000): Investment earnings of Michigan Veterans Trust Fund, established by 1946 PA 9, with an original capital investment of \$50.0 million; supports trust fund administration (\$920,000) and grants (\$1,480,000).
Veterans License Plate Fund (\$50,000): Pursuant to 2014 PA 490, Secretary of State issues fundraising license plates recognizing Michigan veterans. Funds are used by MVAA for outreach activities.

STATE GENERAL FUND/ GENERAL PURPOSE \$15,243,700 Unrestricted state revenue from taxes and other sources.

SECTION 104: MICHIGAN VETERANS FACILITY AUTHORITY

The Michigan Veterans' Facility Authority was established by 2016 PA 560 and 2018 PA 630 and oversees the development and administration of state veterans homes. It is governed by a nine-member board which consists of eight members appointed by the governor and the director of Department of Military and Veterans Affairs.

The Grand Rapids Home for Veterans, D.J. Jacobetti Home for Veterans, and Chesterfield Township Home for Veterans were established pursuant to 1885 PA 152 to provide care for aged and disabled veterans. Later amendments to statutes extended admission eligibility to widows, widowers, spouses, former spouses, and parents of state veterans. Homes provide different levels of services for long-term care of residents.

Full-time equated classified positions	631.5	Full-time equated (FTE) positions in the state classified service.
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Chesterfield Township home for veterans – 115.0 FTE positions	\$8,590,000	Will accommodate 128 residents at the former Seville Manor near Selfridge Air Force Base in Macomb County when it opens in 2021. Includes operation of home, including building, land, equipment, vehicle expenses, food, fuel, other supplies, maintenance services, telecommunications and utilities; and other operating expenses; purchased contractual services, such as nursing assistants; salaries, wages, benefits, and other expenses related to state classified personnel.
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Funding Source(s):	Federal	1,100,000
	Restricted	375,000
	GF/GP	7,115,000

Related Boilerplate Section(s): 226, 452, 453

D.J. Jacobetti home for veterans – 200.0 FTE positions	24,684,700	Operation of home; authorization for 284 beds and includes Domiciliary, Skilled Nursing Care, and CMS certified memory care units; opened in 1981 at former St. Mary's Hospital in Marquette. Includes operation of home, including building, land, equipment, vehicle expenses, food, fuel, other supplies, maintenance services, telecommunications and utilities; and other operating expenses; purchased contractual services, such as nursing assistants; salaries, wages, benefits, and other expenses related to state classified personnel.
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Funding Source(s):	Federal	7,659,100
	Restricted	8,051,600
	GF/GP	8,974,000

Related Boilerplate Section(s): 226, 452, 453

Grand Rapids home for veterans – 298.5 FTE positions	29,520,700	The Grand Rapids Home for Veterans (GRHV) is situated on 90 acres in Grand Rapids and opened in 1886. New facility will accommodate 128 residents with various medical needs including chronic mental and physical conditions when it opens in 2021. Includes operation of home, including building, land, equipment, vehicle expenses, food, fuel, other supplies, maintenance services, telecommunications and utilities; and other operating expenses; purchased contractual services, such as nursing assistants; salaries, wages, benefits, and other expenses related to state classified personnel.
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Funding Source(s):	Federal	14,865,000
	Restricted	5,915,000
	GF/GP	8,740,700

Related Boilerplate Section(s): 226, 452, 453

Michigan veterans facility authority	634,100	Established by 2016 PA 560, Michigan Veterans' Facility Authority oversees construction and administration of state veterans homes. State Building Authority has authorized bonds for construction of two new veterans homes – Chesterfield Township Home for Veterans, and another on campus of Grand Rapids Home for Veterans, which are scheduled to open in FY 2020-21.
		Funding Source(s): GF/GP 634,100
		<i>Related Boilerplate Section(s): 451, 452, 453</i>
Michigan veteran homes administration – 18.0 FTE positions	3,013,700	Administration of Grand Rapids Home for Veterans, D.J. Jacobetti Home for Veterans, and Chesterfield Township Home for Veterans.
		Funding Source(s): Private 540,000 GF/GP 2,473,700
		<i>Related Boilerplate Section(s): 452, 453</i>
Veterans cemetery	85,200	12-acre, state-run veterans cemetery located at Grand Rapids Home for Veterans. Interment is restricted to members that live at Grand Rapids Home for Veterans. or their dependents. The cemetery was previously funded through appropriations to Grand Rapids Home for Veterans.
		Funding Source(s): GF/GP 85,200
		<i>Related Boilerplate Section(s): 411</i>
GROSS APPROPRIATION	\$66,528,400	Total of all applicable line item appropriations.
Total federal revenue	23,624,100	<u>DVA-VHA</u> (\$19,992,900): Revenues from Department of Veterans Affairs Veterans Health Administration; distributions dependent on number of resident members at veterans home and type of care they require. <u>HHS-HCFA Medicare Hospital Insurance</u> (\$1,373,700): Revenues received by veterans home for costs incurred by resident members who qualify. <u>HHS-HCFA Title XIX Medicaid</u> (\$2,257,500): Revenues received by veterans home for costs incurred by resident members who qualify.
Total private revenue	540,000	<u>Post and Posthumous Fund</u> : Funds that can be expended by Board of Managers for purposes benefitting veterans homes' facilities and residents, at discretion of board, pursuant to 1905 PA 313.
Total state restricted revenue	14,341,600	<u>Income and Assessments</u> (\$14,301,600): Revenue received from income-based assessments paid by residents of veterans home or their family members. <u>Lease Revenue</u> (\$40,000): Revenue received by veterans home from leasing out portions of its property to third parties.
STATE GENERAL FUND/ GENERAL PURPOSE	\$28,022,700	Unrestricted state revenue from taxes and other sources.

SECTION 105: CAPITAL OUTLAY

The Capital Outlay appropriations unit provides funding for special maintenance projects at National Guard armories, training sites, and other support facilities and the state's three veterans' homes. The unit also provides spending authorization for appraisal and acquisition of land for future development as a National Guard armory or other facility.

Armory Maintenance	\$1,000,000	Armory maintenance projects for sustainment, restoration, and modernization.
		Funding Source(s): GF/GP 1,000,000
		<i>Related Boilerplate Section(s): 223, 302, 305</i>
Grayling army airfield readiness center	18,905,000	One-time funding for construction of new National Guard Readiness Center at Grayling Army Airfield to support training, administration, and logistical requirements of two Michigan National Guard units.
		Funding Source(s): Federal 18,905,000
		<i>Related Boilerplate Section(s): 223, 502</i>
Land and acquisitions	1,000,000	Authorization for land acquisitions and appraisals, should land become available.
		Funding Source(s): Restricted 1,000,000
		<i>Related Boilerplate Section(s): 223, 501</i>
Special maintenance – National Guard	20,000,000	Maintenance projects at armories statewide; projects include replacement of boilers, roofs, windows, doors and frames, general building repairs and renovations, and mechanical, electrical, and plumbing maintenance. Projects are larger in scope than regular day-to-day operational maintenance activities.
		Funding Source(s): Federal 20,000,000
		<i>Related Boilerplate Section(s): 223, 502</i>
Special maintenance – veterans homes	500,000	Large repair projects and other facility maintenance projects at Grand Rapids and D.J. Jacobetti Homes for Veterans. Projects are larger in scope than regular day-to-day operational maintenance activities.
		Funding Source(s): GF/GP 500,000
		<i>Related Boilerplate Section(s): 223, 503</i>
GROSS APPROPRIATION	\$41,405,000	Total of all applicable line item appropriations.
Total federal revenue	38,905,000	<u>DOD-DOA-NGB</u> : Federal grant or matching revenue received from National Guard Bureau; supports various functions of Michigan National Guard.
Total state restricted revenue	1,000,000	<u>Michigan National Guard Construction Fund</u> : Pursuant to Michigan Military Act, 1967 PA 150 (MCL 32.782a), restricted revenues from fund can be expended at discretion of Adjutant General for purposes of purchasing training land and facilities or constructing new facilities.
STATE GENERAL FUND/ GENERAL PURPOSE	\$1,500,000	Unrestricted state revenue from taxes and other sources.

SECTION 106: INFORMATION TECHNOLOGY

The Information Technology appropriation unit supports department-wide IT services and projects.

Information technology services and projects	\$1,991,000	Information technology-related services and projects including desktop services, hardware, software, and development and maintenance of various IT application programs that support department activities.
		Funding Source(s):
		Federal
		718,400
		Restricted
		744,100
		GF/GP
		528,500

Related Boilerplate Section(s): None

GROSS APPROPRIATION \$1,991,000 Total of all applicable line item appropriations.

Total federal revenue	718,400	<u>DOD-DOA-NGB</u> (\$158,100): Federal grant or matching revenue received from National Guard Bureau; supports various functions of Michigan National Guard. <u>DVA-VHA</u> (\$548,000): Revenues from Department of Veterans Affairs Veterans Health Administration; distributions dependent on number of resident members at veterans home and type of care they require. <u>HHS-HCFA title XVIII, Medicare</u> (\$12,300): Revenues received by veterans home for costs incurred by resident members who qualify.
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Total state restricted revenue	744,100	<u>Income and Assessments</u> : Revenue received from income-based assessments paid by residents of veterans home or their family members.
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**STATE GENERAL FUND/
GENERAL PURPOSE \$528,500 Unrestricted state revenue from taxes and other sources.**

SECTION 107: ONE-TIME APPROPRIATIONS

This appropriation unit contains FY 2020-21 appropriations that are intended by the legislature to be one-time allocations and may not be reauthorized in future years.

Grand Rapids home for veterans transition	\$13,233,000	Transfer of ongoing funding from Grand Rapids Home for Veterans for transitional costs while operations transfer from existing facility to the new facility.
		Funding Source(s): GF/GP 13,233,000
		<i>Related Boilerplate Section(s): None</i>
Veterans benefit eligibility study	250,000	Funding for commission of study that will create and implement a program to identify Michigan Medicaid beneficiaries who are veterans and support them in exploring their eligibility for USDVA health care benefits.
		Funding Source(s): GF/GP 250,000
		<i>Related Boilerplate Section(s): 601</i>
GROSS APPROPRIATION	\$13,483,000	Total of all applicable line item appropriations.
STATE GENERAL FUND/ GENERAL PURPOSE	\$13,483,000	Unrestricted state revenue from taxes and other sources.

BOILERPLATE SECTION INFORMATION

A specific listing of boilerplate sections deemed unenforceable was not provided. Rather, the governor's signing letter generally stated that sections violating the following provisions of the Michigan Constitution are unenforceable:

- Article 3, Section 2: Separation of Powers of Government
- Article 4, Section 22 and Article 4, Section 33: An attempt to authorize legislation other than by bill
- Article 4, Section 24: No law shall embrace more than one object, which shall be expressed in its title
- Article 4, Section 25: Amendment by reference
- Article 4, Section 53: Duties of the Auditor General
- Article 5, Section 28: Duties of the State Transportation Commission

Where a specific section was provided as an example in the signing letter, it is noted in the boilerplate section description below. This document will be updated upon the receipt of a more comprehensive list of unenforceable boilerplate sections.

GENERAL SECTIONS

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government

Specifies total state spending from state resources and payments to local units of government from state resources.

Sec. 202. Appropriations Subject to Management and Budget Act

Subjects appropriations to Management and Budget Act, 1984 PA 431.

Sec. 203. Terms and Acronyms

Defines various terms and acronyms contained in the act.

Sec. 204. Internet Availability of Required Reports

Requires departments to use the internet to fulfill reporting requirements; authorizes transmission of reports via e-mail; requires reports to be placed on an online website.

Sec. 205. Purchase of Foreign Goods

Prohibits purchase of foreign goods or services if competitively priced and of comparable quality American goods or services are available; requires preference be given to goods and services manufactured by Michigan businesses and Michigan businesses owned and operated by veterans.

Sec. 206. Disciplinary Action Against State Employees

Prohibits departments from taking disciplinary action against employees in the state classified civil service for communicating with legislators or their staff; stipulates disciplinary action may be taken if the communication is prohibited by law and disciplinary action is exercised as authorized by law.

Sec. 207. Out-of-State Travel

Requires DMVA to report on out-of-state travel expenses paid for in whole or in part with state appropriations.

Sec. 208. Use of Funding for Legal Services

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities and for those activities that attorney general authorizes.

Sec. 209. General Fund Lapse Report

Requires State Budget Office to report on estimates of general fund lapses at close of prior fiscal year.

Sec. 210. Contingency Funding

Contains authorization for up to \$8.6 million in federal, \$1.1 million in state restricted, \$250,000 in local, and \$100,000 in private contingency funds; authorizes expenditure of funds only after legislative transfer to specific line items.

Sec. 211. Transparency Website

Requires department to provide data necessary for DTMB to maintain a searchable website that is accessible by public at no cost that includes expenditure data, data on payments made to vendors, and data on number of active employees, job specifications, and wage rates.

Sec. 212. State Restricted Funds Report

Requires department and State Budget Office to report on state restricted fund balances, projected state restricted fund revenues, and state restricted fund expenditures.

BOILERPLATE SECTION INFORMATION

Sec. 213. Performance Metrics Website

Requires department to maintain a publicly accessible website that identifies and tracks its performance against key metrics used to monitor and improve its performance.

Sec. 214. Annual Legacy Costs

States that estimated FY 2020-21 legacy retirement costs total \$20.4 million, including pension costs of \$9.8 million and retiree health care costs of \$10.6 million.

Sec. 215. Businesses in Deprived and Depressed Communities

Requires department director to take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts.

Sec. 216. FTE Vacancies and Remote Work Report

Requires department to provide quarterly report on FTE counts by classification and actual FTE position counts compared to authorized FTE position counts; requires report on number of employees engaged in remote work in 2020, number of employees authorized to work remotely, and actual number working remotely, estimated net cost savings from remote work, and reduced use of office space associated with remote work.

Sec. 217. Work Project Expenditures

Prohibits appropriations from being expended in cases where existing work project authorization is available for the same expenditures.

Sec. 218. State Administrative Board Transfers

Authorizes legislature, by concurrent resolution adopted by majority of members elected to and serving in each house, to inter-transfer funds if State Administrative Board transfers funds.

Sec. 219. Receipt and Retention of Required Reports

Requires department to receive and retain copies of all reports required; requires federal and state guidelines to be followed for short-term and long-term retention of records; authorizes department to electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. Reporting Requirement on Policy Changes

Requires department to report on policy changes made in order to implement enacted legislation.

Sec. 221. Biannual Reporting on Achieving Requirements

Requires department to provide biannual reports on status of work projects, financial status, and employment levels.

Sec. 222. Department Core Services

Lists core services of department; requires appropriations to be used for core services.

Sec. 223. Capital Outlay Carryforward

Authorizes capital outlay appropriations to be carried forward at end of fiscal year, consistent with Management and Budget Act.

Sec. 224. Intention to Sell Department Property

Requires department to provide a 60-day notice of intent to sell property.

Sec. 225. Court Settlements Report

Requires department to report tentative plans for required payment of any court judgment against department and details regarding timing and budget impact the payment will have on department. (*Governor's signing letter states this section is unenforceable.*)

Sec. 226. Private Donations to Veteran Homes

Appropriates money privately donated to Grand Rapids Home for Veterans, D.J. Jacobetti Home for Veterans, and Chesterfield Township Home for Veterans, and permits its use for the purpose designated by private donor.

MILITARY

Sec. 301. Unclassified Positions

Appropriates funding to support unclassified positions; requires department to notify subcommittees prior to submitting requests for additional unclassified positions or requests for substantive changes to duties of existing unclassified positions; requires quarterly report listing current unclassified positions with official titles and responsibilities.

BOILERPLATE SECTION INFORMATION

Sec. 302. Armories and Joint Force Readiness

Requires department to provide for executive level administration of department, operations of Michigan military establishment, and maintenance and operation of National Guard armories as provided under listed laws and regulations; requires biannual report on status of armories; requires report assessing current state of armories and developing an investment strategy for physical improvements at armories, including consolidation of armories and establishment of new armories.

Sec. 303. Michigan Youth ChalleNGe Academy

Requires department to maintain proper levels of staffing and resources to operate Michigan Youth ChalleNGe Academy as provided under federal law; lists specific operating requirement and performance metrics.

Sec. 304. Military Family Relief Fund

Requires DMVA to provide grant funding from Military Family Relief Fund, outreach services to military families of members of reserve component called into active duty, and biannual reports on financial activities of fund.

Sec. 305. National Guard Training Facilities and Air Bases

Requires department to provide Army National Guard (ARNG) and Air National Guard (ANG) forces, when directed, in support of state and local emergencies, and in support of federal military requirements; requires department to operate and maintain ARNG facilities (including Fort Custer and Camp Grayling) and ANG facilities (Selfridge ANG Base, Battle Creek ANG Base, and Alpena Combat Readiness Training Center); requires biannual reports on National Guard personnel strength.

Sec. 306. Billeting Fund

Requires annual report of operations and expenditures regarding Billeting Fund account, which supports program operations of Chargeable Transient Quarters Program at National Guard training facilities.

Sec. 307. National Guard Tuition Assistance Program

Requires DMVA to establish and maintain tuition assistance program for members of Michigan National Guard and other eligible members as defined in 2014 PA 259; states program's objectives, performance metrics, and reporting requirements.

Sec. 308. Starbase Grant

Requires DMVA to maintain Starbase program, providing programs in mathematics, science, and technology to primarily 5th grade students, at ANG facilities.

MICHIGAN VETERANS AFFAIRS AGENCY

Sec. 405. Veterans' Trust Fund Grants

Requires MVAA to report on Michigan Veterans Trust Fund financial status, awarded grants, and operating and administrative expenses; establishes a capacity metric of 2,000 applications.

Sec. 406(1). MVAA Outreach Services

Requires MVAA to provide outreach services to veterans, communicate information on available VA benefits, process requests for military discharge documents, digitize military medical and discharge documents, and assist in processing claims for VA benefits; requires biannual reports on MVAA's performance against performance outcomes, measures, and objectives stated in strategic plan developed under 2013 PA 9; requires report providing estimate of state's homeless veterans population.

Sec. 406(2). Regional Service Coordination

Requires MVAA to provide for regional coordination of services, including benefit counseling, state health and human service programs, workforce and economic development programs, and community-based programs; authorizes service officers to include mental health care referral services; requires MVAA to work with Department of Health and Human Services and Department of Corrections in coordinating benefits and services to eligible veterans; requires training on processing veterans benefits due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance abuse, and other mental health issues.

Sec. 406(3). MVAA Benefits Counseling Services

Requires MVAA to assist veterans in filing claims for VA benefits; establishes a capacity metric of 500 claims per year and a performance metric of 40% of claims considered to be fully developed by VA; requires biannual data on number and type of claims activities.

BOILERPLATE SECTION INFORMATION

Sec. 406(4). County Veterans Services

Requires MVAA to provide training to county veterans counselors (CVCs); establishes performance metrics for training and CVC-filed claims for VA benefits; requires biannual reports on number and percentage of CVCs requesting training by MVAA.

Sec. 406(5). County Veterans Service Enhancement Grants

Requires funds to be used to enhance capacity and capabilities of CVCs, by providing a grant to implement an internet-based data system, to increase number of CVCs, and to increase number of counties that provide benefit counseling services; requires report on grant activities.

Sec. 406(6). Legal Services/Federal Claims Representation

Authorizes up to \$50,000 to be expended to provide legal services to represent veterans benefit cases before federal courts in order to maintain accreditation by VA.

Sec. 407. Grants to Veterans Service Organizations

Requires MVAA to provide grants to veterans service organizations (VSOs) in a manner consistent with MVAA performance goals and objectives; requires quarterly reports from grantees on claims and services provided; requires grant recipients to meet performance metrics, including a goal that 40% of VSO-filed claims for VA benefits be considered fully developed by VA; specifies basic parameters of grant agreement, including regional service delivery, payment of an hourly service rate set annually and based on funds appropriated, provision of service hours based upon appropriations and annually set hourly rate, including in state correctional facilities; requires reports on claims activities.

Sec. 409. Interagency Agreement with Department of Health and Human Services

Requires department to enter into cooperative agreement with DHHS to identify veteran Medicaid recipients who may be eligible for other benefits; requires annual report of number of veterans identified and referred for additional benefits under agreement.

Sec. 410. County Veterans Service Fund

Requires funds appropriated for County Veteran Service Fund to be deposited into County Veteran Service Fund created in 2018 PA 210; stipulates funds are available for expenditure to support county veterans' services grants.

Sec. 411. Veterans Cemetery

Requires MVAA to conduct a needs, feasibility, and cost assessment of establishing and maintaining a new veterans cemetery; requires assessment to consider availability of federal funds for its determinations; requires MVAA to report findings of assessment by end of fiscal year.

MICHIGAN VETERANS FACILITY AUTHORITY

Sec. 451. Board of Managers and Michigan Veteran's Facility Authority

Requires Board of Managers and Michigan Veterans' Facility Authority to exercise certain regulatory and governance authority over Michigan veterans homes.

Sec. 452(1)-(3), (10)-(19). Veterans Homes Service and Care Requirements

Requires Michigan veterans homes to meet applicable standards of care as provided under listed federal and state legal authorities; specifies standards around issues concerning psychiatric care, monitoring of comprehensive care plans, supply inventory, pharmaceutical inventory, controls over donated goods and monies, and personal funds of residents; requires information on complaint process to be conspicuously posted at home; requires Michigan veterans homes, Board of Managers, and Michigan Veteran Facility Authority policies to be posted on MVAA website; requires department to report budgeting and quality of care metrics to the legislature, including health and safety issues, status of Centers for Medicare and Medicaid Services (CMS) certification, resident member demographics, upgrades to facilities, and financial status of homes.

Sec. 452(4)-(8). Contractors and Competency Evaluated Nursing Assistants

Requires contractors providing mental health services to Michigan veterans homes to use evidence-based best practices; requires contractors that provide nursing assistants (CENAs) at home to meet certain performance standards regarding pre-service and in-service training and experience.

BOILERPLATE SECTION INFORMATION

Sec. 452(9). Veterans Homes Complaint Management Process

Requires complaints of alleged abuse or neglect received by a supervisor at the home be reported to director of nursing upon receipt; requires director of nursing to provide information on the nature and final disposition of complaints received at least monthly to home administrator, Board of Managers, Michigan Veterans' Facility Authority, subcommittees, legislative fiscal agencies, and State Budget Office.

Sec. 453. Veterans Homes CMS Certification Reporting

Requires department to report to legislature regarding improvements in full-spectrum health care resulting from facility upgrades to obtain CMS certification.

CAPITAL OUTLAY

Sec. 501. Land and Acquisitions

Requires department to provide for acquisition and disposition of National Guard armories, facilities, and lands as provided under Michigan Military Act; requires biannual report on property sales and acquisitions.

Sec. 502. Special Maintenance – National Guard

Authorizes capital outlay appropriations to be carried forward at end of fiscal year; requires appropriations to be expended in accordance with sections 302 and 305 of department budget act to modernize and repair National Guard facilities; requires biannual reports on maintenance projects at National Guard facilities funded from capital outlay appropriations.

Sec. 503. Special Maintenance – Veterans Homes

Authorizes capital outlay appropriations to be carried forward at end of fiscal year; requires appropriations to be expended in accordance with section 452 of department budget act to modernize and repair two veterans homes; requires biannual reports on maintenance projects at veterans' homes funded from capital outlay appropriations.

Sec. 504. Armory Maintenance

Authorizes capital outlay appropriations to be carried forward at end of fiscal year; requires appropriations to be expended in accordance with sections 302 and 305 of department budget act to modernize and repair National Guard facilities.

ONE-TIME APPROPRIATIONS

Sec. 601. Veterans Benefits Eligibility Study

Requires funding to be used for commission of a study on creating, implementing, and evaluating a program that identifies Medicaid beneficiaries who are veterans and support them in exploring their eligibility for USDVA-VHA health care benefits; requires department to report findings of study, including recommendations on strategies to use to identify veterans who are Medicaid beneficiaries, eligible for USDVA-VHA health care benefits, but who aren't aware or have not taken steps to seek USDVA-VHA health care services.



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