

**STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2022**

Introduced by Rep. Hauck

ENROLLED HOUSE BILL No. 6377

AN ACT to amend 1953 PA 192, entitled “An act to create a county department of veterans’ affairs in certain counties, and to prescribe its powers and duties; to create the county veteran service fund and to provide for contributions to and expenditures from that fund; and to transfer the powers and duties of the soldiers’ relief commission in those counties,” by amending section 3a (MCL 35.623a), as amended by 2021 PA 34.

The People of the State of Michigan enact:

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

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

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

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

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

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

(a) Except as otherwise provided in this subdivision, a base amount of \$50,000.00. In a fiscal year when money in the fund is insufficient to support the \$50,000.00 base amount, an amount equal to and not to exceed the total amount appropriated to the fund for the fiscal year beginning October 1 divided by 83. A disbursement under this subdivision must be used for 1 of the following purposes:

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

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

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

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

(8) Except as otherwise provided in subsection (10), to be eligible to receive a grant under subsection (6) in the fiscal year ending September 30, 2021, and each fiscal year thereafter, by no later than September 30 of each year a county must satisfy all of the following as certified in a form and manner prescribed by the Michigan veterans affairs agency:

(a) For the fiscal year ending September 30, 2021 and each fiscal year thereafter, maintain at least 70% of the total county funding for veteran service operations for the fiscal year immediately preceding October 1, 2018. If a county reduces the level of county funding for veteran service operations below 70% of the total county funding for veteran service operations for the fiscal year immediately preceding October 1, 2018, the county shall not utilize grant funding awarded under subsection (6) to supplant those reductions.

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

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

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

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

(d) Provide no less than 20 hours per week toward veteran service operations. Upon request, the Michigan veterans affairs agency may grant an exemption from this requirement. In determining whether or not to grant an exemption under this subdivision, the Michigan veterans affairs agency shall consider necessary information and factors, including, but not limited to, the total veteran population of a county and any existing agreements that promote coordination of services between counties.

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

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

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

(11) As used in this section:

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

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

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

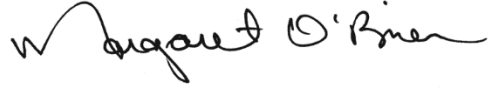
(d) "PIV card" means a personal identity verification card issued by the United States Department of Veterans Affairs.

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

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor