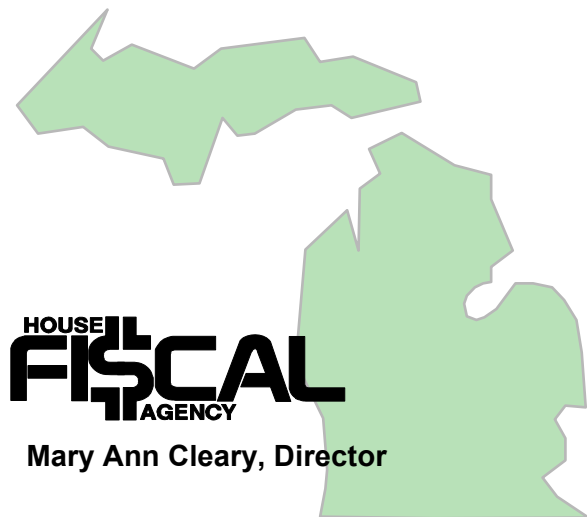


LINE ITEM AND BOILERPLATE SUMMARY

MILITARY AND VETERANS AFFAIRS

Fiscal Year 2016-17
Article XIV, Public Act 268 of 2016
House Bill 5294 as Enacted



Kent Dell, Fiscal Analyst

September 2016

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GOVERNING COMMITTEE**

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September 2016

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2016-17 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".

Mary Ann Cleary, Director

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GLOSSARY

APPROPRIATIONS AND FUND SOURCES

Appropriation

Authority to expend funds. An appropriation is not a mandate to spend. Constitutionally, state funds cannot be expended without an appropriation by the Legislature.

Gross Appropriations

Total spending authority from all revenue sources.

Interdepartmental Grant (IDG) Revenue

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

Adjusted Gross Appropriations

Gross appropriations excluding IDGs; avoids double counting when adding appropriation amounts across budget areas.

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 individuals and private entities, including payments for services, grants, and other contributions.

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.

General Fund/General Purpose (GF/GP) Revenue

Unrestricted general fund revenue available to fund basic state programs and other purposes determined by the Legislature.

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.

STATE BUDGET TERMS

Fiscal Year

The state's fiscal year (FY) runs from October to September. FY 2016-17 is October 1, 2016 through September 30, 2017.

Line Item

Specific appropriation amount in a budget 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 designated as a work project. Lapsed funds are available for expenditure in the subsequent fiscal year.

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.

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.

Full-time equated unclassified positions	9.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	898.5	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	\$174,100,200	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	\$173,998,400	Gross appropriation less (or minus) interdepartmental grant (IDG) or intradepartmental transfer (IDT) revenue.
Total federal revenue	91,793,600	Revenue received from federal departments and agencies.
Total local revenue	1,522,400	Revenue received from local units of government.
Total private revenue	742,800	Revenue received from private individuals and entities.
Total state restricted revenue	24,696,000	State revenue dedicated to a specific fund (other than the General Fund) or restricted for a specific purpose.
STATE GENERAL FUND/ GENERAL PURPOSE	\$55,243,600	Unrestricted state revenue from taxes and other sources.
		GF/GP Subtotals: Ongoing 51,443,600 One-time 3,800,000

NOTE: Appropriations for the FY 2015-16 budget were included in six line items within four appropriation units. Corresponding schedules of programs associated with each line item were included in part 1, but were not legally binding. The FY 2016-17 budget removes the schedule of programs budget structure and incorporates twenty-eight separate line items within five appropriation units. Additionally, funding for the Grand Rapids Home for Veterans is included in its own appropriation unit for transparency purposes. However, administration of the home still falls under the responsibility of the Michigan Veterans Affairs Agency.

SECTION 102: MILITARY

The Michigan National Guard, established by the Michigan Military Act 1967 PA 150 as amended, serves to protect the lives and property of Michigan citizens during times of emergency response and civil unrest in order to preserve peace, order, and public safety at the direction of the Governor, and to assist the federal government in defending sovereign interests of the United States. There are approximately 10,000 members of the Michigan National Guard, organized along several Air National Guard (ANG) and Army National Guard (ARNG) units.

Full-time equated unclassified positions	9.0	Full-time equated (FTE) positions not in the state classified service.	
Full-time equated classified positions	334.0	Full-time equated (FTE) positions in the state classified service.	
Unclassified positions – 9.0 FTE positions	\$1,425,500	Salaries of state special duty military personnel and unclassified civilian personnel including the Adjutant General for Michigan, Assistant Adjutant General – Army, Assistant Adjutant General – Installations, Assistant Adjutant General – Air, Director – Michigan Veterans Affairs Agency, Senior Policy Executive – Michigan Veterans Affairs Agency, Senior Deputy Director – State Operation, Director – Strategy and Policy, and Chief Executive Officer for the Veterans Health System.	
		Funding Source(s):	GF/GP 1,425,500
		<i>Related Boilerplate Section(s): 300</i>	
Departmentwide accounts	1,839,100	Travel, equipment, worker's compensation, vehicle liability insurance, rent, training, and safety supplies related to state department offices and national guard facility staff.	
		Funding Source(s):	Federal 1,546,300 GF/GP 292,800
		<i>Related Boilerplate Section(s): None</i>	

Headquarters and armories 17,254,100 Executive and general administration of the department and the Michigan National Guard; includes fringe benefits of unclassified positions, and other functions:
 – 78.0 FTE positions

Office of The Adjutant General (TAG): Support staff for the TAG and the Assistant Adjutant General-Army, public affairs, legislative liaison, and homeland security (anti-terrorism) staff.

State Operations and Financial Services: Includes staff responsible for budgeting, accounting, and purchasing.

Human Resource Services: Supports the Civil Service staff responsible for state human resources functions for the department.

Information Management: Military-related information technology management functions, including telecommunications and network operations.

Construction and Facilities Management Office: Responsible for the 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 the state-owned National Guard armories (readiness centers) and other sites.

Funding Source(s):	Federal	9,454,000
	Restricted	346,400
	GF/GP	7,453,700

Related Boilerplate Section(s): 207, 209, 210, 218, 219, 229, 230, 302

National Guard operations 338,200 Programs in support of National Guard operations and activities, which include:

Military Appeals Tribunal
 Per diem payments and administrative costs of the Military Appeals Tribunal. The 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 the Michigan Code of Military Justice, 1980 PA 523. It sits as a panel of three members with the concurrence of two members necessary for a decision. Members are eligible for a per diem equal to 1/250 of the state salary paid to circuit court judges, plus reimbursement for actual food, lodging, and travel expenses incurred.

State Active Duty
 Funding for military personnel who are called to state duty to perform unique administrative or maintenance functions necessary to support the operations of the department; typically includes security related to the Labor Day walk across on the Mackinac Bridge or ceremonial purposes, such as a gubernatorial inauguration.

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 the Michigan National Guard was mobilized for service during a national emergency.

Counterdrug Program
 Coordinates with federal, state, and local law enforcement agencies to counter the 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
	Restricted	70,000
	GF/GP	66,400

Related Boilerplate Section(s): None

Military training sites and support facilities – 205.0 FTE positions 33,793,000 Physical operations and maintenance of Michigan National Guard training sites and support facilities, including Camp Grayling, Ft. Custer, the Army Aviation Support Facilities, U.S. Property and Fiscal Office, Combined Support Maintenance Shop, Motor Vehicle Storage Buildings, the Alpena Combat Readiness Training Center, the 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. Generally, the federal government directly provides the equipment and the personnel (technicians) to maintain the equipment, while the state maintains the physical properties. State employees in this program line generally include building trades professionals, maintenance mechanics, other laborers, environmental resource staff, and fire/crash rescue officers at ANG bases.

Funding Source(s):	Federal	30,604,300
	Restricted	1,617,800
	GF/GP	1,570,900

Related Boilerplate Section(s): 304, 305

Michigan youth challenge academy – 50.0 FTE positions	5,326,900	Voluntary boot camp-style program for 16 to 18 year-old high school dropouts administered by the 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 the Marshall Public Schools. Historically funded through the National Guard Bureau and the School Aid Fund. In FY 2016-17 GF/GP funds are appropriated to increase staffing levels and address concerns raised in a recent report by the Auditor General.
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Funding Source(s):	Federal	2,891,700
	Local	1,522,400
	Private	202,800
	GF/GP	710,000

Related Boilerplate Section(s): 307

Military family relief fund	600,000	Established by 2004 PA 363. Provides emergency grant funding to assist families of members of the reserved component called into active duty. Revenue comes from a voluntary contribution through a check-off box on the state income tax form.
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Funding Source(s):	Restricted	600,000
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Related Boilerplate Section(s): 308

Starbase grant	2,322,000	Program targeted at disadvantaged, at-risk 5 th grade students; promotes math, science, and engineering literacy, drug demand reduction, goal setting skills, physical fitness, and environmental responsibility; the program operates at the three ANG facilities (Selfridge ANGB, Battle Creek ANGB, and Alpena CRTC). Supported by the National Guard Bureau.
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Funding Source(s):	Federal	2,322,000
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Related Boilerplate Section(s): 309

National Guard tuition assistance program – 1.0 FTE positions	3,505,000	Established by the Michigan National Guard Tuition Assistance Act, 2014 PA 259, the tuition assistance program covers all or a portion of the cost of tuition and related fees for post-secondary education course work, as determined by the Adjutant General. Supported by restricted revenue received from the National Guard Tuition Assistance Fund, which has historically been funded through GF/GP appropriations.
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Funding Source(s):	Restricted	3,505,000
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Related Boilerplate Section(s): 310

National Guard tuition assistance fund	60,000	Established by the Michigan National Guard Tuition Assistance Act, 2014 PA 259. Supports the National Guard tuition assistance program through state restricted appropriations. In FY 2016-17, GF/GP appropriations to the fund are made to increase the fund balance in order to appropriate necessary restricted funds to the program.
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Funding Source(s):	GF/GP	60,000
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Related Boilerplate Section(s): 310

Information technology services and projects	1,384,600	Information technology-related services and projects including desktop services, hardware, software, and development and maintenance of various IT application programs which support department activities.
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Funding Source(s):	Federal	569,800
	Restricted	412,600
	GF/GP	402,200

Related Boilerplate Section(s): 311

GROSS APPROPRIATION \$67,848,400 Total of all applicable line item appropriations.

Total interdepartmental grant/intradepartmental transfer revenue	101,800	<u>Homeland Security</u> : Grant received from the Department of State Police to support activities related to homeland security, funds a portion of the National Guard operations line item.
Total federal revenue	47,488,100	<u>DOD-DOA-NGB</u> (Subtotal: \$46,969,000): Federal grant or matching revenue received from the National Guard Bureau, which supports the various functions of the Michigan National Guard, including headquarters and armories, military training sites and support facilities, the Michigan Youth ChalleNGe Academy, the Starbase grant, IT services and projects, and department-wide costs. <u>Other Federal Revenue</u> (Subtotal: \$519,100): Other federal revenue received from the Department of Veterans Affairs Veterans Health Administration, Medicare hospital insurance, and federal counternarcotic revenues to support the counter-drug program within the National Guard operations line item and IT services as they relate to the veterans homes.
Total local revenue	1,522,400	<u>SAF</u> : Local School Aid Fund revenue received to support the Michigan Youth ChalleNGe Academy, in partnership with Marshall Public Schools.
Total private revenue	202,800	<u>MYCA Donations</u> : Private donations to the Michigan Youth ChalleNGe Academy.
Total state restricted revenue	6,551,800	<u>National Guard Tuition Assistance Fund</u> (Subtotal: \$3,505,000): Supports the National Guard Tuition Assistance Program; includes both investment earnings and GF/GP appropriations to the fund. <u>Billeting Fund</u> (Subtotal: \$1,517,800): Supports the Chargeable Transient Quarters Program; hotel-like lodging for military members performing training or other official duties at Fort Custer and Camp Grayling. <u>Military Family Relief Fund</u> (Subtotal: \$600,000): Supported by private donations, which are used to assist military families in emergency situations. <u>Mackinac Bridge Authority</u> (Subtotal: \$70,000): Supports the activation of National Guard members through state active duty to assist with the annual Mackinac Bridge Walk. <u>Other State Restricted</u> (Subtotal: \$859,000): Other state restricted revenue, such as rental fee revenue, test project fee revenue, and income and assessment revenue from the state veterans homes that support various across-department operations and services.
STATE GENERAL FUND/ GENERAL PURPOSE	\$11,981,500	Unrestricted state revenue from taxes and other sources.

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 the 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 the several veteran's service organizations and county veteran's affairs departments. These activities include the operation of the two veterans' homes, the administration of the Michigan Veterans' Trust Fund, and grants to veteran's service organizations. The agency also coordinates the activities of departments and agencies across state government in the delivery of state healthcare, education, employment, and other quality of life programs to veterans.

The homes were established pursuant to statute – Grand Rapids Home for Veterans by 1885 PA 152 and D.J. Jacobetti Home for Veterans by 1977 PA 107 – 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. The homes provide three levels of care: domiciliary, nursing, and special needs and are governed by the Board of Managers, a seven-member board appointed by the Governor.

Full-time equated classified positions	209.5	Full-time equated (FTE) positions in the state classified service.
Board of managers (veterans homes)	\$940,000	Functions of the board include establishment of rates, approval of admission and charges, member services, facility improvements, and other purposes which benefit the veterans homes. Operations of the board of managers are supported by the Post and Posthumous Fund (private) and the Military Family Relief Fund (restricted).
		Funding Source(s):
		Private
		540,000
		Restricted
		400,000
		<i>Related Boilerplate Section(s): 504</i>
D.J. Jacobetti home for veterans – 164.5 FTE positions	21,250,600	Operation and administration of the home; has authorization for 182 nursing beds and 22 domiciliary beds; opened in 1981 at the former St. Mary's Hospital in Marquette.
		Funding Source(s):
		Federal
		8,305,600
		Restricted
		5,000,400
		GF/GP
		7,944,600
		<i>Related Boilerplate Section(s): 501, 502, 503</i>

MVAAs administration – 39.0 FTE positions	7,057,300	<p>Operation and administration of the Michigan Veterans Affairs Agency; the agency is to include a director, general counsel, and senior policy executive, a deputy director overseeing the homes and Michigan Veterans' Trust Fund, a chief executive officer of the Veterans Health System, and a deputy director overseeing communications, outreach, strategic planning, and service delivery.</p> <p><u>Strategic Planning</u>: Includes staff coordinating the 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.</p> <p><u>Strategic Communications and Customer Service</u>: Includes staff focusing on the development of a web portal and social media, program outreach and communications, benefit claims management (VetraSpec), development of a "no wrong door" approach to service delivery and improving collaboration with other non-government providers of services to veterans.</p> <p><u>Targeted Outreach and Performance Management</u>: Includes staff providing assistance with filing claims for VA benefits, and training and accountability activities for veteran service organizations (VSOs) and county veterans' affairs departments.</p> <p><u>Veterans Service Regional Coordinators</u>: Provides funding to veterans service organizations or others to hire 10 regional coordinators who are responsible for managing the workload of VSO service officers, monitoring service officer performance, and ensuring compliance with grant and boilerplate performance requirements. These coordinators also serve as a liaison to other public and private agencies serving veterans.</p> <p><u>County Veterans Service Enhancements</u>: Provides financial assistance to county veterans service departments to expand veterans benefits claims processing capabilities. These funds are used to support technology improvements, such as the 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.</p> <p><u>Legal Services/Federal Claims Representation</u>: Supports legal services/federal claims representation of the MVAAs. This funding supports the agency's legal costs incurred in representing veterans' claims for VA benefits before the Board of Veterans Appeals, the Court of Appeals for Veterans Claims, and beyond. Legal Services are a necessary part of the MVAAs accreditation by the VA to assist veterans in filing claims for VA benefits.</p>
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Funding Source(s): GF/GP 7,057,300

Related Boilerplate Section(s): 400

Veterans service grants	3,763,500	<p>Grant funding distributed to veterans service organizations (VSOs), which assist veterans with receiving various services and obtaining benefits. Grants are to be distributed by the agency in a manner that assists the 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 the U.S. Department of Veterans Affairs. Grant parameters includes the provision of services using a regional service delivery model, the payment of a fixed hourly service rate; a specified number of service hours within each service delivery region, with a statewide goal of at least 116,500 hours, including hours in state correctional facilities.</p>
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Funding Source(s): GF/GP 3,763,500

Related Boilerplate Section(s): 406

Targeted grants	200,000	Funding used for targeted outreach to veterans that may not be connected to traditional VSOs. Funding Source(s): GF/GP 200,000 <i>Related Boilerplate Section(s): None</i>
Michigan veterans trust fund administration – 6.0 FTE positions	1,464,800	Costs of the Michigan Veterans' Trust Fund Board of Trustees and the Michigan Veterans Affairs Agency staff associated with the administration of the emergency grant program; includes charges paid to the Office of Auditor General for audit costs; funded from investment earnings of the Michigan Veterans' Trust Fund. Funding Source(s): Restricted 1,464,800 <i>Related Boilerplate Section(s): 407</i>
Veterans' trust fund grants	3,746,500	Earnings from trust fund are used for emergency grant program, which provides grants to veterans having temporary financial difficulties; assistance is 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 the emergency grants. Funding Source(s): Restricted 3,746,500 <i>Related Boilerplate Section(s): 408</i>
GROSS APPROPRIATION	\$38,422,700	Total of all applicable line item appropriations.
Total federal revenue	8,305,600	<u>DVA-VHA</u> (Subtotal: \$7,712,900): Revenues from the Department of Veterans Affairs Veterans Health Administration; distributions are dependent upon the number of resident members at the veterans home and the type of care they require. <u>HHS-HCFA Medicare Hospital Insurance</u> (Subtotal: \$580,200): Revenues received by the veterans home for costs incurred by resident members who qualify. <u>HHS-HCFA Title XIX Medicaid</u> (Subtotal: \$12,500): Revenues received by the 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 the Board of Managers (Veterans Homes) for purposes to the benefit of the veterans homes' facilities and residents, at the discretion of the board, pursuant to 1905 PA 313.
Total state restricted revenue	10,611,700	<u>Michigan Veterans Trust Fund</u> (Subtotal: \$5,211,300): Investment earnings of the Michigan Veterans Trust Fund, established by 1946 PA 9 with an original capital investment of \$50.0 million; supports the trust fund administration (\$1,464,800) and grants (\$3,746,500). <u>Income and Assessments</u> (Subtotal: \$5,000,400): Revenue received from income-based assessments paid by residents of the veterans home or their family members. <u>Military Family Relief Fund</u> (Subtotal: \$400,000): Pursuant to the Income Tax Act 1967 PA 281, MCL 206.438, 20% of the annual donations made to the Military Family Relief Fund are deposited into the Post and Posthumous Fund, to be expended by the Board of Managers (Veterans Homes) for purposes to the benefit of the veterans homes' facilities and residents, pursuant to 1905 PA 313.
STATE GENERAL FUND/ GENERAL PURPOSE	\$18,965,400	Unrestricted state revenue from taxes and other sources.

SECTION 104: GRAND RAPIDS HOME FOR VETERANS

The Grand Rapids Home for Veterans (GRHV) is situated on 70 acres in Grand Rapids and opened in 1886; has authorization for 450 nursing beds and 140 domiciliary beds. Besides domiciliary, nursing, and special needs care, GRHV has an Alzheimer's unit, a variety of therapy programs, and offers a variety of activities for members. This appropriation unit consists of three line items, which delineate the separate expenditure areas for the Grand Rapids Home for Veterans: staffing, contracted services, and basic operational costs.

Full-time equated classified positions	355.0	Full-time equated (FTE) positions in the state classified service.
Veterans home operations	\$6,135,400	Operation and administration of the home, to include building, land, equipment, and vehicle expenses; food, fuel, and other supplies; maintenance services, telecommunications and utilities; and other operating expenses. <i>Note: Fund sourcing undetermined</i> <i>Related Boilerplate Section(s): 501, 503</i>
Purchased services	10,342,600	Includes contractual services, such as nursing assistant services, provided to GRHV through private vendors. <i>Note: Fund sourcing undetermined</i> <i>Related Boilerplate Section(s): 501, 503</i>
Salaries, wages, and fringe benefits – 355.0 FTE positions	30,751,000	Includes the salaries, wages, benefits, and other expenses related to the state classified personnel employed at the home. <i>Note: Fund sourcing undetermined</i> <i>Related Boilerplate Section(s): 501, 503</i>
GROSS APPROPRIATION	\$47,229,000	Total of all applicable line item appropriations.
Total federal revenue	20,999,900	<u>DVA-VHA</u> (Subtotal: \$19,704,900): Revenues from the Department of Veterans Affairs Veterans Health Administration; distributions are dependent upon the number of resident members at the veterans home and the type of care they require. <u>HHS-HCFA Medicare Hospital Insurance</u> (Subtotal: \$1,217,700): Revenues received by the veterans home for costs incurred by resident members who qualify. <u>HHS-HCFA Title XIX Medicaid</u> (Subtotal: \$77,300): Revenues received by the veterans home for costs incurred by resident members who qualify.
Total state restricted revenue	6,532,500	<u>Income and Assessments</u> (Subtotal: \$6,520,300): Revenue received from income-based assessments paid by residents of the veterans home or their family members. <u>Lease Revenue</u> (Subtotal: \$12,200): Revenue received by the veterans home from leasing out portions of its property to third parties.
STATE GENERAL FUND/ GENERAL PURPOSE	\$19,696,600	Unrestricted state revenue from taxes and other sources.

SECTION 105: CAPITAL OUTLAY

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

Special maintenance – headquarters and armories	\$15,300,000	<p>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. These projects are larger in scope than regular day-to-day operational maintenance activities. The FY 2016-17 budget includes \$300,000 GF/GP for housing construction at Camp Grayling.</p> <p style="text-align: right;">Funding Source(s): Federal 15,000,000 GF/GP 300,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 232, 601</i></p>
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Special maintenance – veterans homes	500,000	<p>Large repair projects and other facility maintenance projects at the Grand Rapids and Jacobetti homes for veterans. These projects are larger in scope than regular day-to-day operational maintenance activities.</p> <p style="text-align: right;">Funding Source(s): GF/GP 500,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 232, 603</i></p>
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Land and acquisitions	1,000,000	<p>Authorization for land acquisitions and appraisals, should land become available.</p> <p style="text-align: right;">Funding Source(s): Restricted 1,000,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 233, 604</i></p>
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Veterans home planning	100	<p>Placeholder for developing a long-term plan for the future of the state veterans homes; the acquisition of land or facilities for the purpose of expanding current veterans homes or founding a new one; and the renovation of existing or construction of new veterans homes.</p> <p style="text-align: right;">Funding Source(s): GF/GP 100</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 232, 605</i></p>
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GROSS APPROPRIATION	\$16,800,100	Total of all applicable line item appropriations.
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Total federal revenue	15,000,000	<p><u>DOD-DOA-NGB</u>: Federal grant or matching revenue received from the National Guard Bureau, which supports the various functions of the Michigan National Guard.</p>
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Total state restricted revenue	1,000,000	<p><u>Michigan National Guard Construction Fund</u>: Pursuant to the Michigan Military Act, 1967 PA 150 (MCL 32.782a), restricted revenues from the fund can be expended at the discretion of the Adjutant General for the purposes of purchasing training land and facilities, or constructing new facilities.</p>
<hr/>		
STATE GENERAL FUND/ GENERAL PURPOSE	\$800,100	Unrestricted state revenue from taxes and other sources.
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SECTION 106: ONE-TIME APPROPRIATIONS

The One-Time appropriations unit provides funding for programs and projects that are intended to be supported only in FY 2016-17.

Armory maintenance	\$2,500,000	Special maintenance to upgrade telecommunications infrastructure in National Guard armories.	
		Funding Source(s):	GF/GP 2,500,000
		<i>Related Boilerplate Section(s): 302, 304, 701</i>	
<hr/>			
Grand Rapids home Medicaid certification pilot	1,000,000	Renovation of the fourth floor in order to meet Centers for Medicare and Medicaid Services certification standards in order to draw additional federal revenues to support the operation of the Grand Rapids Home for Veterans.	
		Funding Source(s):	GF/GP 1,000,000
		<i>Related Boilerplate Section(s): 503</i>	
<hr/>			
Homeless veterans	300,000	Development of strategies and the coordination of efforts to mitigate homelessness amongst Michigan veterans.	
		Funding Source(s):	GF/GP 300,000
		<i>Related Boilerplate Section(s): None</i>	
<hr/>			
GROSS APPROPRIATION	\$3,800,000	Total of all applicable line item appropriations.	
<hr/>			
STATE GENERAL FUND/ GENERAL PURPOSE	\$3,800,000	Unrestricted state revenue from taxes and other sources.	
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BOILERPLATE SECTION INFORMATION

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 the Management and Budget Act

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

Sec. 203. Terms and Acronyms

Defines various terms and acronyms contained in Article XIV.

Sec. 206. Contingency Funding

Appropriates up to \$10.0 million in federal, \$2.0 million in state restricted, \$100,000 in local, and \$100,000 in private contingency funds; authorizes expenditure of the funds only after legislative transfer to specific line items.

Sec. 207. Transparency Website

Requires the Department of Military and Veterans Affairs (DMVA) to provide the data necessary for DTMB to maintain a searchable website that is accessible by the 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. 208. Internet Availability of Required Reports

Requires DMVA to use the Internet to fulfill reporting requirements; authorizes transmission of reports via e-mail.

Sec. 209. Purchase of Foreign Goods

Prohibits the 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. 210. Businesses in Deprived and Depressed Communities

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

Sec. 215. Disciplinary Action Against State Employees

Prohibits the department from taking disciplinary action against employees for communicating with legislators or their staff.

Sec. 218. 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. 219. Quarterly Reporting on Achieving Requirements

Requires DMVA to provide quarterly reports on the status of work projects, its financial status, evidence of efficiencies, corrective action plans for requirements not achieved, the department's performance against metrics stated in the act, and employment levels.

Sec. 222. Department Core Services

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

Sec. 225. 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 the attorney general authorizes.

Sec. 228. General Fund Lapses

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

Sec. 229. Report on State Restricted Funds

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

Sec. 230. Performance Metrics Website

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

BOILERPLATE SECTION INFORMATION

Sec. 231. Retirement Costs

States that FY 2016-17 legacy retirement costs total \$18,602,500 Gross, including pension costs of \$10,314,600 and retiree health care costs of \$8,287,900.

Sec. 232. Capital Outlay Carryforward

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

Sec. 233. Intention to Sell Department Property

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

Sec. 234. One-Time Special Maintenance Appropriations Carry Forward

Authorizes one-time capital outlay appropriations for special maintenance projects to be carried forward at the end of the fiscal year, consistent with the Management and Budget Act.

MILITARY

Sec. 300. Unclassified Positions

Lists titles of unclassified positions currently in the department; requires the department to notify the subcommittees prior to submitting requests for additional unclassified positions or requests for substantive changes to the duties of existing unclassified positions.

Sec. 302. Armories and Joint Force Readiness

Requires DMVA to provide for the executive level administration of the department, the operations of the Michigan military establishment, and the maintenance and operation of National Guard armories as provided under listed laws and regulations; requires quarterly report on the status of armories; and requires a report by December 1 assessing the current state of the armories and developing an investment strategy for physical improvements at the armories, including the consolidation of armories and the establishment of new armories.

Sec. 304. National Guard Training Facilities and Air Bases

Requires the DMVA 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 DMVA to operate and maintain ARNG facilities (including Fort Custer and Camp Grayling) and ANG facilities (Selfridge ANG Base, Battle Creek ANG Base, and the Alpena Combat Readiness Training Center); and requires quarterly reports on National Guard personnel strength.

Sec. 305. Billeting Fund

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

Sec. 307. Michigan Youth ChalleNGe Academy

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

Sec. 308. Military Family Relief Fund

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

Sec. 309. Starbase Grant

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

Sec. 310. National Guard Tuition Assistance Program

Requires DMVA to establish and maintain a tuition assistance program for members of the Michigan National Guard; states the program's objectives and performance metrics.

Sec. 311. Information Technology Services and Projects

Specifies the basic purpose of funds appropriated in part 1 for IT services and projects.

BOILERPLATE SECTION INFORMATION

MICHIGAN VETERANS AFFAIRS AGENCY

Sec. 400(1). MVAA Outreach Services

Requires the department 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 quarterly reports on the MVAA's performance against the performance outcomes, measures, and objectives stated in its strategic plan developed under 2013 PA 9. Requires a report by April 1 providing an estimate on the state's homeless veterans population and a summary of the activities and strategies developed under the MVAA community assessment and regional service delivery model pilot projects that are specifically aimed at improving use of community-based services among homeless veterans and at reducing the incidence of veterans homelessness.

Sec. 400(2). Regional Service Coordination

Requires MVAA to provide for the regional coordination of services, including benefit counseling, state health and human service programs, workforce and economic development programs, and community-based programs; allows service officers to include mental health care referral services; requires MVAA to work with the Department of Health and Human Services and the 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. 400(3). MVAA Benefits Counseling Services

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

Sec. 400(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 quarterly reports on the number and percentage of CVCs requesting training by the MVAA.

Sec. 400(5). County Veterans Service Enhancement Grants

Specifies that the funds appropriated in part 1 be used, in part, to enhance the capacity and capabilities of CVCs, by providing grant to implement an Internet-based data system, to increase the number of CVCs, and to increase the number of counties that provide benefit counseling services. Requires a quarterly report on grant activities.

Sec. 400(6). Legal Services/Federal Claims Representation

Authorizes up to \$50,000 from the funds appropriated in part 1 for MVAA Administration to be expended to provide legal services to represent veterans benefit cases before federal courts in order to maintain accreditation by the VA.

Sec. 406. Grants to Veterans Service Organizations

Requires MVAA to provide grants to veterans service organizations (VSOs) in a manner that is consistent with MVAA performance goals and objectives; requires grant recipients to meet performance metrics, including a goal that 40% of VSO-filed claims for VA benefit be considered "fully developed" by the VA. Specifies the basic parameters of the grant agreement, including regional service delivery, payment of a fixed hourly rate, the provision of 116,500 service hours, including in state correctional facilities; requires quarterly reports on claims activities.

Sec. 407. Veterans' Trust Fund Administration

Requires MVAA to provide emergency grants from the Michigan Veterans' Trust Fund (MVTF) as provided by listed legal authorities; requires an annual report on MVTF financial and grant activities.

Sec. 408. Veterans' Trust Fund Grants

Requires quarterly reports on MVTF financial and grant activities; establishes a capacity metric of 2,000 applications.

BOILERPLATE SECTION INFORMATION

Sec. 501(1)-(3), (9)-(19). Grand Rapids Home for Veterans (GRHV) and D.J. Jacobetti Home for Veterans (DJJHV) Service and Care Requirements

Requires the GRHV and DJJHV to meet applicable standards of care as provided under listed federal and state legal authorities; also specifies standards around issues concerning psychiatric care, the monitoring of comprehensive care plans, supply inventory, pharmaceutical inventory, controls over donated goods and monies, and the personal funds of residents. Requires information on the complaint process to be conspicuously posted at the home; requires GRHV DJJHV and Board of Managers policies to be posted on the MVAA website; and requires the 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 the financial status of the homes.

Sec. 501(4)-(7). GRHV Competency Evaluated Nursing Assistants (CENAs)

Requires that contractors that provide nursing assistants (CENAs) at the home meet certain performance standards regarding pre-service and in-service training and experience.

Sec. 501(8). GRHV and DJJHV Complaint Management Process

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

Sec. 502. DJJHV CMS Certification

Requires the department to pursue CMS certification for DJJHV with the appropriations in part 1, and requires standards of care to improve with CMS certification.

Sec. 503. GRHV and DJJHV CMS Certification Reporting

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

Sec. 504. Board of Managers (Veterans Homes)

Provides that the Board of Managers shall exercise certain regulatory and governance authority over GRHV and DJJHV.

CAPITAL OUTLAY

Sec. 601. Special Maintenance – National Guard

Authorizes capital outlay appropriations to be carried forward at the end of the fiscal year; requires appropriations to be expended in accordance with Sections 302 and 304 of the DMVA budget act to modernize and repair National Guard facilities. Requires quarterly reports on maintenance projects at National Guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 603. Special Maintenance – Veterans' Homes

Authorizes capital outlay appropriations to be carried forward at the end of the fiscal year; requires appropriations to be expended in accordance with Section 501 of the DMVA budget act to modernize and repair the two veterans' homes. Requires quarterly reports on maintenance projects at the veterans' homes funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 604. Land and Acquisitions

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

Sec. 605. Veterans' Homes Planning

Requires department to utilize funds in part 1 for veterans homes planning to improve the state's services in providing homes for veterans, to include: developing a long-term plan for the veterans homes, acquisition of property to expand a home or create a new one, constructing new veterans homes, or renovating existing homes; and requires the department to report quarterly to the Legislature when appropriated funds for veterans homes planning are being used.

BOILERPLATE SECTION INFORMATION

ONE-TIME APPROPRIATIONS

Sec. 701. Armory Maintenance

Authorizes capital outlay appropriations to be carried forward at the end of the fiscal year; requires appropriations to be expended in accordance with Sections 302 and 304 of the DMVA budget act to modernize and repair National Guard facilities.

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FY 2016-17

Sec. 1201. Anticipated Appropriations

Legislative intent to provide the same appropriations for FY 2017-18 as provided in FY 2016-17, except for where adjustments are made for caseload and related costs, federal fund match rates, economic factors, and available revenue.

Sec. 1202. MVAA Outreach

Specifies that the MVAA shall provide quarterly reports on the percentage of Michigan veterans contacted through its outreach activities, with a goal of contacting 100% of Michigan veterans.

Sec. 1203. MVAA Claims Services

Requires that 50% of MVAA-filed claims for VA benefits be "fully-developed".



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