



Background Briefing

MILITARY AND VETERANS AFFAIRS

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December 2015

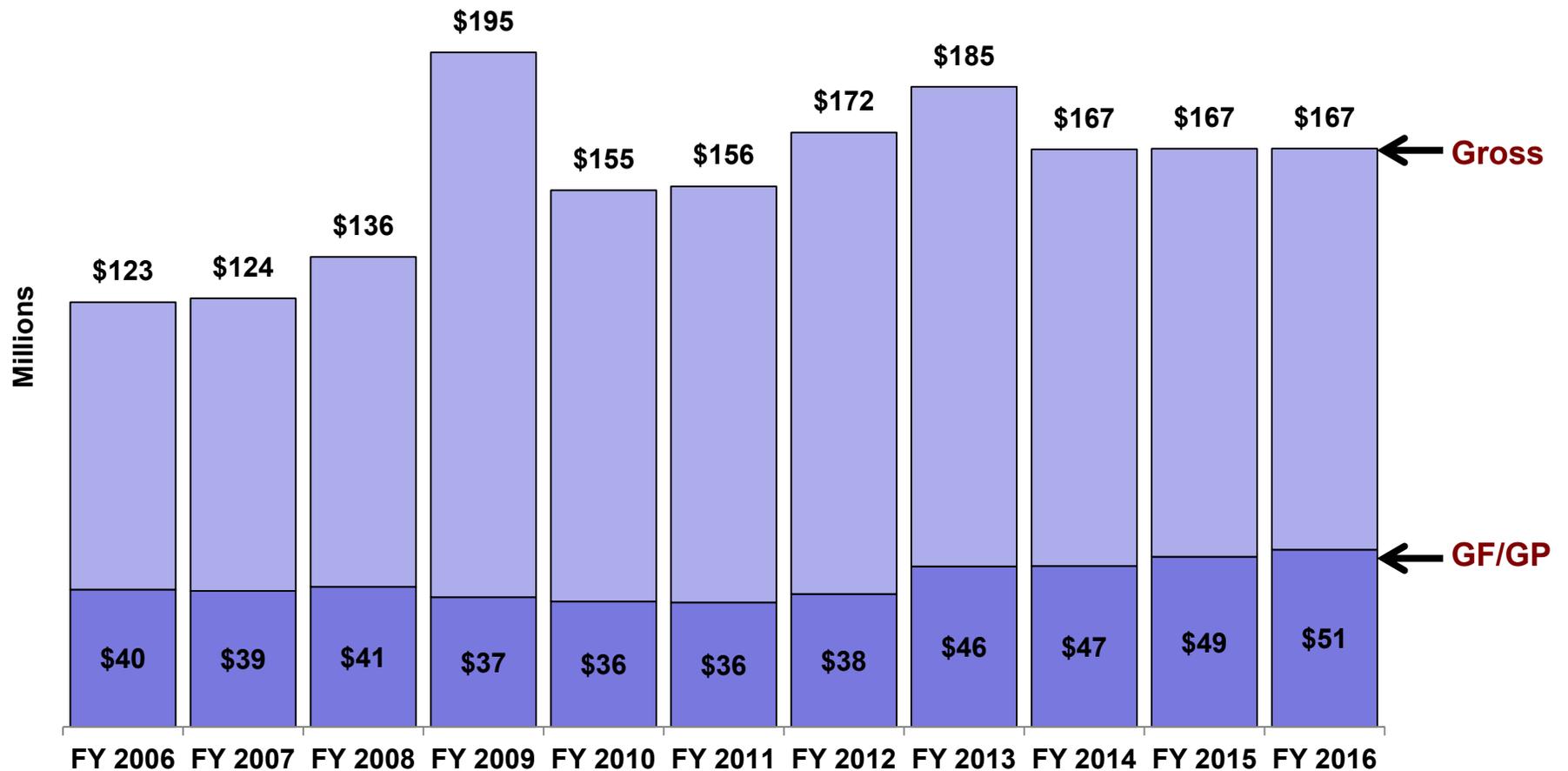
Military and Veterans Affairs

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.

- The Michigan National Guard 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 under the direction of the Governor, and to assist the federal government in defending the sovereign interest of the United States.
- Executive Order 2013-2 established the Michigan Veterans Affairs Agency, which has oversight responsibility over the delivery of services and programs to veterans, including the operation of the state's veterans homes in Marquette and Grand Rapids.

Military and Veterans Affairs: Gross Appropriations

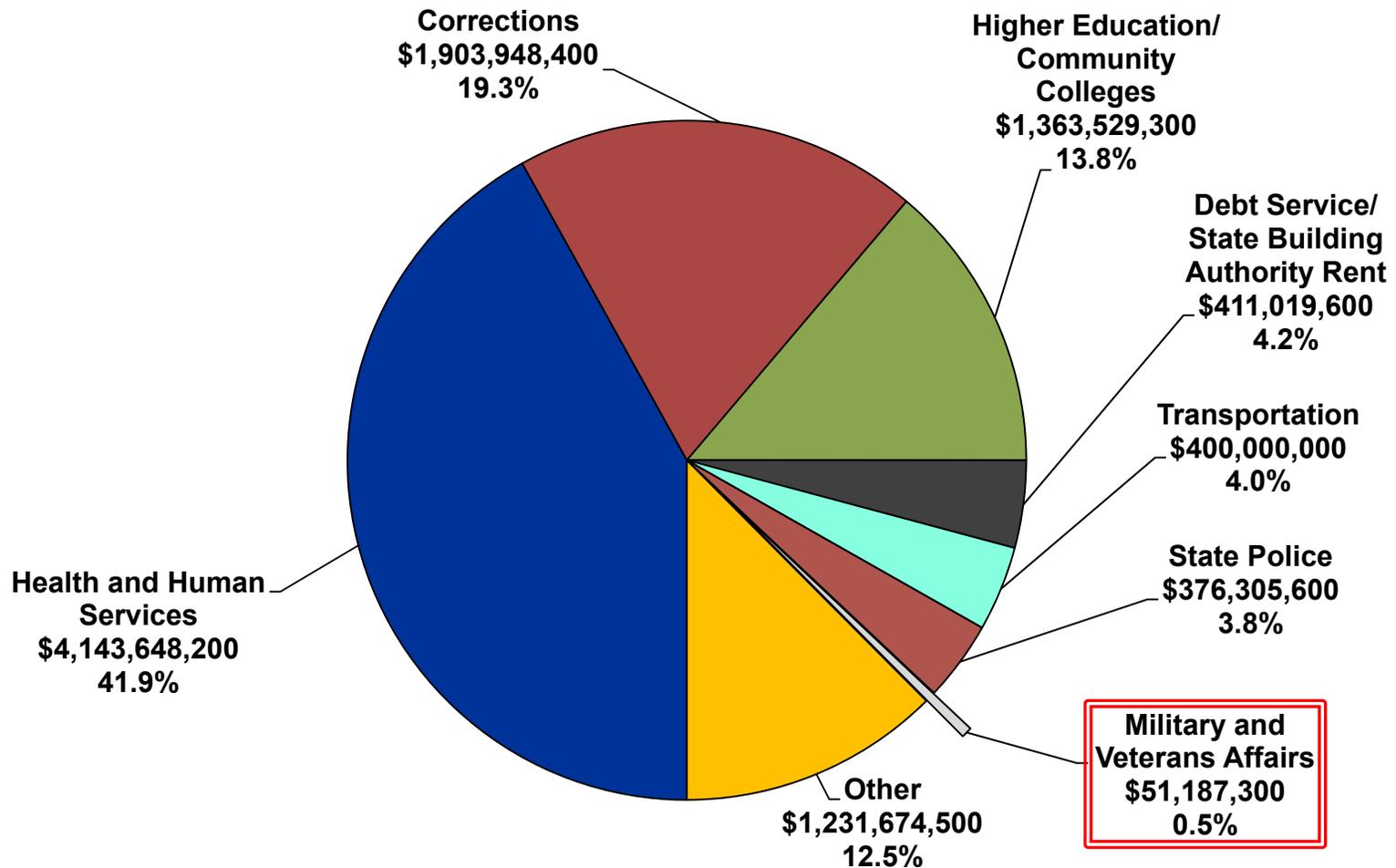
Total Department of Military and Veterans Affairs appropriations has increased by 36% since FY 2006, with GF/GP appropriations increasing by 28%. Large portions of the overall increase comes from the establishment of the Michigan Veterans Affairs Agency in 2012 and increasing federal appropriations over the time period. Increases in the FY 2009, FY 2012, and FY 2013 budgets were due to one-time appropriations.



Military and Veterans Affairs Share of State GF/GP

The DMVA budget represents 0.5% of the total state GF/GP budget

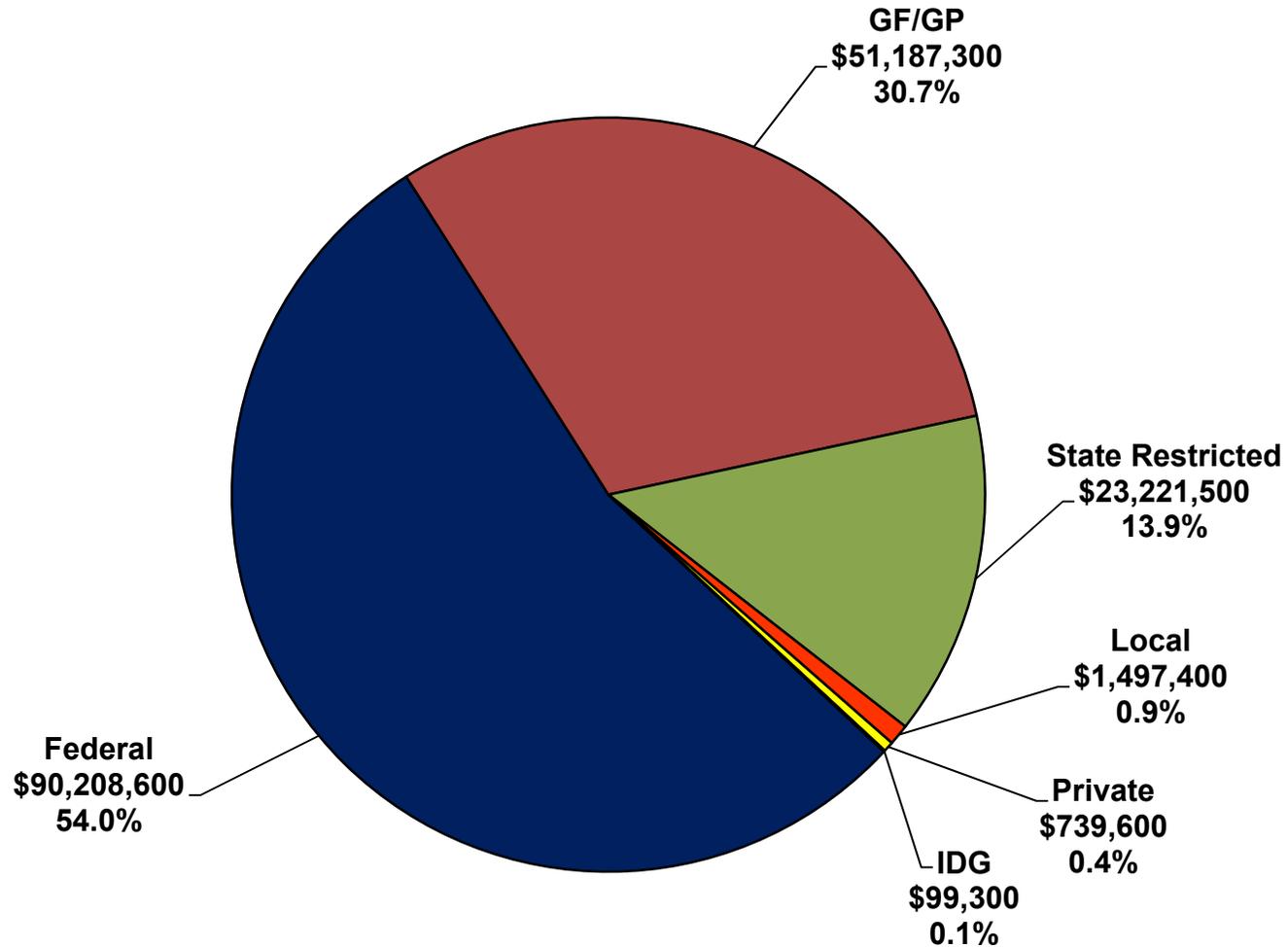
FY 2015-16 GF/GP Total = \$9,881,312,900



SOURCES OF FUNDING

Military and Veterans Affairs Funding Sources

FY 2015-16 Military and Veterans Affairs Budget = \$166,953,700
(Includes one-time appropriations of \$3,000,000)



APPROPRIATION AREAS

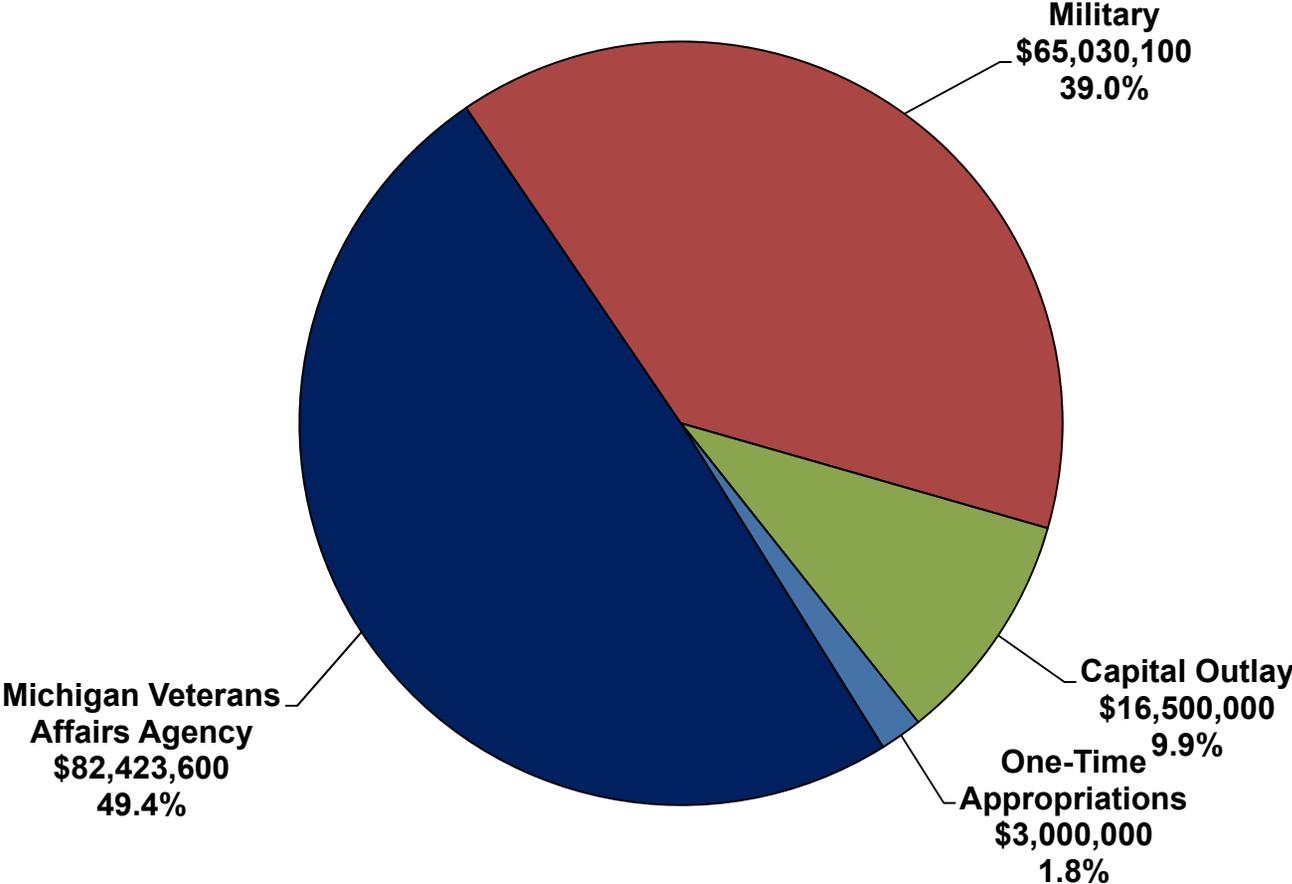
Military and Veterans Affairs Appropriations

The DMVA budget is allocated into the following major spending areas:

- **Military**
 - Unclassified Positions
 - Support Services
 - Armories and Joint Force Readiness
 - NG Training Facilities and Airbases
 - Youth ChalleNGe Academy
 - Military Family Relief Fund
 - Starbase Grant
 - NG Tuition Assistance Program
 - IT Services and Projects
- **Michigan Veterans Affairs Agency**
 - MVAA Administration
 - Veterans Service Grants
 - Targeted Grants
 - Veterans Trust Fund Administration
 - Veterans Trust Fund Grants
 - Grand Rapids Home for Veterans
 - GR Home Board of Managers
 - D.J. Jacobetti Home for Veterans
 - Jacobetti Home Board of Managers
- **Capital Outlay**
 - Special Maintenance – National Guard
 - Special Maintenance – Veterans' Homes
 - Land and Acquisitions
- **One-Time Appropriations**
 - Special Maintenance – National Guard

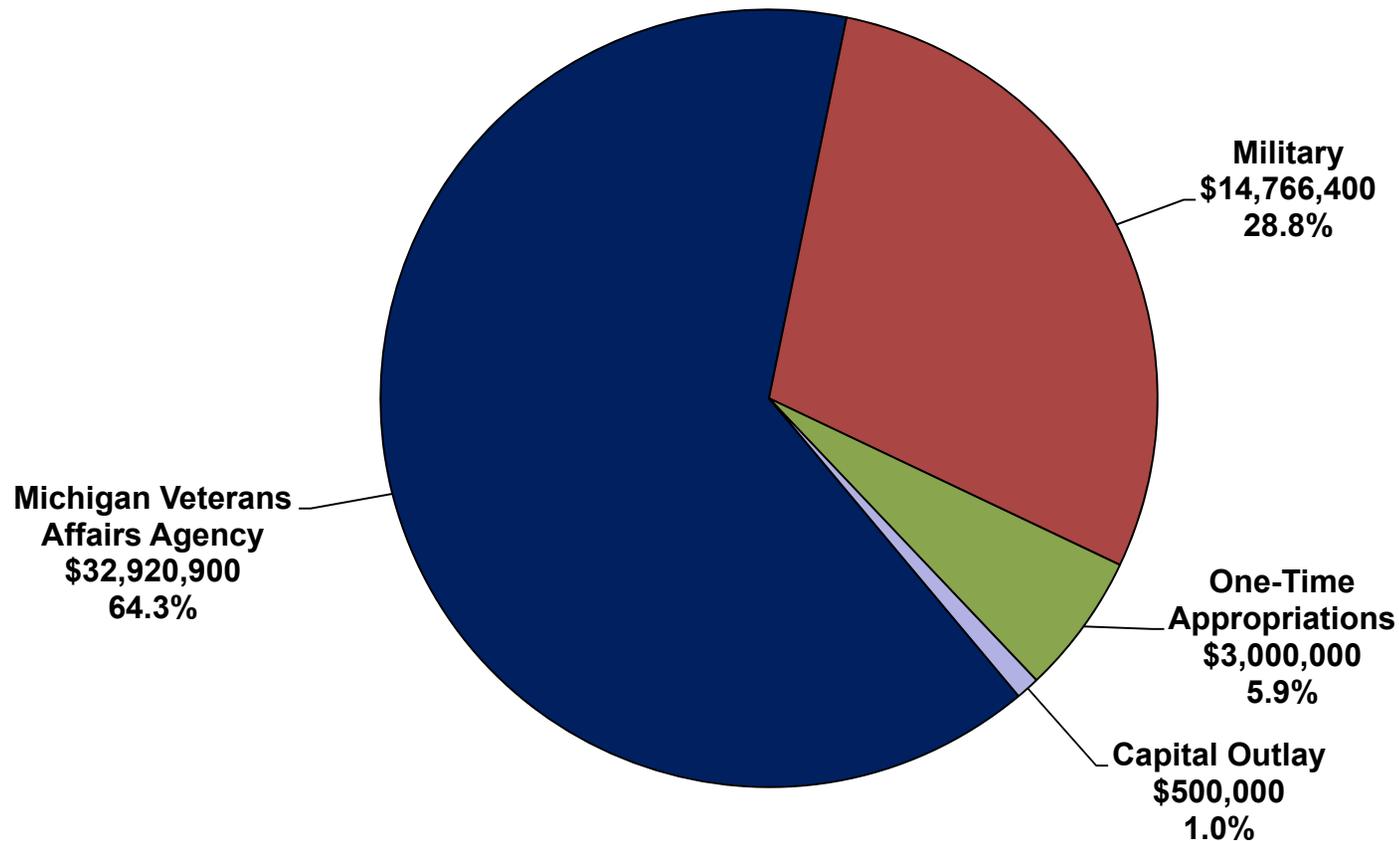
Military and Veterans Affairs Gross Appropriations

FY 2015-16 Military and Veterans Affairs Total Budget = \$166,953,700
(Includes one-time appropriations of \$3,000,000 GF/GP)



Military and Veterans Affairs GF/GP Appropriations

FY 2015-16 Military and Veterans Affairs GF/GP Budget = \$51,187,300
(Includes a one-time GF/GP appropriation of \$3,000,000)



MAJOR BUDGET TOPICS

Military – Michigan National Guard

Funds the Michigan National Guard and military responsibilities of the department. Under the National Defense Act, the Michigan Army and Air National Guard are reserve components of the United States Army and Air Force, apportioned and assigned to this state.

- **Armories and Joint Force Readiness (\$15,558,800)**

- Supports Executive and general administrative functions for the DMVA and the National Guard.
- Includes the day-to-day operational maintenance of the 44 state-owned armories (readiness centers) and other sites.

- **Military Training Sites and Support Facilities (\$33,299,400)**

Physical operations and maintenance of Michigan National Guard training sites:

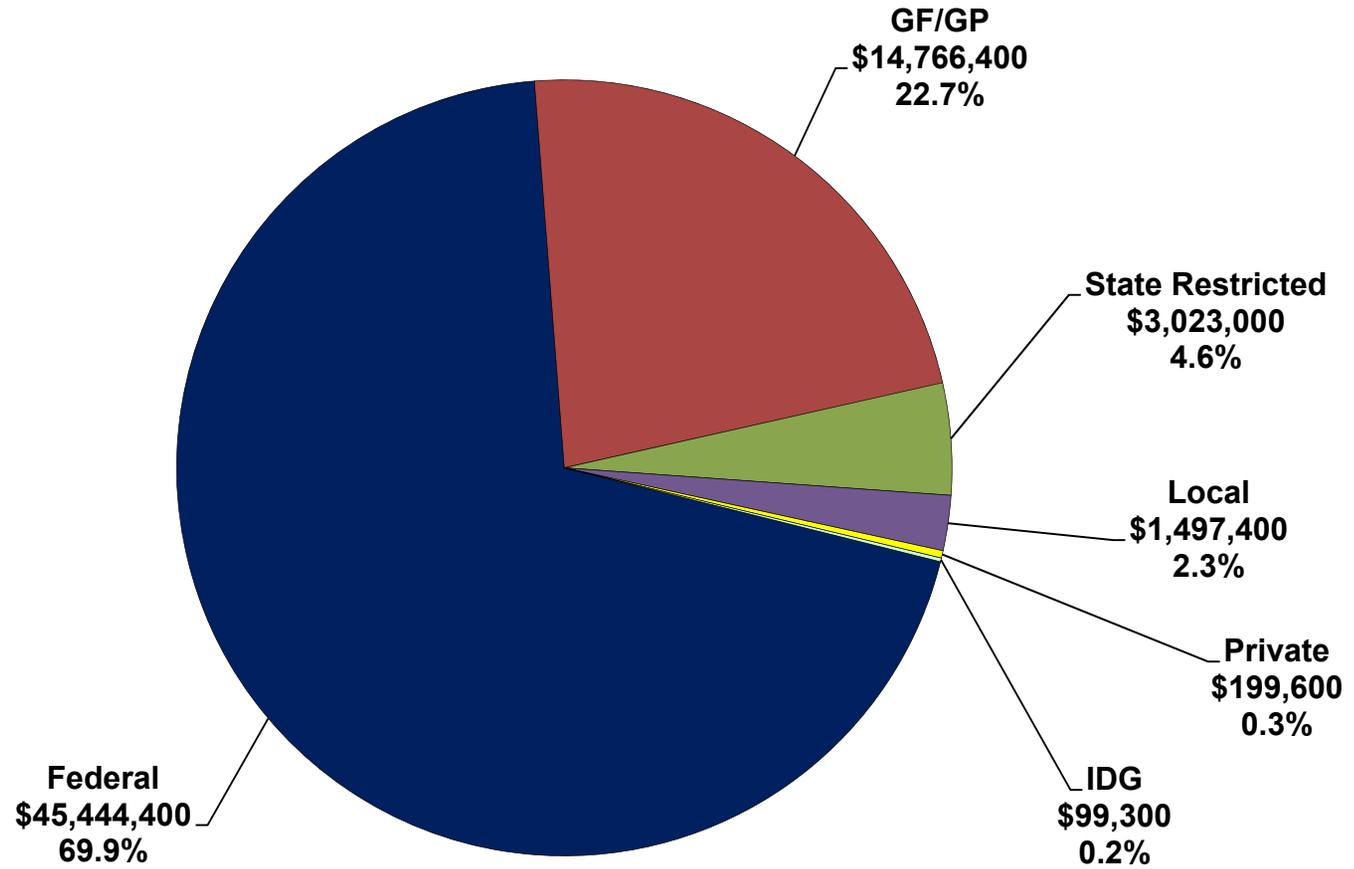
- **Army National Guard (ARNG) Sites:** Camp Grayling, Fort Custer Training Center
- **Air National Guard (ANG) Sites:** Alpena Combat Readiness Training Center (CRTC), Battle Creek ANG Base, Selfridge ANG Base

The training sites are federally owned, with the federal government directly providing the equipment and personnel (technicians) to maintain the equipment.

The state maintains the physical properties, with state employees generally including buildings trades professionals, maintenance mechanics, other laborers, as well as environmental resource staff, and fire/crash rescue officers

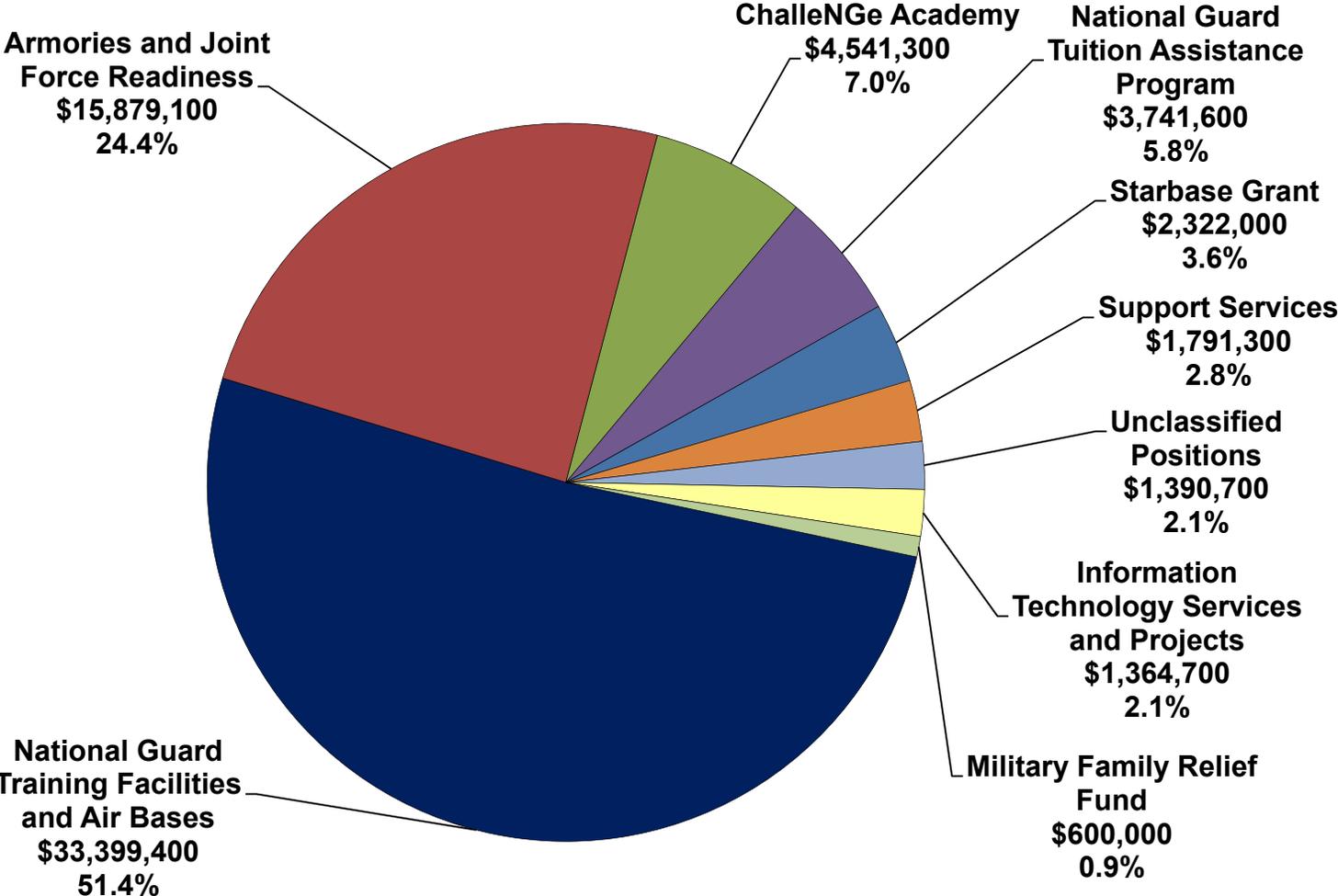
Military (Fund Sources)

FY 2015-16 Total Appropriation = \$65,030,100



Military (Scheduled Programs)

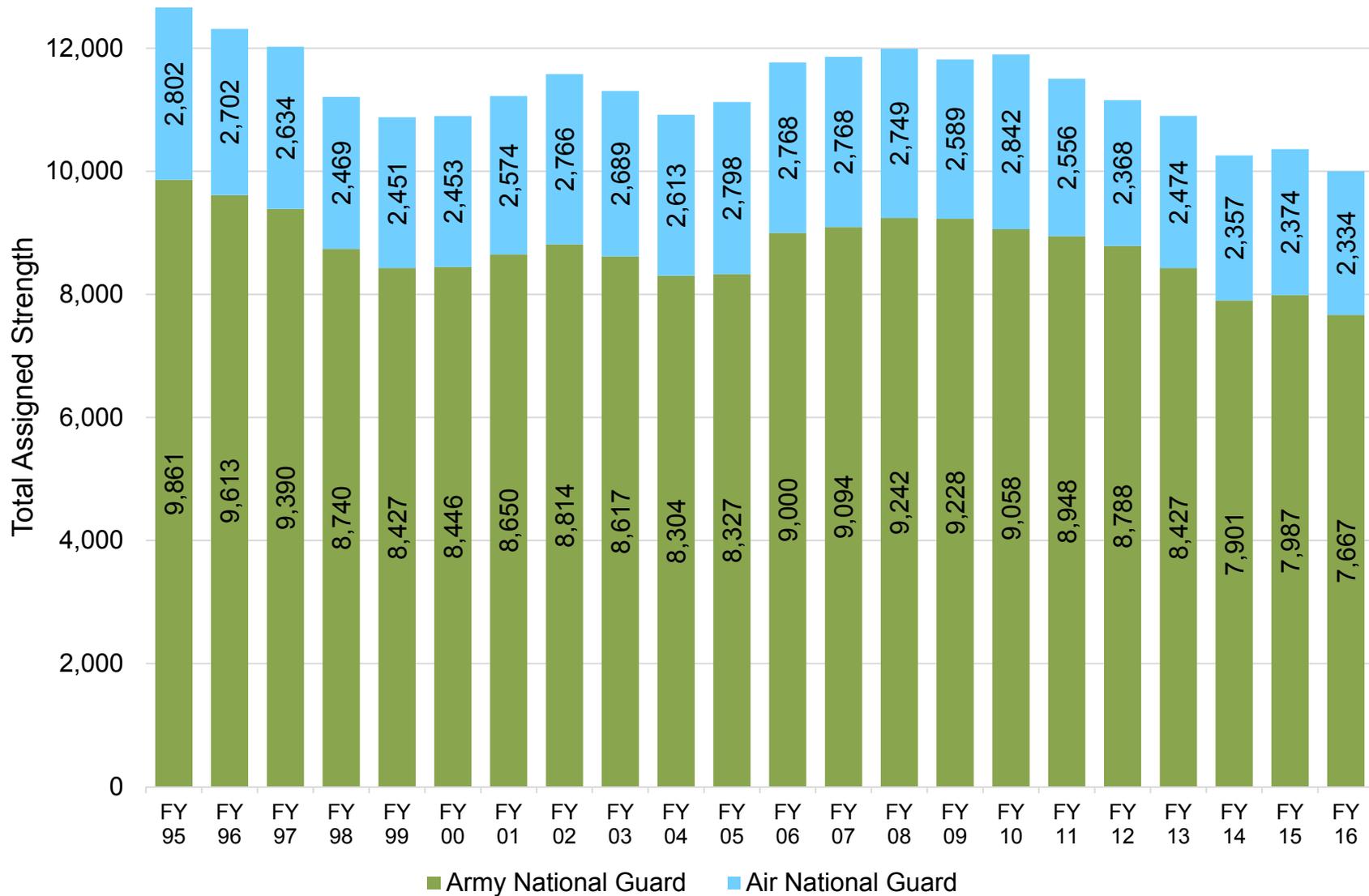
FY 2015-16 Total Appropriation = \$65,030,100



National Guard Armories

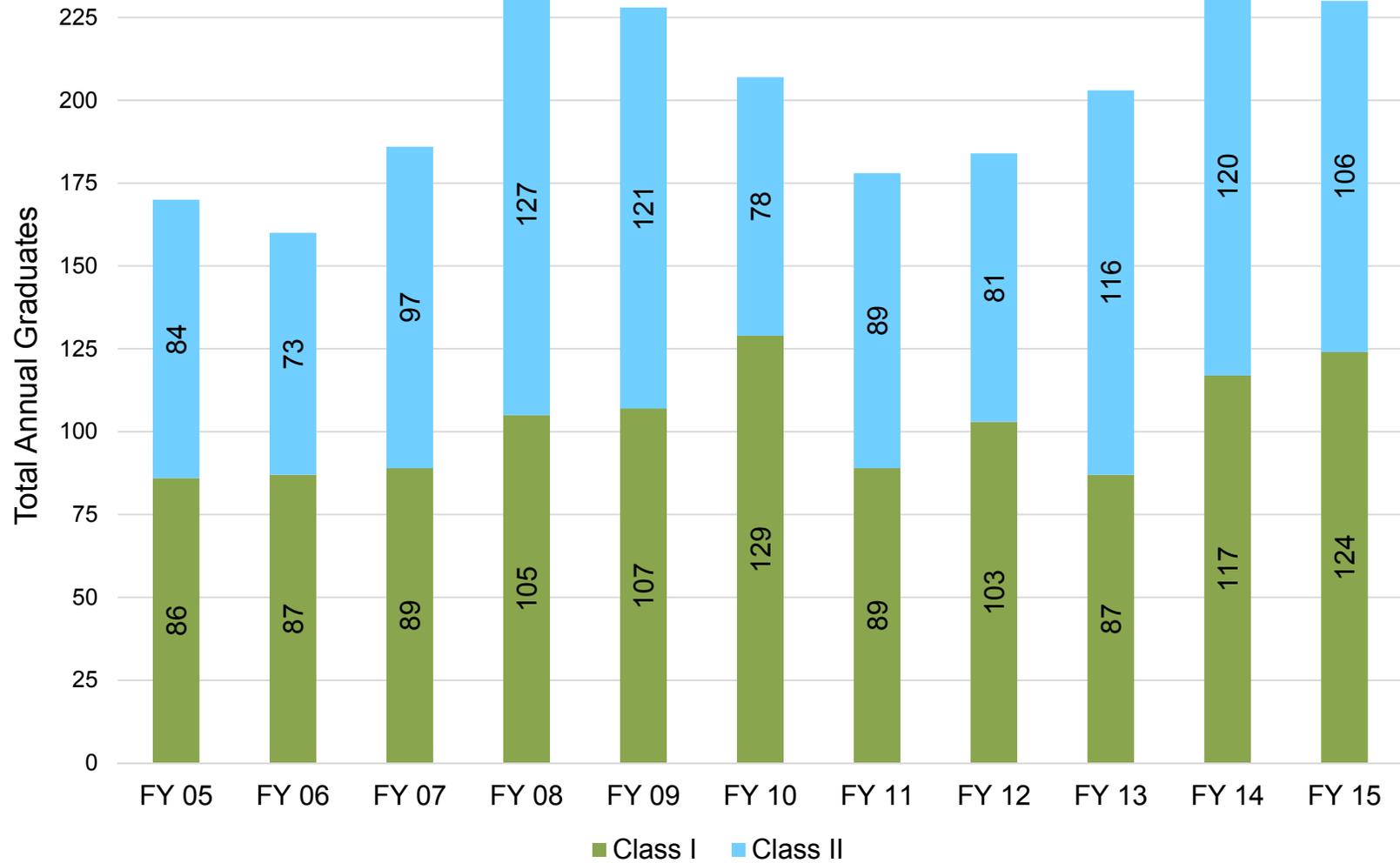


Michigan National Guard – Assigned Strength



Michigan Youth Challenge Academy

Annual Graduates

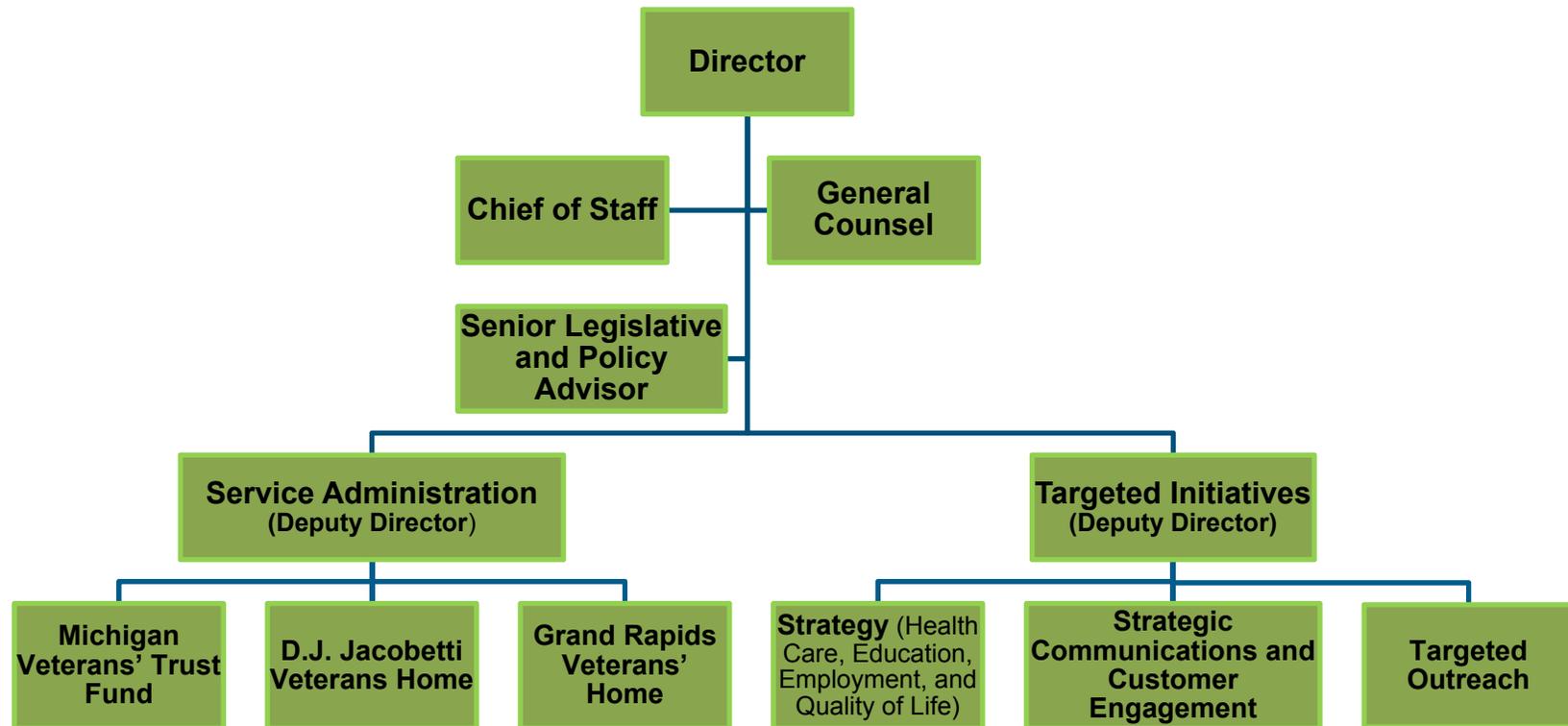


Michigan Veterans Affairs Agency (MVAA)

- Established by Executive Order 2013-2 (MCL 32.92)
- MVAA responsibilities include:
 - Coordinating state services and benefits for veterans, and re-engineer processes and procedures where necessary.
 - Operating the state veterans' homes.
 - Administering the Michigan Veterans' Trust Fund (MVTF).
 - Coordinating applications for federal benefits submitted through the state, counties, and veterans service organizations.
 - Coordinating other community support programs available to veterans – “No Wrong Door.”
- Appropriations
 - FY 2012-13 Supplemental Budget – 2013 PA 9 (SB 233): Authorized \$3.0 million GF/GP for partial year operations.
 - FY 2013-14 Enacted Budget – 2013 PA 59, Article XIV (HB 4328): Authorizes \$13.1 million for operations.
 - FY 2014-15 Enacted Budget – 2014 PA 252, Article XIV (HB 5313): Authorizes \$16.1 million for operations.
 - FY 2015-16 Enacted Budget – 2015 PA 84, Article XIV (SB 133): Authorizes \$16.1 million for operations.

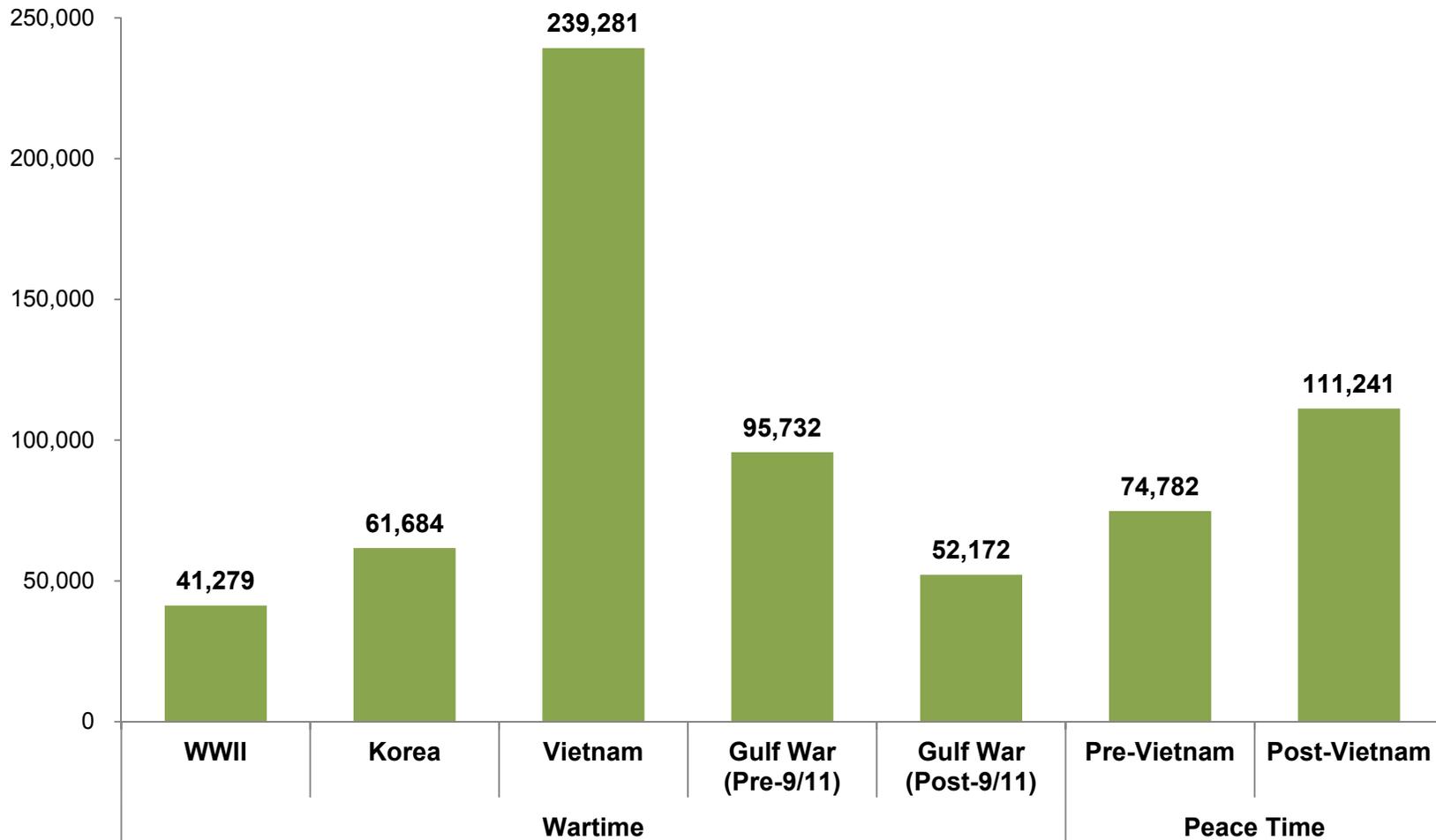
Michigan Veterans Affairs Agency (MVAA)

MVAA Organizational Chart



Michigan Veterans Affairs Agency (MVAA)

Michigan Veterans Population (est.)

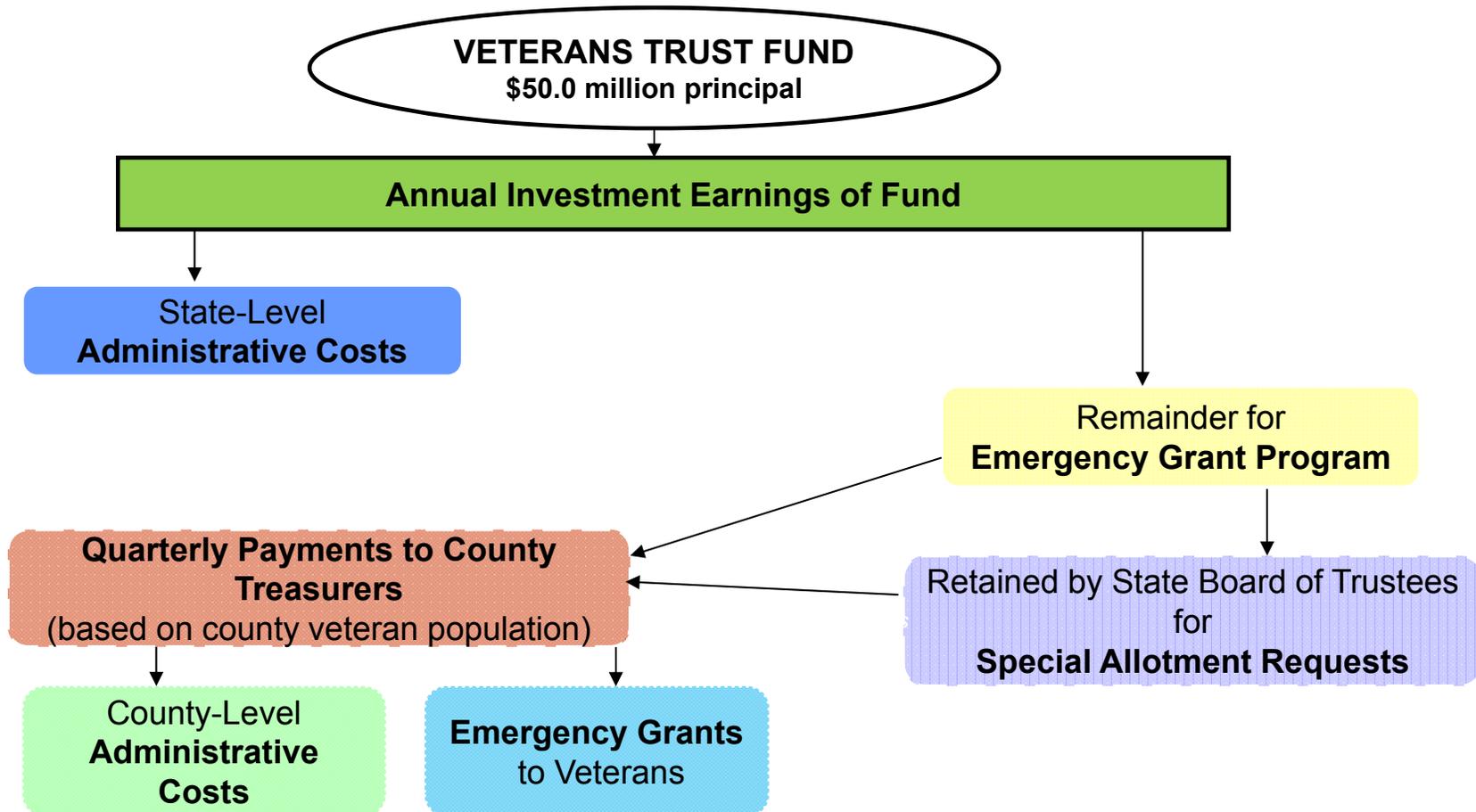


Source: U.S. Department of Veterans Affairs, Office of the Actuary – VetPop 2014.

Note: Veterans who have served in multiple theaters are counted only in the theater in which they first served.

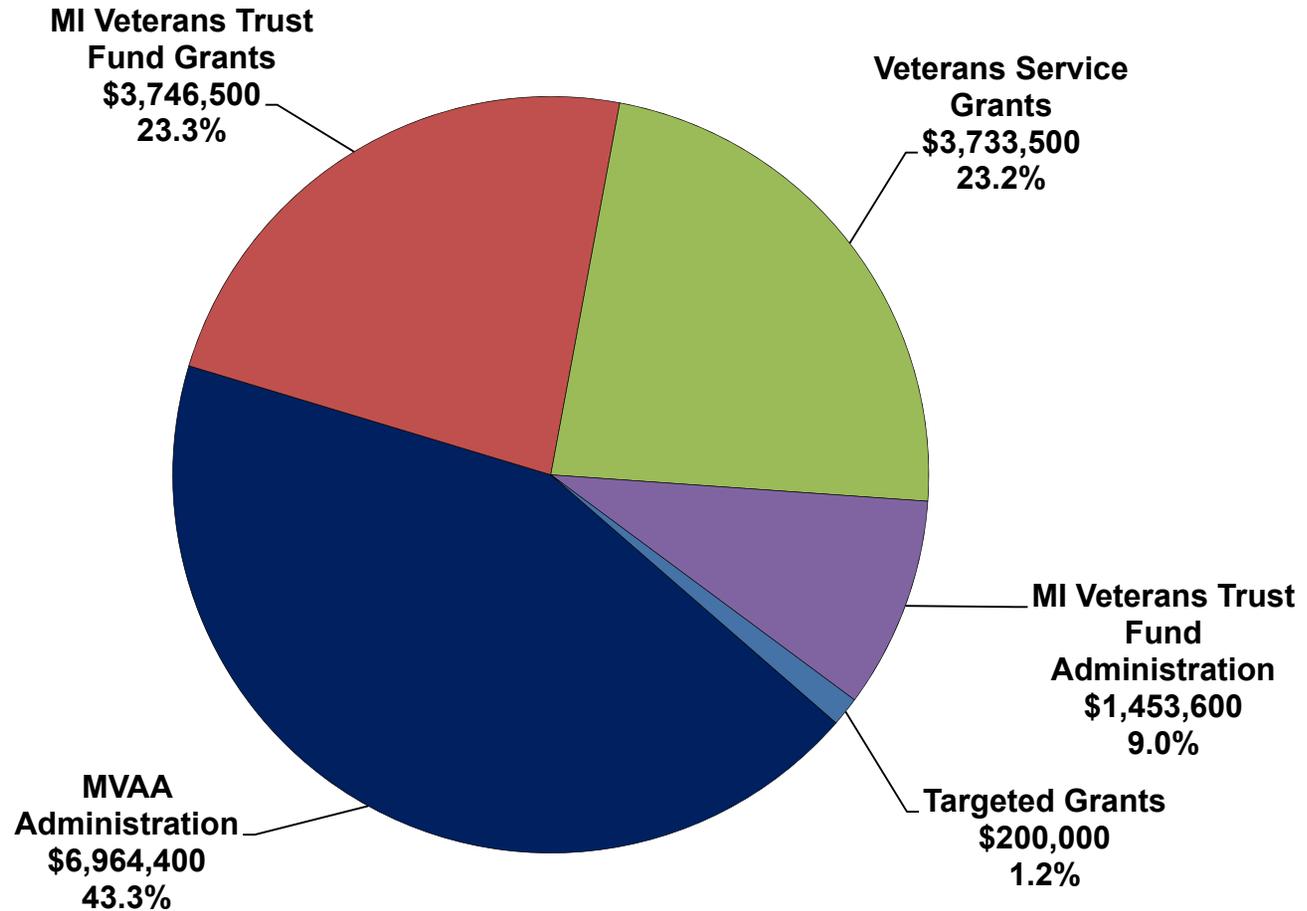
Michigan Veterans' Trust Fund

Established in 1946 with \$50.0 million principal; trust fund investment earnings provide emergency financial assistance grants to veterans for temporary, unforeseen hardships – housing, utilities, food, medical, transportation, and taxes. Annual investment earning in FY 2014 were \$3.9 million. In FY 2015, total administrative costs were \$815 thousand and total grants awarded were \$1.6 million.



Michigan Veterans Affairs Agency (Programs)

FY 2015-16 Total Appropriation = \$16,098,000
(Excluding the Veterans' Homes)



Veterans' Homes

The state's veterans' homes provide traditional skilled nursing care, residential domiciliary care, and other special needs care for residents with Alzheimer's or dementia.

- Grand Rapids Veterans' Home (GRVH): Established by 1885 PA 152, located on 90+ acres in Grand Rapids.
 - Skilled Nursing Bed Capacity: 450 (incl. 115 special needs beds)
 - Domiciliary Bed Capacity: 140

- D.J. Jacobetti Veterans Home (DJJVH): Established in 1981, at the site of the former St. Mary's Hospital in Marquette.
 - Skilled Nursing Bed Capacity: 182
 - Domiciliary Bed Capacity: 22

Board of Managers – A 7-member board responsible for general oversight and supervision of the homes – setting policies and establishing rates.

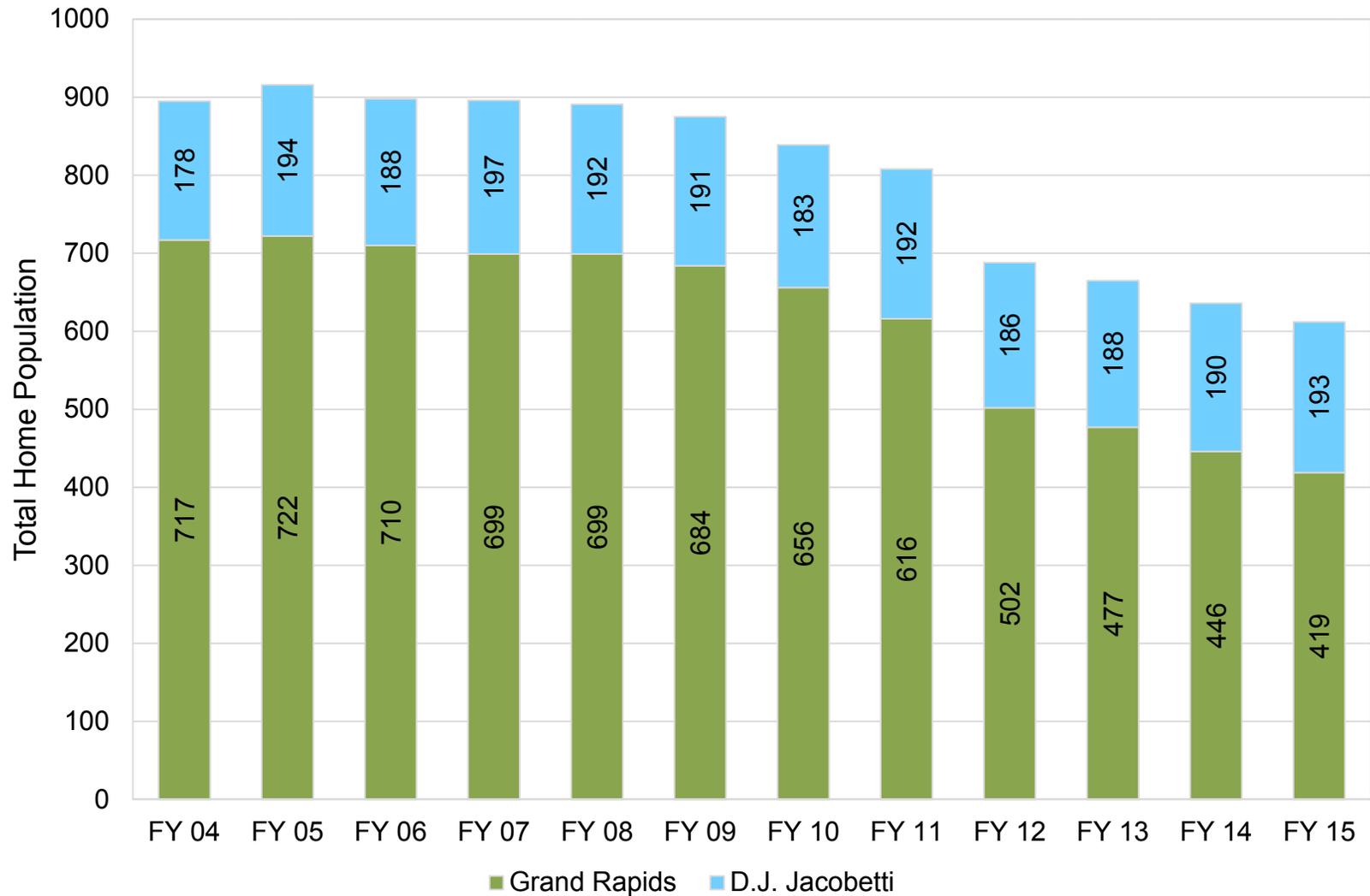
Eligibility – Michigan residents who are veterans of the U.S. Armed Forces honorably discharged or released under conditions other than dishonorable.

Veterans who served in active duty or enlisted since 1980-81 must have served 24 continuous months, or the full period for which they were called to active duty.

Spouses of veterans may be admitted, subject to space limitations.

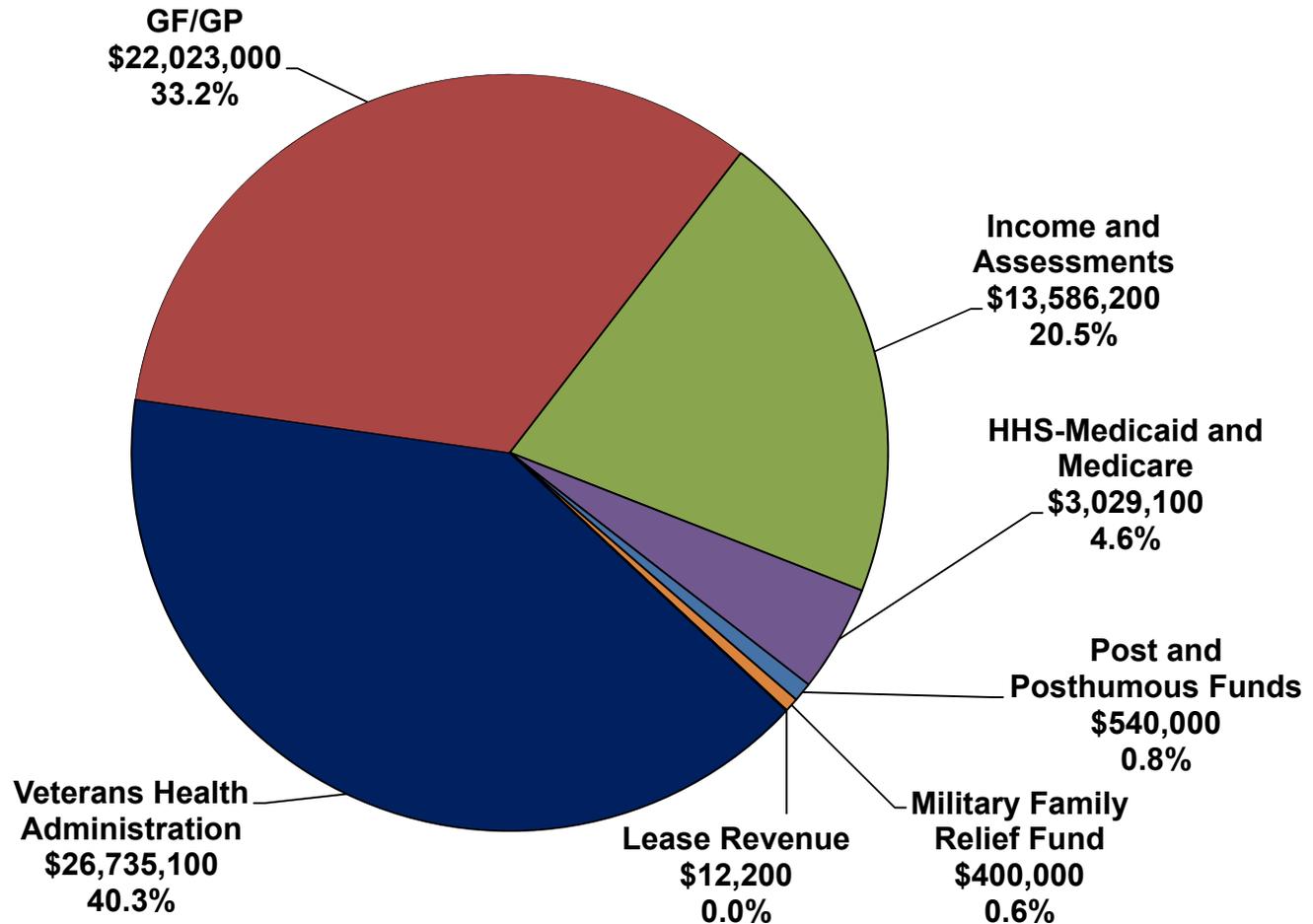
Veterans' Homes

Veteran Population by Home



Veterans' Homes Funding Sources

FY 2015-16 Total Appropriation = \$66,325,600



Capital Outlay

FY 2015-16 Total Appropriation = \$16,500,000

- Special Maintenance – HQ and Armories: \$15,000,000
 - Maintenance projects and armories statewide; includes 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.
- Special Maintenance – Veterans' Homes: \$500,000
 - Large repair projects and other facility maintenance projects at the Grand Rapids and D.J. Jacobetti Homes for Veterans. These projects are larger in scope than regular day-to-day operational maintenance.
- Land and Acquisitions: \$1,000,000
 - Authorization for land acquisitions and appraisals, should land become available.

One-Time Appropriations

FY 2015-16 Total Appropriation = \$3,000,000

- Special Maintenance – National Guard: \$3,000,000
 - Maintenance projects at armories statewide; includes 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.

**For more information about the
Military and Veterans Affairs budget,
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