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Article 15

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 15-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of military and veterans affairs are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

2 **APPROPRIATION SUMMARY**

3 Full-time equated unclassified positions.....	9.0		9.0
4 Full-time equated classified positions.....	967.0		967.0
5 GROSS APPROPRIATION	\$ 263,938,000	\$	263,938,000
6 Total interdepartmental grants and intradepartmental			
7 transfers	101,800		101,800
8 ADJUSTED GROSS APPROPRIATION	\$ 263,836,200	\$	263,836,200
9 Total federal revenues	154,412,200		154,412,200
10 Total local revenues	0		0
11 Total private revenues	100,000		100,000
12 Total other state restricted revenues	12,973,100		12,973,100
13 State general fund/general purpose	\$ 96,350,900	\$	96,350,900
14 <i>State general fund/general purpose schedule:</i>			
15 <i>Ongoing state general fund/general purpose</i>	<i>96,350,900</i>		<i>96,350,900</i>
16 <i>One-time state general fund/general purpose</i>	<i>0</i>		<i>0</i>
17 Sec. 15-102. MILITARY			
18 Full-time equated unclassified positions.....	9.0		9.0
19 Full-time equated classified positions.....	422.5		422.5
20 Unclassified salaries-9.0 FTE positions	\$ 1,934,400	\$	1,934,400
21 Headquarters and armories-103.0 FTE positions	24,312,800		24,312,800
22 Michigan National Guard member benefit fund-11.5 FTE			
23 positions	11,278,600		11,278,600
24 Michigan youth challenge academy-68.0 FTE positions ..	10,974,700		10,974,700
25 Military family relief fund	150,000		150,000
26 Military retirement	2,585,600		2,585,600
27 Military training sites and support facilities-240.0			
28 FTE positions	47,066,500		47,066,500
29 National guard operations	600,500		600,500
30 Starbase grant	<u>2,322,000</u>		<u>2,322,000</u>
31 GROSS APPROPRIATION	\$ 101,225,100	\$	101,225,100

32 Appropriated from:

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Interdepartmental grant revenues:	
2	IDG from department of state police	101,800 101,800
3	Federal revenues:	
4	Other federal revenues	66,708,700 66,708,700
5	Special revenue funds:	
6	Private revenues	90,000 90,000
7	Other state restricted revenues	1,916,200 1,916,200
8	State general fund/general purpose	\$ 32,408,400 \$ 32,408,400
9	Sec. 15-103. MICHIGAN VETERANS AFFAIRS AGENCY	
10	Full-time equated classified positions.....	61.0 61.0
11	County veteran service grants-2.0 FTE positions	\$ 4,255,500 \$ 4,255,500
12	Michigan veterans affairs agency administration-49.0	
13	FTE positions	8,491,000 8,491,000
14	Veterans' trust fund administration-8.0 FTE positions	1,197,000 1,197,000
15	Veterans' trust fund grants	2,500,000 2,500,000
16	Veterans service grants-2.0 FTE positions	<u>4,255,500</u> <u>4,255,500</u>
17	GROSS APPROPRIATION	\$ 20,699,000 \$ 20,699,000
18	Appropriated from:	
19	Federal revenues:	
20	Other federal revenues	758,800 758,800
21	Special revenue funds:	
22	Private revenues	10,000 10,000
23	Other state restricted revenues	3,747,000 3,747,000
24	State general fund/general purpose	\$ 16,183,200 \$ 16,183,200
25	Sec. 15-104. MICHIGAN VETERANS' FACILITY AUTHORITY	
26	Full-time equated classified positions.....	483.5 483.5
27	Chesterfield Township home for veterans-110.0	
28	FTE positions	\$ 34,948,800 \$ 34,948,800
29	D.J. Jacobetti home for veterans-179.0 FTE positions .	26,759,200 26,759,200
30	Grand Rapids home for veterans-176.0 FTE positions ...	40,244,700 40,244,700
31	Information technology services and projects	1,749,600 1,749,600
32	Michigan veteran homes administration-18.0 FTE	

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 positions	4,972,000	4,972,000
2 Veterans cemetery-0.5 FTE position	<u>134,500</u>	<u>134,500</u>
3 GROSS APPROPRIATION	\$ 108,808,800	\$ 108,808,800
4 Appropriated from:		
5 Federal revenues:		
6 Other federal revenues	56,780,400	56,780,400
7 Special revenue funds:		
8 Other state restricted revenues	6,309,900	6,309,900
9 State general fund/general purpose	\$ 45,718,500	\$ 45,718,500
10 Sec. 15-105. CAPITAL OUTLAY		
11 Armory maintenance	\$ 1,000,000	\$ 1,000,000
12 Land and acquisitions	1,000,000	1,000,000
13 Special maintenance - National Guard	30,000,000	30,000,000
14 Special maintenance - veterans' facilities	<u>500,000</u>	<u>500,000</u>
15 GROSS APPROPRIATION	\$ 32,500,000	\$ 32,500,000
16 Appropriated from:		
17 Federal revenues:		
18 Other federal revenues	30,000,000	30,000,000
19 Special revenue funds:		
20 Other state restricted revenues	1,000,000	1,000,000
21 State general fund/general purpose	\$ 1,500,000	\$ 1,500,000
22 Sec. 15-106. INFORMATION TECHNOLOGY		
23 Information technology services and projects	<u>\$ 705,100</u>	<u>\$ 705,100</u>
24 GROSS APPROPRIATION	\$ 705,100	\$ 705,100
25 Appropriated from:		
26 Federal revenues:		
27 Other federal revenues	164,300	164,300
28 Special revenue funds:		
29 State general fund/general purpose	\$ 540,800	\$ 540,800

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

GENERAL SECTIONS

Sec. 15-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2027 is \$109,324,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$4,088,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Military training sites and support facilities.....	\$	46,500
County veteran service grants.....		<u>4,041,500</u>
TOTAL	\$	4,088,000

Sec. 15-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 15-203. As used in this part and part 1:

(a) "CMS" means the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.

(b) "Department" means the department of military and veterans affairs.

(c) "DHHS" means the department of health and human services.

(d) "Director" means the director of the department.

(e) "FTE" means full-time equated position in the classified service of this state.

(f) "IDG" means interdepartmental grant.

(g) "MVAA" means the Michigan veterans affairs agency created by Executive Reorganization Order No. 2013-2, MCL 32.92.

(h) "MVFA" means the Michigan veterans' facility authority created under section 3 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.

(i) "MVH" means the Michigan veteran homes as that term is defined in the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.102.

(j) "MYCA" means the Michigan youth challenge academy.

(k) "Standard report recipients" means the senate and house appropriations

1 subcommittees on the department budget, the senate and house fiscal agencies, the senate
2 and house policy offices, and the state budget office.

3 (l) "USDVA" means the United States Department of Veterans Affairs.

4 (m) "VSO" means veterans service organization.

5 (n) "Veterans' facility" means that term as defined in section 2 of the Michigan
6 veterans' facility authority act, 2016 PA 560, MCL 36.102.

7 Sec. 15-204. A department or agency shall use the internet to fulfill the reporting
8 requirements of this part and shall make each report readily accessible to the public and
9 conspicuously post each required report in a single archivable location on the department's
10 or agency's Michigan.gov website not later than the due date required for each report. In
11 addition to placing all reports required in the current fiscal year on the department's or
12 agency's website, the department or agency shall maintain on its website all reports placed
13 on the website from previous fiscal years posted by fiscal year in the same single
14 archivable location. The department or agency shall also transmit all required reports for
15 the current fiscal year to the standard recipients and any other required recipients by
16 email.

17 Sec. 15-205. To the extent permissible under section 261 of the management and budget
18 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
19 appropriated in part 1:

20 (a) The funds must not be used for the purchase of foreign goods or services, or
21 both, if competitively priced and of comparable quality American goods or services, or
22 both, are available.

23 (b) Preference must be given to goods or services, or both, manufactured or provided
24 by Michigan businesses, if they are competitively priced and of comparable quality.

25 (c) Preference must be given to goods or services, or both, that are manufactured or
26 provided by Michigan businesses owned and operated by veterans, if they are competitively
27 priced and of comparable quality.

28 Sec. 15-206. (1) The department shall maximize utilization of its in-person state
29 workforce. The department shall prioritize occupancy utilization of office space for each
30 division within the department. Employees with job responsibilities that require the
31 employees to serve in their capacities outside of an office shall be monitored each pay
32 period to ensure all work hours reported on the timesheet were actually worked.

1 (2) The department shall comply with requirements set forth by the office of the
2 state employer on in-person work and utilization and occupancy rates of state buildings to
3 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
4 market conditions.

5 (3) The department shall adhere to civil service rules and regulations that state the
6 standard biweekly work period for a full-time employee in the classified service of this
7 state is the equivalent of 80.0 hours of work. The department shall establish policies and
8 processes to ensure all employees are working their jobs during agreed upon business hours.

9 Sec. 15-207. Consistent with section 217 of the management and budget act, 1984 PA
10 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
11 prepare a report on out of state travel expenses not later than January 1. The report must
12 list all travel by classified and unclassified employees outside this state in the previous
13 fiscal year that was funded in whole or in part with funds appropriated in the department's
14 or agency's budget. The department or agency shall submit the report to the standard report
15 recipients and to the house and senate appropriations committees. The report must include
16 all of the following information:

17 (a) The dates of each travel occurrence.

18 (b) The total transportation and related expenses of each travel occurrence and the
19 proportions funded with state general fund/general purpose revenues, state restricted
20 revenues, federal revenues, and other revenues.

21 Sec. 15-208. Not later than 6 months after the state budget office issues work
22 project letters, a department, agency and the legislature shall submit an annual report
23 that summarizes all work project accounts. The report must include all of the following:

24 (a) A list of all work project accounts.

25 (b) The status of all work project accounts, including amounts expended, amounts
26 encumbered, and available balances for each account.

27 (c) The amount of funds that lapsed from any previously designated work project
28 accounts, the name and description of the work project account, and the funds that received
29 the lapsed amounts.

30 Sec. 15-209. Not later than December 15, the state budget office shall prepare and
31 submit a report that provides for estimates of the total general fund/general purpose
32 appropriation lapses at the close of the previous fiscal year. The report must summarize

1 the projected year-end general fund/general purpose appropriation lapses by major
2 departmental program or program areas. The state budget office shall submit the report to
3 the standard report recipients and the chairpersons of the senate and house appropriations
4 committees.

5 Sec. 15-210. (1) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$8,600,000.00 for federal contingency funds. These
7 funds are not available for expenditure until they have been transferred to another line
8 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
9 MCL 18.1393.

10 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
11 not to exceed \$1,100,000.00 for state restricted contingency funds. These funds are not
12 available for expenditure until they have been transferred to another line item in this
13 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

14 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
15 not to exceed \$250,000.00 for local contingency funds. These funds are not available for
16 expenditure until they have been transferred to another line item in this article under
17 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

18 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
19 not to exceed \$100,000.00 for private contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item in this article under
21 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

22 Sec. 15-211. A department or agency shall cooperate with the department of
23 technology, management and budget to maintain a searchable website accessible by the public
24 at no cost that includes, but is not limited to, all of the following for each department
25 or agency:

26 (a) Fiscal year-to-date expenditures by category.

27 (b) Fiscal year-to-date expenditures by appropriation unit.

28 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
29 payment date, payment amount, and payment description.

30 Sec. 15-212. (1) Funds appropriated in part 1 must not be used to restrict or impede
31 a marginalized community's access to government resources, programs, or facilities.

32 (2) From the funds appropriated in part 1, local governments shall report any action

1 or policy that attempts to restrict or interfere with the duties of a local health officer.

2 Sec. 15-213. To the extent permissible under the management and budget act, 1984 PA
3 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
4 appropriations in part 1 shall take all reasonable steps to ensure geographically
5 disadvantaged business enterprises compete for and perform contracts to provide services or
6 supplies, or both. Each director shall strongly encourage firms with which the department
7 or agency contracts to subcontract with certified geographically disadvantaged business
8 enterprises for services, supplies, or both. As used in this section, "geographically
9 disadvantaged business enterprises" means that term as defined in Executive Directive No.
10 2023-1.

11 Sec. 15-214. The department must provide an annual report to the standard report
12 recipients detailing significant federal policy changes that do, or are expected to
13 significantly impact the operations of the department, including reductions in federal
14 revenue and/or changes that are likely to lead to a reduction in the department's ability
15 to safeguard the health or welfare of the public.

16 Sec. 15-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
17 agencies shall provide to the state budget office a jointly agreed upon list of
18 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
19 of 2025. The list must include all information and documents pertaining to the funded items
20 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

21 (2) In accordance with section 364(4) of the Management and Budget Act, the
22 department or agency administering the grant shall post a report in a publicly accessible
23 location on its website beginning March 15 of the current fiscal year. The department or
24 agency shall update the report and shall post an updated report not later than June 15 of
25 the current fiscal year and again not later than September 15 of the current fiscal year.
26 The department shall include in the report the most comprehensive information the
27 department has available at the time of posting for grants awarded.

28 Sec. 15-216. On a quarterly basis, a department or agency receiving appropriations in
29 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
30 classification, including comparison by line item of the number of FTEs authorized from
31 funds appropriated in part 1 to the actual number of FTE positions employed by the
32 department or agency at the end of the reporting period. The report must be submitted to

1 the senate and house appropriations committees and to the standard report recipients.

2 Sec. 15-217. The state budget director shall take steps to ensure that all state
3 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
4 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
5 recovery funds that would otherwise lapse after September 30, 2026, are automatically
6 reappropriated for the same purpose as originally authorized and available for expenditure
7 through December 31, 2026, and any subsequent financial close out period.

8 Sec. 15-218. (1) The state budget director shall take steps to ensure that all state
9 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
10 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
11 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
12 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
13 that may include, but are not limited to, completed projects coming in under budget or
14 funds unable to be fully used by subrecipients. The state budget director shall reallocate
15 any of the funds reallocated under this subsection to the programs or purposes specified in
16 this section. Any funds reallocated are unappropriated and immediately reappropriated for
17 the following purposes:

18 (a) To reclassify general fund/general purpose appropriations for payroll and covered
19 benefits for eligible public health and safety employees at the department of corrections.

20 (b) To reclassify general fund/general purpose appropriations for payroll and covered
21 benefits for eligible public health and safety employees at the department of state police.

22 (2) All applicable guidance, implementation, and reporting provisions of Public Law
23 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
24 subsection (1).

25 (3) The state budget director shall notify the senate and house appropriations
26 committees not later than 10 business days after making any reallocations under subsection
27 (1). The notification must include the authorized program under which funds were originally
28 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
29 department to which the funds are being reallocated under subsection (1), and the amount
30 reallocated to each program or purpose.

31 Sec. 15-223. Funds appropriated in part 1 for capital outlay must be carried forward
32 at the end of the fiscal year consistent with section 248 of the management and budget act,

1 1984 PA 431, MCL 18.1248.

2 Sec. 15-224. (1) Money privately donated to the department in excess of the
3 appropriation in part 1 is appropriated and available for expenditure departmental
4 operations and for the purpose designated by the private source, if specified.

5 (2) Any unexpended and unencumbered private donations to support the department at
6 the close of this fiscal year do not lapse to the general fund and must be carried forward
7 to the subsequent fiscal year.

8

9 **MILITARY**

10 Sec. 15-301. (1) Not later than October 30, the department shall report a list of the
11 current unclassified positions, which shall include the official titles and
12 responsibilities of each position.

13 Sec. 15-302. (1) The department shall operate and maintain National Guard armories
14 and implement a system to measure the condition and adequacy of those armories.

15 (2) Not later than January 15, the department shall report on the status of the
16 armories that includes the following information:

17 (a) An assessment of the grounds and facilities of each armory to objectively measure
18 and determine the current facility condition and capability to support authorized manpower,
19 unit training, and operations.

20 (b) Recommendations for the placement of new armories, the relocation or
21 consolidation of existing armories, or a change in the mission of units assigned to
22 armories to ideally position the National Guard in current or projected population centers.

23 (c) Recommendations for the enhanced use of armories to facilitate family support
24 programs during deployments.

25 (d) An analysis of the feasibility, potential costs, and benefits of use of armories
26 shared with other local, state, or federal agencies to improve responses to local
27 emergencies as well as the community support provided to armories.

28 (e) An investment strategy and proposed funding amounts in a prioritized project list
29 to correct the most critical facility shortfalls across the inventory of armories in this
30 state.

31 (f) A review of the status of construction activities and expenditures of the armory
32 modernization project funded in section 107 of article 10 of 2022 PA 166 and section 104 of

1 2022 PA 194.

2 Sec. 15-303. (1) The department shall maintain the MYCA to provide values, skills,
3 education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

4 (2) The department shall take steps to recruit candidates to the MYCA from
5 economically disadvantaged areas, including those with low-income and high-unemployment
6 backgrounds.

7 (3) The department shall partner with the DHHS to identify youth who may be eligible
8 for MYCA from those youth served by DHHS services programs. The department shall give these
9 eligible youth priority for enrollment.

10 (4) The department shall maintain the MYCA to graduate at least the target number of
11 graduates consistent with the state's cooperative agreement with the National Guard Bureau
12 regarding program operations.

13 (5) The department shall monitor individual academic success as measured by the
14 number of individuals who have received a general equivalency diploma, high school diploma,
15 or high school credit recovery or by the improvement of tests of adult basic education
16 scores, or both.

17 Sec. 15-304. (1) Not later than January 15, the department shall provide a report on
18 the revenues, expenditures, and fund balance of the military family relief fund created in
19 section 3 of the military family relief fund act, 2004 PA 363, MCL. 35.1213. The report
20 shall itemize expenditures by purpose, including, but not limited to, for advertising and
21 assistance and include information on the number of applications for assistance received,
22 approved, and denied for the previous fiscal year.

23 (2) From the funds appropriated in part 1, the department shall provide outreach to
24 the Michigan families of members of the reserve component of the Armed Forces of the United
25 States called into active duty on the availability of assistance through the military
26 family relief fund.

27 Sec. 15-305. (1) The department shall do all of the following:

28 (a) Provide Army and Air National Guard forces, when directed, for state and local
29 emergencies and in support of national military requirements.

30 (b) Operate and maintain Army National Guard training facilities, including Fort
31 Custer and Camp Grayling.

32 (c) Maintain a system that measures the condition and adequacy of air facilities

1 using both quality and functionality criteria.

2 (d) Operate and maintain Air National Guard air bases, including Selfridge Air
3 National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness
4 training center.

5 (2) Not later than March 1, the department shall report the following information for
6 the previous calendar year:

7 (a) The apportioned and assigned strength of the Michigan Army National Guard.

8 (b) The apportioned and assigned strength of the Michigan Air National Guard.

9 (c) Recruiting, retention, and attrition data, including measurement against stated
10 performance goals, for the Michigan Army National Guard.

11 (d) Recruiting, retention, and attrition data, including measurement against stated
12 performance goals, for the Michigan Air National Guard.

13 Sec. 15-306. (1) The billeting fund is created within the state treasury.

14 (2) The state treasurer shall deposit money and other assets received from any source
15 into the fund. The state treasurer shall direct the investment of money in the fund and
16 credit interest and earnings from the investments to the fund.

17 (3) All of the fees and other revenues generated from the operation of the chargeable
18 transient quarters program must be deposited in the fund.

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

21 (5) The department is the administrator of the fund for auditing purposes.

22 (6) The department shall expend money from the fund to support program operations and
23 the maintenance and operations of the chargeable transient quarters program as appropriated
24 in part 1.

25 (7) Not later than January 15, the department shall submit a report of operations and
26 expenditures regarding the fund for the previous fiscal year.

27 Sec. 15-307. (1) From the funds appropriated in part 1 for Michigan National Guard
28 member benefit fund, the department shall maintain a Michigan National Guard tuition
29 assistance program as provided under the Michigan National Guard tuition assistance act,
30 2014 PA 259, MCL 32.431 to 32.434. The Michigan National Guard tuition assistance program
31 must do all of the following:

32 (a) Bolster military readiness by increasing recruitment and retention of Michigan

1 Army and Air National Guard members.

2 (b) Fill federally authorized strength levels for the state.

3 (c) Improve the Michigan Army and Air National Guard's competitive draw from other
4 military enlistment options in the state.

5 (d) Enhance the ability of the Michigan Army and Air National Guard to compete for
6 guard members and federal dollars with surrounding states.

7 (e) Increase the pool of eligible candidates within the Michigan Army and Air
8 National Guard to become commissioned officers.

9 (2) The department shall make efforts to increase the number of National Guard
10 members who have received a credential or are still enrolled in the Michigan National Guard
11 tuition assistance program after their initial term of enlistment. To evaluate the
12 effectiveness of the program, the department shall monitor the number of new recruits and
13 new reenlistments and the percentage of those who become participants in the program to
14 determine whether the percentage of authorized Michigan Army and Air National Guard
15 strength obtained and retained is competitive in comparison with the neighboring army and
16 air national guards from Illinois, Indiana, Ohio, and Wisconsin.

17 (3) Not later than March 1, the department shall provide a report on the Michigan
18 National Guard tuition assistance program. The report must include, but is not limited to,
19 the following information for the previous fiscal year:

20 (a) The number of guard members, spouses, children, and dependents that received
21 tuition assistance, broken down by the number of each type of recipient.

22 (b) The educational institutions from which those guard members, spouses, children,
23 and dependents received education or training under the program, broken down by the number
24 of each type of recipient and each type of educational or training program for which
25 tuition assistance was received.

26 (c) The total amount of financial assistance received by each educational
27 institution.

28 (d) The total funds expended on the program for financial assistance for each type of
29 recipient and each type of educational or training program.

30 (e) The total funds expended on the program for administrative costs of the
31 department.

32 (f) The total number of applications for tuition assistance approved and denied.

1 (g) The number of guard members, spouses, children, and dependents receiving tuition
2 assistance who successfully completed an educational or training program for which tuition
3 assistance was received.

4 (h) A description of each educational or training program offered through the
5 Michigan National Guard tuition assistance program.

6 (i) A list of any educational institutions and training programs removed from
7 eligibility and the rationale for that removal.

8 (j) An explanation of any identified barriers to the successful utilization of the
9 program, or other unmet needs of the program and applicable proposals for legislative
10 action to address those barriers and needs.

11 Sec. 15-308. The department shall maintain the starbase program at Air National Guard
12 facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest
13 of students, primarily in the fifth grade, in math, science, and technology. The starbase
14 program is to specifically target minority and at-risk students for participation.

15 Sec. 15-309. (1) The National Guard test projects fund is created within the state
16 treasury.

17 (2) The state treasurer shall deposit money and other assets received from any source
18 into the fund. The state treasurer shall direct the investment of money in the fund and
19 credit interest and earnings from the investments to the fund.

20 (3) All of the fees and other revenues generated from the operation of the test
21 projects program shall be deposited in the fund.

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

24 (5) The department is the administrator of the fund for auditing purposes.

25 (6) Money in the fund shall be available for expenditure for the support of program
26 operations as appropriated in part 1.

27 Sec. 15-310. (1) The morale, welfare, and recreation fund is created within the state
28 treasury.

29 (2) The state treasurer shall deposit money and other assets received from any source
30 into the fund. The state treasurer shall direct the investment of money in the fund and
31 shall credit interest and earnings from the investments to the fund.

32 (3) The department is the administrator of the fund for auditing purposes.

1 (4) All of the fees and other revenues generated from the operation of the morale,
2 welfare, and recreation program must be deposited in the morale, welfare, and recreation
3 fund. Money in the fund is available for expenditure for the support of program operations
4 as appropriated in part 1.

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

7 Sec. 15-311. (1) The National Guard facilities rental fund is created in the state
8 treasury.

9 (2) The state treasurer shall deposit money and other assets received from any source
10 into the fund. The state treasurer shall direct the investment of money in the fund and
11 shall credit interest and earnings from the investments to the fund.

12 (3) All of the fees and other revenues generated from the operation of the National
13 Guard facilities rental program must be deposited in the fund.

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

16 (5) The department is the administrator of the fund for auditing purposes.

17 (6) Money in the fund is available for expenditure for the support of program
18 operations as appropriated in part 1.

19 Sec. 15-312. Not later than February 1, the department shall provide the report
20 required under section 251(7) of the Michigan military act, 1967 PA 150, MCL 32.651.

21 Sec. 15-313. The Michigan Army National Guard and Air National Guard shall work to
22 provide a culture that is free of sexual assault, through an environment of prevention,
23 education and training, response capability, victim support, reporting procedures, and
24 appropriate accountability that enhances the safety and well-being of all guard members.

25 Sec. 15-314. (1) From the funds appropriated in part 1 for Michigan National Guard
26 member benefit fund, the department shall create and administer a Tricare premium
27 reimbursement program, as provided under the Tricare premium reimbursement program act,
28 2025 PA 36, MCL 32.471 to 32.475.

29 (2) Not later than March 1, the department shall provide a report on the Tricare
30 reimbursement program. The report must include, but is not limited to, the following
31 information:

32 (a) The number of eligible members receiving assistance under the program, broken

1 down by service branch and including the amount of the assistance issued, and the total
2 number of National Guard members by service branch.

3 (b) The total funds expended on Tricare reimbursements.

4 (c) The total funds expended on the program for administrative costs of the
5 department.

6 (d) Any other pertinent information, as determined by the department, on the
7 program's operations and administration.

8 Sec. 15-315. (1) From the funds appropriated in part 1 for Michigan National Guard
9 member benefit fund, the department shall create and administer a child care assistance
10 program as provided under the Michigan National Guard child care assistance act, 2025 PA
11 37, MCL 32.451 to 32.455.

12 (2) Not later than March 1, the department shall provide a report on the child care
13 assistance program. The report must include, but is not limited to, the following
14 information:

15 (a) The number of eligible members receiving child care assistance under the program,
16 broken down by service branch and including the amount of the stipend issued, and the total
17 number of National Guard members by service branch.

18 (b) The number of children for whom a stipend was paid and the associated number of
19 hours paid broken down by service branch.

20 (c) The hourly rate paid.

21 (d) The total funds expended on the program for child care stipends.

22 (e) The total funds expended on the program for administrative costs of the
23 department.

24 (f) Any other pertinent information, as determined by the department, on the
25 program's operations and administration.

26 Sec. 15-316. (1) The general fund/general purpose funds appropriated in part 1 for
27 the Michigan National Guard member benefit fund must be deposited into the restricted
28 Michigan National Guard member benefit fund. All funds in the restricted Michigan National
29 Guard member benefit fund are appropriated and available for expenditure to support the
30 Michigan National Guard's tuition assistance program, Tricare premium reimbursement
31 program, and childcare assistance program.

32 (2) As used in this section, "Michigan National Guard member benefit fund" means the

1 Michigan National Guard member benefit fund created in section 3 of the Michigan National
2 Guard member benefit fund act, 2025 PA 31, MCL 32.493.

3

4 **MICHIGAN VETERANS AFFAIRS AGENCY**

5 Sec. 15-405. Not later than January 15, the MVAA shall provide a report of the
6 Michigan veterans' trust fund that includes, for the previous fiscal year, the following
7 information:

8 (a) A description of the methodology of allocations and the selection of emergency
9 grant program authorized agents.

10 (b) A description of how the emergency grant program is administered in each county.

11 (c) Expenditures for state operating costs and administrative costs.

12 (d) The number of approved emergency grant applications, by category of assistance,
13 and the number of denied applications, by reason of denial.

14 (e) A description of the MVAA's efforts to reduce program administrative costs and
15 maintain the Michigan veterans' trust fund corpus at or above its original amount of
16 \$50,000,000.00.

17 (f) The financial status of the Michigan veterans' trust fund, including revenues,
18 beginning and year-end balances, and a breakdown of expenditures for state and local
19 administrative purposes, grants, and other program partnerships and initiatives, including
20 details by county and organization.

21 (g) Expenditures for program partnerships, delineated by organization, and
22 expenditures for any other program initiatives.

23 Sec. 15-406. The MVAA shall do all of the following:

24 (a) Provide outreach services to Michigan veterans to advise them on the benefits and
25 assistance to which they are entitled, or eligible, including the Michigan military family
26 relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial
27 benefits.

28 (b) Fulfill requests for military discharge certificates (DD-214) upon request.

29 (c) Not later than March 1, submit a report on the activities and outcomes of its
30 outreach services, included the percentage of Michigan veterans contacted through its
31 outreach programs.

32 Sec. 15-408. From the funds appropriated in part 1, the MVAA shall provide for the

1 regional coordination of services and do all of the following:

2 (a) Coordinate with veteran benefit counselors throughout a specified region.

3 (b) Coordinate services with all state departments and agencies.

4 (c) Coordinate with regional workforce and economic development agencies.

5 (d) Coordinate activities among local foundations, nonprofit organizations, and
6 community groups to improve accessibility, enrollment, and utilization of the array of
7 health care, education, employment assistance, and quality of life services provided at the
8 local level.

9 (e) Work with MVAA service officers, county veteran counselors, VSO service officers,
10 and other service providers to increase awareness of available mental health care resources
11 and support services veterans may be eligible to receive.

12 (f) Coordinate with the DHHS to identify Medicaid recipients who are veterans and who
13 may be eligible for federal veterans health care benefits or other benefits, to the extent
14 that the identification does not violate applicable confidentiality requirements.

15 (g) Collaborate with the department of corrections to create and maintain a process
16 by which prisoners can obtain a copy of their DD-214 form or other military discharge
17 documentation if necessary.

18 (h) Ensure that all MVAA service officers and VSO service officers receive
19 appropriate training in processing applications for benefits payable to veterans due to
20 military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance use
21 disorder, or other mental health issues.

22 Sec. 15-410. (1) The MVAA shall do the following:

23 (a) Provide claims processing services to Michigan veterans in support of benefit
24 claims submitted to the USDVA for the health, financial, and memorial benefits for which
25 they are eligible, and report annually on the number of benefit claims, by type, submitted
26 to the USDVA by MVAA.

27 (b) Develop and implement a process to ensure that all county veterans counselors
28 receive the training and accreditation necessary to provide quality services to veterans.
29 Not later than March 1 the MVAA shall provide a report for the previous fiscal that
30 includes the number and percentage of county veterans counselors trained by the MVAA, and
31 the number and percentage who received funding from the MVAA to attend training and a
32 description of the training provided.

1 (2) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend
2 up to \$100,000.00 to hire legal services to represent veterans benefit cases before federal
3 court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

4 Sec. 15-411. (1) The funds appropriated in part 1 for veterans service grants must be
5 deposited into the veterans service fund created in this part. All funds available in the
6 veterans service fund are appropriated and available for expenditure as provided under this
7 section.

8 (2) The MVAA shall establish, administer, and award competitive grants to 1 or more
9 congressionally chartered VSOs or a coalition of VSOs. The MVAA shall award grants to
10 support efforts to connect veterans and their dependents with federal compensation and
11 pension benefits and state veterans' benefits, including emergency grants through the
12 Michigan veterans' trust fund and other local or nonprofit assistance that may be available
13 to veterans and their dependents. The MVAA shall establish a competitive grant process that
14 satisfies the following:

15 (a) Utilizes a service provision model to provide services across the state and can
16 be tracked regionally to ensure that veterans and their dependents in this state, including
17 those within tribal communities, are provided with services, advocacy, and outreach as
18 close to the communities in which they live as possible.

19 (b) Ensures that grantees are providing adequate veteran services and advocacy,
20 through in-person and virtual meetings, that enables the organization to meet performance
21 goals established in the grant agreement.

22 (c) Fosters innovative and transformative approaches and techniques for the grantee
23 to use when providing services, advocacy, and outreach for veterans and their dependents.

24 (d) Requires grantees to use an MVAA-designated internet-based claims data system to
25 manage caseloads. License fees associated with the claims data system described in this
26 subdivision are considered an allowable expenditure and may be reimbursed with grant funds.

27 (e) Requires grantees, in coordination with the MVAA, to provide services to
28 incarcerated veterans who are within 1 year of their earliest release date.

29 (f) Ensures that each grantee is issued performance goals.

30 (g) Ensures that each grantee expends grant awards as prescribed in the grant
31 agreement.

32 (h) Requires each grantee to report not less than quarterly on all of the following:

1 (i) An accounting for all grant fund expenditures.

2 (ii) The number and type of claims originated and submitted by the grantee to the
3 USDVA.

4 (iii) The number and type of claims originated by an organization other than the
5 grantee and submitted by the grantee to the USDVA.

6 (iv) The services provided to veterans and their dependents.

7 (v) Progress in achieving performance benchmark goals.

8 (vi) Ensures that each grantee is issued performance benchmark goals that each
9 grantee must aim to achieve and require each grantee to report to the MVAA, in order to
10 ensure that benchmark goals are being achieved, or on target to be achieved, in the fiscal
11 year.

12 (3) The MVAA shall do the following regarding the veterans service grant program:

13 (a) Follow all generally accepted accounting principles in accordance with sections
14 141 and 485 of the management and budget act, 1984 PA 431, MCL 18.1141 and 18.1485.

15 (b) When establishing, modifying, or amending the competitive grant process described
16 in subsection (1), consult and collaborate with congressionally chartered VSOs in the
17 state, or a coalition of VSOs, and other stakeholders to ensure a comprehensive approach to
18 providing services, advocacy, and outreach to veterans and their dependents.

19 (c) Provide notice to current grantees of any MVAA-proposed modifications or
20 amendments to the competitive grant process and provide those grantees with an opportunity
21 to respond through written communication.

22 (d) Assess the accuracy rate of claims reported by grantees.

23 (e) Review and audit grantees' expenditure of grant funds to ensure compliance with
24 the grant agreement, as provided under section 470 of the management and budget act, 1984
25 PA 431, MCL 18.1470.

26 (4) Not later than January 15, the MVAA shall provide a report summarizing grant
27 activities for the previous fiscal year, including the amount of expenditures, number of
28 service and advocacy hours, number of claims for benefits submitted by type of claim, and
29 other information deemed appropriate by the MVAA.

30 (5) From the funds appropriated in part 1 for veterans service grants, \$214,000.00
31 must be allocated to cover necessary administrative and implementation costs incurred by
32 the MVAA.

1 Sec. 15-412. (1) The veterans service fund is created in the state treasury.

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

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

7 (4) The department is the administrator of the fund for auditing purposes.

8 (5) The department shall expend money in the fund, as provided by law.

9 Sec. 15-413. (1) The funds appropriated in part 1 for county veteran service grants
10 must be deposited into the restricted county veteran service fund created in section 3a of
11 1953 PA 192, MCL 35.623a. All available funds in the restricted county veteran service fund
12 are appropriated and available for expenditure as provided by law.

13 (2) From the restricted county veteran service fund created in section 3a of 1953 PA
14 192, MCL 35.623a, \$214,000.00 must be allocated to the MVAA to cover necessary
15 administrative and implementation costs incurred by the MVAA.

16 (3) The MVAA shall provide a report not later than January 15 that includes the
17 following information for the previous fiscal year:

18 (a) A list of counties that received a grant under this section and details
19 concerning the methodology of allocations, including, but not limited to, all program
20 information distributed by the MVAA to counties and any applicable timelines and deadlines
21 imposed by the MVAA.

22 (b) The base, per capita, and total amounts of grant funding each county received
23 under section 3a(6) of 1953 PA 192, MCL 35.623a, including any amount of funding provided
24 under the emergent need relief program pursuant to section 3a(10) of 1953 PA 192, MCL
25 35.623a.

26 (c) A summary of each county's expenditures of grant funding.

27 (d) The amount of any unexpended grant funding disbursed to the counties that has
28 been recovered and returned to the county veteran service fund.

29 (e) The amount of any funds recovered by the MVAA through a funding that grant funds
30 were misused by a county.

31 (f) The amount expended by the MVAA for grant administration and implementation
32 costs.

1 (g) The balance of the county veteran service fund at the close of the fiscal year.

2 (4) The report required under subsection (3) must also include the following:

3 (a) A list of counties that have requested funds in the current fiscal year, the
4 amount requested by each county, and the total of these amounts.

5 (b) A list of counties that did not request funds in the current fiscal year.

6 (c) An explanation of any obstacles or reasons for counties not applying for or
7 spending their eligible amount of grant funding.

8 Sec. 15-415. Not later than January 15, the MVAA shall submit a report that includes
9 all of the following:

10 (a) An analysis on the scope of homelessness among the state's veteran population,
11 including the estimated number of homeless veterans, by county.

12 (b) Challenges to securing housing for homeless veterans.

13 (c) Recommendations for future long-term partnerships between the Michigan state
14 housing development authority, the MVAA, local government, and nonprofit organizations that
15 could assist in eliminating homelessness among veterans in this state. Recommendations
16 under this subdivision must minimize additional costs to local units of government.

17 (d) Activities of the MVAA in the previous fiscal year to support homeless veterans
18 or eliminate homelessness among veterans.

19
20 **MICHIGAN VETERANS' FACILITY AUTHORITY**

21 Sec. 15-502. (1) From the funds appropriated in part 1, the MVH and the MVFA shall
22 provide compassionate and quality nursing care services at each veterans' facility in this
23 state so that resident members can achieve their highest potential of wellness,
24 independence, self-worth, and dignity. The MVFA and the MVH shall provide nursing care
25 services to veterans in accordance with federal standards and report the results of the
26 annual USDVA and CMS surveys and certification as proof of compliance.

27 (2) Appropriations in part 1 for a veterans' facility shall not be used for any
28 purpose other than expenses related to the operations of the veterans' facility.

29 Sec. 15-503. All contractors providing health care services at a veterans' facility
30 shall provide services in a manner that complies with applicable USDVA and CMS regulations
31 for state veterans' homes and skilled nursing facilities, any rules governing the operation
32 of nursing homes licensed in this state, and any training and education requirements

1 associated with staff licensure or certification.

2 Sec. 15-504. (1) The MVFA shall report and investigate all complaints of abuse or
3 neglect at a veterans' facility in compliance with USDVA and CMS regulations for state
4 veterans' homes and skilled nursing facilities. The MVFA shall report on a bimonthly basis
5 the following information:

6 (a) A description of the process by which resident members and others may file
7 complaints of alleged abuse or neglect at a veterans' facility.

8 (b) Summary statistics on the number and general nature of complaints of abuse or
9 neglect.

10 (c) Summary statistics on the final disposition of complaints of abuse or neglect
11 received.

12 (2) The MVFA shall display in high-traffic areas throughout the veterans' facility
13 the process by which visitors, resident members, and staff of the veterans' facility may
14 register complaints.

15 Sec. 15-506. The MVH shall establish and implement internal controls regarding all of
16 the following:

17 (a) The use and management of food, maintenance, and pharmaceutical and medical
18 supply inventories.

19 (b) Calculating resident member maintenance assessments in order to accurately
20 calculate resident member maintenance assessments for each billing cycle and ensure that
21 all past due resident member maintenance assessments are addressed within 30 days.

22 (c) Monetary donations and donated goods.

23 (d) The handling of resident member funds to ensure the release of funds within 15
24 calendar days upon the resident member leaving the home and to ensure that a representative
25 of a resident member is provided a full accounting of that resident member's funds within
26 30 calendar days after the death of that resident member.

27 (e) Financial reporting and accounting.

28 Sec. 15-507. (1) The MVH shall post on its website the following:

29 (a) All policies adopted by the MVFA and the veterans' facility related to the
30 administrative operations of the veterans' facility.

31 (b) The agenda and minutes of public meetings of the MVFA board.

32 (2) The MVH shall provide a report that includes statistics and information that

1 demonstrates the performance of MVH compared to available state and national veterans'
2 homes or nursing homes.

3 (3) Not later than January 15, the MVH shall provide a report on the following:

4 (a) Census data for each veterans' facility, including information on level of care,
5 service era of its resident members, payer source, and average income and assessment rate.

6 (b) Per patient daily care hours provided by each veterans' facility, by level of
7 care.

8 (4) The MVH shall provide a bimonthly report on the financial status of each
9 veterans' facility and central MVFA/MVH administration. Information shall include, but not
10 be limited to, actual year-to-date and projected year-end revenues and expenditures, by
11 fund source.

12 (5) The MVH shall provide a report on the results of any annual or for-cause survey
13 conducted by any entity with oversight over the veterans' facility and any corresponding
14 corrective action plan. This information shall also be made available publicly through the
15 MVH website.

16 (6) In addition to the information required under section 12(1) of the Michigan
17 veterans' facility authority act, 2016 PA 560, MCL 36.112, not later than January 31, the
18 MVFA shall provide a report detailing the strategies and actions taken to maximize revenues
19 from non-general fund sources and cost savings strategies.

20 Sec. 15-508. In addition to the funds appropriated in part 1, private revenues held
21 by the MVH on a nonfiduciary basis for a resident member of a veterans' facility are
22 appropriated to pay medical expenses, member assessments, and other expenses incurred by
23 that resident member. Any unexpended or unencumbered private revenues held on a
24 nonfiduciary basis by the MVH at the close of the fiscal year do not lapse to the general
25 fund and must be carried forward into the subsequent fiscal year.

26 Sec. 15-509. Not later than January 15, the MVFA shall provide a report on the
27 construction, operation, and finances of the new Marquette veterans home funded in article
28 14 of 2022 PA 166.

29 Sec. 15-510. Except as otherwise provided by law, any unexpended and unencumbered
30 federal revenues received by the MVFA do not lapse to the state general fund and must be
31 carried forward into the subsequent fiscal year.

32 Sec. 15-511. The department, with the approval of the state budget office, is

1 authorized to realign federal revenues sources of the MVFA. This realignment of federal
2 fund sourcing must not produce a gross increase or decrease in the total authorization for
3 the individual MVFA line-item appropriations. The department shall provide a quarterly
4 report to the standard report recipients on actions taken under this section.

5

6 **CAPITAL OUTLAY**

7 Sec. 15-601. (1) The department shall provide for the acquisition and disposition of
8 National Guard armories, facilities, and lands as provided under sections 368, 382, and
9 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

10 (2) The department shall provide a listing of property sales and acquisitions
11 annually.

12 Sec. 15-602. (1) The appropriations for armory maintenance and special maintenance -
13 National Guard must be expended in accordance with the requirements of sections 302 and 305
14 and must be expended according to the maintenance priorities of the department to repair
15 and modernize military training sites and support facilities, including armories.

16 (2) Not later than January 15, the department shall provide a report providing
17 information on the status, projected costs, and projected completion date of current and
18 planned special maintenance projects at the armories and other National Guard facilities
19 funded from capital outlay appropriations made in part 1 and in previous fiscal years.

20 Sec. 15-603. (1) The appropriations for special maintenance - veterans' facility must
21 be expended in accordance with the requirements of section 502 and must be expended
22 according to the maintenance priorities of the MVFA to repair and modernize the state's
23 veterans' facility, which may include physical plant expansions, renovations, or
24 enhancements, and other projects designed to enhance the quality of life and medical care
25 of resident members.

26 (2) Not later than January 15, the MVH shall provide a report providing information
27 on the status, projected costs, and projected completion date of current and planned
28 special maintenance projects at each veterans' facility funded from capital outlay
29 appropriations made in part 1 and in previous fiscal years.