



Senate Fiscal Agency  
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## BILL ANALYSIS



Telephone: (517) 373-5383  
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Senate Bill 540 (Substitute S-1 as reported)  
Senate Bill 541 (as reported without amendment)  
Sponsor: Senator Kevin Hertel (S.B. 540)  
Senator Roger Hauck (S.B. 541)  
Committee: Veterans and Emergency Services

**CONTENT**

Senate Bill 540 (S-1) would enact the "Michigan Veterans Coalition Grant Program Act" to do the following:

- Create the Michigan Veterans Coalition Grant Program to provide grants to veteran service organizations to be spent in support of veteran service operations in the State.
- Require the Michigan Veterans Affairs Agency to administer the Program's grants from the Michigan Veterans Coalition Fund created under Senate Bill 541.
- Prescribe eligibility requirements for veteran service organizations.

Senate Bill 541 would enact the "Michigan Veterans Coalition Fund Act" to create the Fund within the Department of Treasury and require the Michigan Veterans Affairs Agency to spend money from the Fund upon appropriation for the Michigan Veterans Coalition Grant Program proposed under Senate Bill 540 (S-1).

The bills are tie-barred.

**BRIEF RATIONALE**

The bills would create a grant program administered by the Michigan Veterans Affairs Agency to help fund veterans service organizations that engage in veterans' service operations, such as assisting veterans in obtaining Federal Veterans Affairs health benefits. Veteran service organizations, such as the American Legion or the Veterans of Foreign Wars, serve with the purpose of connecting veterans and their dependents with benefits and services for which they are eligible. Some believe that the State has a duty to support veterans in Michigan who need help identifying and applying for benefits, and so the bill has been suggested.

Legislative Analyst: Alex Krabill

**FISCAL IMPACT**

The bills would have no fiscal impact on State or local government. They simply would place in statute the current practice of providing guidelines for the administration of appropriations of grants to veterans' service organizations, add the requirement that such appropriations be placed in the Fund in Treasury for expenditure, and require that those funds not lapse to the General Fund at the end of a fiscal year. Funding for the bills' provisions would depend upon budget bill appropriations made for that purpose. For Fiscal Year 2023-24, appropriations for veterans service grants include \$4.25 million General Fund/General Purpose (GF/GP). Placing the Program in statute and creating the Michigan Veterans Coalition Fund would mirror that which was established for the county veteran service grant program (also receiving \$4.25 million GF/GP in the current year budget), which was created in statute under Public Act 210 of 2018.

The bill likely would have a minor fiscal impact on the Department of Treasury. It is possible that the Department would incur minor costs associated with the Fund; however, existing appropriations are likely to be sufficient to carry out administrative and investment activities. Money in the Fund would not lapse to the General Fund at the close of the fiscal year.

Date Completed: 12-12-24

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