

**SUBSTITUTE FOR  
SENATE BILL NO. 1269**

A bill to establish the military family relief fund in the department of military and veterans affairs to provide assistance to families of certain members of the reserve components of the United States armed forces on active duty; to provide for the distribution of money from the fund; to prescribe the duties and powers of certain agencies and officials; and to provide for appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. This act shall be known and may be cited as the  
2 "military family relief fund act".

3       Sec. 2. As used in this act:

4       (a) "Department" means the department of military and  
5 veterans affairs.

6       (b) "Family" or "families" means the military dependents as  
7 determined by the qualified individual's branch of service.

1 (c) "Fund" means the military family relief fund created in  
2 section 3.

3 (d) "Qualified individual" means an individual who meets all  
4 of the following criteria:

5 (i) The individual is or was a member of a reserve component  
6 of the United States armed forces based in this state or who is a  
7 resident of this state serving in a reserve component of the  
8 United States armed forces based in another state and is called  
9 to active duty by the president of the United States or the  
10 United States secretary of defense as a result of national  
11 response to September 11, 2001 or as a response to a national  
12 emergency declared by the president of the United States and for  
13 which funds are being spent by the federal government.

14 (ii) The individual's family can document the need for  
15 financial assistance for clothing, food, housing, utilities,  
16 medical services or prescriptions, insurance payments, vehicle  
17 payments, or other related necessities of daily living in either  
18 of the following situations:

19 (A) The need occurred during the time the individual is on  
20 active duty.

21 (B) The need occurred because the individual has incurred a  
22 line of duty injury or illness.

23 (e) "Reserve components of the United States armed forces"  
24 means all of the following:

25 (i) The army national guard of the United States.

26 (ii) The army, naval, marine corps, air force, and coast  
27 guard reserves.

1           (iii) The air national guard of the United States.

2           Sec. 3. (1) The military family relief fund is created as a  
3 separate fund in the department to offer grants to provide  
4 assistance to families of qualified individuals.

5           (2) The military family relief fund shall be expended only as  
6 provided in this act.

7           (3) The state treasurer shall credit to the fund all amounts  
8 designated for the fund pursuant to section 438 of the income tax  
9 act of 1967, 1967 PA 281, MCL 206.438.

10          (4) The state treasurer shall direct the investment of the  
11 fund money in the same manner as other funds are invested. The  
12 state treasurer shall credit to the fund the interest and  
13 earnings from the fund.

14          (5) Money deposited, funds granted, or funds received as  
15 gifts or donations to the fund shall be available for  
16 disbursement when deposited.

17          (6) Money in the fund at the close of the state fiscal year  
18 shall remain in the fund and shall not lapse to the general  
19 fund.

20          Sec. 4. (1) Each year that the contribution designation  
21 program under section 438 of the income tax act of 1967, 1967 PA  
22 281, MCL 206.438, is in effect, an amount equal to the cumulative  
23 designations, plus interest and dividends earned made under that  
24 section shall be appropriated from the general fund to the fund  
25 for use solely in support of the purposes provided in this act.  
26 No money from the fund shall be used for the purpose of  
27 administering the fund or implementing section 438 of the income

## Senate Bill No. 1269 (S-1) as amended September 15, 2004

1 tax act of 1967, 1967 PA 281, MCL 206.438.

2 (2) The money in the fund shall not be used by the department  
3 to replace funds otherwise designated to support similar programs  
4 within the department.

5 Sec. 5. (1) A qualified individual or the individual's  
6 family shall apply to the department for a grant from the fund.  
7 A qualified individual or the individual's family may apply for  
8 more than 1 grant in any year.

9 (2) At the time that a qualified individual or the  
10 individual's family applies for a grant from the fund, the  
11 department shall provide the applicant with copies of financial  
12 planning materials and information at no cost to the applicant.

13 (3) The department shall determine criteria and review  
14 applications for grants from the fund.

15 (4) The department shall determine if the applicant is  
16 eligible for a grant from the fund and shall determine the amount  
17 of the individual's grant.

18 (5) Not more than 30 [ ] days after the department  
19 receives an application, the department shall notify the  
20 applicant of the receipt of the application and the status of the  
21 application which shall be 1 of the following:

22 (a) The applicant is eligible for a grant, the date when the  
23 applicant will receive that grant, and the amount of the grant.

24 (b) The applicant is eligible for a grant but no funds are  
25 available and the application will be kept on file until money  
26 becomes available.

27 (c) The applicant is not eligible for a grant and the reasons

1 why.

2 (6) If an application is denied because the applicant is not  
3 eligible, the applicant is not prohibited from subsequently  
4 applying for a grant for that purpose or any other purpose.

5 (7) Within the first 30 days of each calendar year, the  
6 department shall begin to distribute the money that was in the  
7 fund at the end of the immediately preceding state fiscal year to  
8 grant applicants until the money in the fund is exhausted.

9 (8) The maximum total amount that any qualified individual  
10 and that qualified individual's family can receive in any 1  
11 calendar year is \$2,000.00. If the department determines that  
12 the qualified individual or the qualified individual's family is  
13 in an emergency situation or their needs are extreme, the  
14 department may waive the maximum under this subsection.

15 Sec. 6. The department may promulgate rules that it  
16 considers necessary to implement this act pursuant to the  
17 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
18 24.328.