

**VETERANS' TRUST FUND**  
**Act 9 of 1946 (1st Ex. Sess.)**

AN ACT to create the Michigan veterans' trust fund, and to define who shall be eligible to receive assistance therefrom; to provide for the disbursement of the income thereof and surplus therein; to create a board of trustees, and to prescribe its powers and duties; to provide for county and district committees, and their powers, duties, and expenses; to prescribe penalties; and to make appropriations to carry out the provisions of this act.

**History:** 1946, 1st Ex. Sess., Act 9, Imd. Eff. Feb. 25, 1946;—Am. 1949, Act 306, Eff. Sept. 23, 1949;—Am. 1958, Act 139, Imd. Eff. Apr. 18, 1958.

**Popular name:** Veterans' Trust Fund Act

*The People of the State of Michigan enact:*

**35.601 Repealed. 1995, Act 27, Eff. Dec. 21, 1997.**

**Compiler's note:** The repealed section pertained to creation and administration of Michigan veterans' trust fund.

**Popular name:** Veterans' Trust Fund Act

**35.601a-35.601c Repealed. 2005, Act 250, Imd. Eff. Dec. 1, 2005.**

**Compiler's note:** The repealed sections pertained to transfer of assets from veterans' trust fund for nursing facilities and college tuition grants.

**Popular name:** Veterans' Trust Fund Act

**35.601d Repealed. 1980, Act 403, Imd. Eff. Jan. 8, 1981.**

**Compiler's note:** The repealed section pertained to transfer of funds to special assessment revolving fund.

**Popular name:** Veterans' Trust Fund Act

**35.601e, 35.601f Repealed. 2005, Act 250, Imd. Eff. Dec. 1, 2005.**

**Compiler's note:** The repealed sections pertained to transfer of appropriations to the general fund for veterans' facilities and appropriation for construction of Grand Rapids veterans' facility outpatient center.

**Popular name:** Veterans' Trust Fund Act

\*\*\*\*\* 35.602 THIS SECTION IS AMENDED EFFECTIVE SEPTEMBER 20, 2016: See 35.602.amended  
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**35.602 "Michigan veteran" defined; eligibility for benefits; period constituting World War II; validation of prior grants.**

Sec. 2. For the purposes of the administration of this act, a Michigan veteran as defined by Act No. 190 of the Public Acts of 1965, as amended, shall be deemed to be a person, male or female, whose legal residence immediately prior to entering the service was in Michigan, who entered upon or was in active service in the armed forces of the United States, at any time for at least 180 days from and after the date as defined by Act No. 190 of the Public Acts of 1965, as amended, being sections 35.61 and 35.62 of the Michigan Compiled Laws or Vietnam era, as determined for the purposes of administration of this act, whether by induction, enlistment, commission, warrant, or otherwise, and who has been honorably discharged, retired, or separated therefrom, or who has reverted to an inactive status therefrom under honorable conditions. However, former members of the women's auxiliary army corps who refused to accept transfer to or induction into the women's army corps shall not be deemed to be veterans within the meaning of this definition. A veteran who did not have legal residence in Michigan immediately prior to entering the military service may become eligible to benefits administered under this act after having established a legal residence in Michigan. A veteran whose legal residence was in Michigan prior to entering military service will lose his rights under this act by leaving this state for a period of time exceeding 2 years. A person who shall have been separated for reason of physical or mental disability incurred in the line of duty prior to the completion of 180 days' service shall be considered a veteran for the purpose of the administration of this act. World War II shall be deemed to be that period from and after August 27, 1940, to the inclusive date of June 30, 1946. Grants made to eligible Michigan veterans between June 30, 1946, and the effective date of this act are declared valid. A person otherwise qualified with at least 90 days of service during World War I, Spanish American War or Mexican Wars, as defined in Act No. 190 of the Public Acts of 1965, as amended, shall be deemed a veteran for the purposes of this act.

**History:** 1946, 1st Ex. Sess., Act 9, Imd. Eff. Feb. 25, 1946;—CL 1948, 35.602;—Am. 1949, Act 306, Eff. Sept. 23, 1949;—Am. 1951, Act 123, Imd. Eff. June 1, 1951;—Am. 1960, Act 102, Eff. Aug. 17, 1960;—Am. 1968, Act 349, Imd. Eff. July 30, 1968;—Am. 1969, Act 51, Imd. Eff. July 21, 1969;—Am. 1975, Act 226, Imd. Eff. Aug. 27, 1975.

**Popular name:** Veterans' Trust Fund Act

\*\*\*\*\* 35.602.amended THIS AMENDED SECTION IS EFFECTIVE SEPTEMBER 20, 2016 \*\*\*\*\*

### **35.602.amended "Veteran" defined.**

Sec. 2. As used in this act, "veteran" means an individual who meets all of the following:

(a) Is a veteran as defined in section 1 of 1965 PA 190, MCL 35.61.

(b) Is a legal resident of this state or was a legal resident of this state immediately prior to entering the United States Armed Forces. However, an individual whose legal residence was in this state prior to entering the United States Armed Forces does not meet the requirement of this subdivision if he or she leaves this state for a period of time exceeding 2 years.

(c) He or she served in active service in the United States Armed Forces during a period of war for at least 180 days and was honorably discharged from the United States Armed Forces. However, an individual who separated from the United States Armed Forces for reason of physical or mental disability incurred in the line of duty prior to the completion of 180 days' service is considered to meet the requirement of this subdivision. As used in this subdivision, "period of war" means that phrase as described in 38 CFR 3.2, except that for purposes of this subdivision, "period of war" for the Vietnam era means the following:

(i) February 28, 1961 through May 7, 1975 for a veteran who served during that period.

(ii) On or after January 31, 1955 in an area of hazardous duty for which the veteran received an Armed Forces Expeditionary Medal or Vietnam Service Medal.

**History:** 1946, 1st Ex. Sess., Act 9, Imd. Eff. Feb. 25, 1946;—CL 1948, 35.602;—Am. 1949, Act 306, Eff. Sept. 23, 1949;—Am. 1951, Act 123, Imd. Eff. June 1, 1951;—Am. 1960, Act 102, Eff. Aug. 17, 1960;—Am. 1968, Act 349, Imd. Eff. July 30, 1968;—Am. 1969, Act 51, Imd. Eff. July 21, 1969;—Am. 1975, Act 226, Imd. Eff. Aug. 27, 1975;—Am. 2016, Act 217, Eff. Sept. 20, 2016.

**Popular name:** Veterans' Trust Fund Act

### **35.602a Korean national emergency period; validation of grants.**

Sec. 2a. The period of the state of national emergency beginning June 27, 1950, as proclaimed by the president of the United States December 16, 1950, shall be that period from and after June 27, 1950, to the inclusive date of December 31, 1953. All grants made between December 31, 1953 and the effective date of this act are declared valid.

**History:** Add. 1955, Act 95, Eff. Oct. 14, 1955.

**Popular name:** Veterans' Trust Fund Act

### **35.603 Repealed. 2011, Act 282, Eff. Jan. 1, 2012.**

**Compiler's note:** The repealed section pertained to creation and procedures of Michigan veterans' trust fund board of trustees.

**Popular name:** Veterans' Trust Fund Act

### **35.603a Conducting business at public meeting; exception; notice; availability of writings to public; "emergent need" defined.**

Sec. 3a. (1) Except as provided in this section, the business which the Michigan veterans' trust fund board of trustees or a county or district committee may perform shall be conducted at a public meeting of the board or committee held in compliance with Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended.

(2) A writing prepared, owned, used, in the possession of, or retained by the Michigan veterans' trust fund board of trustees or a county or district committee in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, as amended, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

(3) Act No. 267 of the Public Acts of 1976, as amended, shall not apply to the Michigan veterans' trust fund board of trustees or a county or district committee when the board of trustees or county or district committee is deliberating the merits of an emergent need. "Emergent need" means a situation which the board of trustees, by rules promulgated pursuant to Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws, determines requires immediate action.

**History:** Add. 1978, Act 158, Imd. Eff. May 22, 1978;—Am. 1981, Act 160, Imd. Eff. Nov. 30, 1981.

**Popular name:** Veterans' Trust Fund Act

**35.603b Michigan veterans' trust fund board of trustees; membership; qualifications; appointment; terms; oath; vacancy; use of offices; employment of assistants; expenses; definitions.**

Sec. 3b. (1) There is created a Michigan veterans' trust fund board of trustees. Each member of the board shall be a veteran. Each member appointed shall have demonstrated knowledge, skills, and experience in public service, business, or finance. Members shall be appointed as follows:

- (a) One representative of the American legion.
- (b) One representative of the veterans of foreign wars of the United States.
- (c) One representative of the disabled American veterans.
- (d) One representative of any other congressionally chartered veterans' organization other than those organizations identified in subdivision (a), (b), or (c).
- (e) Three independent members who may or may not be a member of 1 or more congressionally chartered veterans' organizations, but who shall not represent any congressionally chartered veterans' organization of which they are a member.

(2) The members shall be appointed by the governor. Each member shall hold office for the term of 3 years from the time of his or her appointment and shall continue to hold office at the pleasure of the governor. The members enumerated in subsection (1)(a), (b), (c), and (d) shall be appointed by the governor from the original list of at least 3 individuals recommended by each respective organization named in subsection (1)(a), (b), (c), and (d).

(3) Each member of the board shall qualify by taking and filing the constitutional oath of office.

(4) The governor may remove any member of the board for misfeasance, malfeasance, or nonfeasance in office, after hearing. Missing 3 or more consecutive meetings shall be considered malfeasance and is grounds for removal.

(5) If a vacancy occurs during the term of office of a member of the board of trustees, the member's successor shall be selected from the same organization and in the same manner as the original appointment for the balance of the unexpired term.

(6) The department of technology, management, and budget shall furnish suitable offices for use of the board.

(7) The board may employ assistants and incur necessary expenses in carrying out this act. Members of the board shall serve without compensation, but shall be entitled to actual and necessary expenses incurred in attending scheduled meetings of the board in accordance with the accounting laws of this state.

(8) As used in this act:

- (a) "Board" means the Michigan veterans' trust fund board of trustees created in subsection (1).
- (b) "Veteran" means that term as defined in section 1 of 1965 PA 190, MCL 35.61.

**History:** Add. 2011, Act 282, Eff. Jan. 1, 2012.

**Popular name:** Veterans' Trust Fund Act

**35.604 Board of trustees; powers and duties.**

Sec. 4. The board of trustees shall be a policy-making body, on the state level, and shall have the following powers and duties:

(a) To determine the purposes for which available moneys in the trust fund in excess of \$50,000,000 are to be allocated to the several veterans' county and district committees;

(b) To allocate part or all of available moneys in the trust fund in excess of \$50,000,000 to the several veterans' county and district committees, and to disburse said allocations from time to time on the basis of need;

(c) To prescribe rules governing the granting of assistance to Michigan veterans, their unremarried widows and dependents on the basis of need, including the prescribing of the necessary forms and the making of necessary reports and accounting; for the purposes of the administration of this act dependents shall be considered to be any persons legally entitled to look to the veteran for his or her support;

(d) To collect data and information as to the facilities and services available to Michigan veterans and disseminate the same to veterans' organizations and individual veterans: Provided, however, That in no event shall more than \$5,000.00 be expended for this purpose in any 1 year;

(e) To do all acts necessary in carrying out the provisions of this act;

(f) To receive and accept gifts and donations of property, real or personal, and shall hold, use and apply the property so received for purposes set forth in the instrument of gift and in accordance with the provisions of such instrument and subject to the conditions and limitations, if any, therein expressed, if the purposes limited

by such gifts are within the purposes of this act;

(g) To submit to the governor a quarterly fiscal report and an annual report of operations and such other reports as may be requested by the governor covering the activities of the board;

(h) The Michigan veterans' trust fund board of trustees shall not be empowered to file application for or to prosecute the claim of any individual for any benefit accruing to such individual under the laws administered by the United States veterans' administration.

**History:** 1946, 1st Ex. Sess., Act 9, Imd. Eff. Feb. 25, 1946;—CL 1948, 35.604;—Am. 1949, Act 306, Eff. Sept. 23, 1949.

**Popular name:** Veterans' Trust Fund Act

**Administrative rules:** R 35.1 et seq.; R 35.621 et seq.; R 35.631 et seq.; and R 35.651 et seq. of the Michigan Administrative Code.

### **35.604a Graves registration list.**

Sec. 4a. The board of trustees shall compile and maintain a graves registration list of all burials of veterans in this state.

**History:** Add. 1974, Act 134, Imd. Eff. June 5, 1974.

**Popular name:** Veterans' Trust Fund Act

### **35.604b Administration of trust fund by board of trustees.**

Sec. 4b. The board of trustees shall administer the Michigan veterans' trust fund established under section 37 of article IX of the state constitution of 1963.

**History:** Add. 1995, Act 27, Eff. Dec. 21, 1996.

**Popular name:** Veterans' Trust Fund Act

### **35.605 Earnings of Michigan veterans' trust fund; allocation; investment; accounting.**

Sec. 5. (1) The earnings of the Michigan veterans' trust fund shall be allocated from time to time by the board of trustees as follows:

(a) The operating expenses of the fund shall be approved annually and funded from the surplus earnings.

(b) Fifty percent of the remaining surplus in and the earnings of the fund shall be allocated for distribution to county and district committees on the basis of need as determined by the board.

(c) The balance of the surplus in and earnings of the trust fund after allocations under subdivisions (a) and (b) shall be allocated in part or in whole to the several county and district committees on the basis of veteran population. The funds made available to the board of trustees for distribution to county and district committees on the basis of need as determined by the board of trustees shall be disbursed only for the same purposes of providing for needs of Michigan veterans as defined by 1965 PA 190, MCL 35.61 to 35.62, or their dependents as are the funds allocated to county and district committees on the basis of veteran population.

(2) The state treasurer shall direct the investment of the Michigan veterans' trust fund. The state treasurer shall have the same authority to invest the assets of the trust fund as is granted to an investment fiduciary under the public employee retirement system investment act, 1965 PA 314, MCL 38.1132 to 38.1140m. The state treasurer shall comply with the divestment from terror act in making investments under this act. The trust fund shall be considered state funds and shall be protected by the official bond of the state treasurer.

(3) The state treasurer shall annually prepare an accounting of revenues and expenditures from the trust fund. This accounting shall specifically identify the interest and earnings of the trust fund, shall describe how the amount of interest and earnings has been affected by the expanded investment options provided for in subsection (2), and shall identify how the increased interest and earnings, if any, have been expended. This accounting shall be provided to the senate and house of representatives appropriations committees.

**History:** 1946, 1st Ex. Sess., Act 9, Imd. Eff. Feb. 25, 1946;—CL 1948, 35.605;—Am. 1949, Act 197, Imd. Eff. May 27, 1949;—Am. 1949, Act 306, Eff. Sept. 23, 1949;—Am. 1954, Act 117, Eff. Aug. 13, 1954;—Am. 1968, Act 349, Imd. Eff. July 30, 1968;—Am. 1975, Act 226, Imd. Eff. Aug. 27, 1975;—Am. 2002, Act 53, Eff. Sept. 21, 2002;—Am. 2008, Act 235, Imd. Eff. July 17, 2008.

**Popular name:** Veterans' Trust Fund Act

### **35.606 Repealed. 2011, Act 282, Eff. Jan. 1, 2012.**

**Compiler's note:** The repealed section pertained to establishment of veteran county and district committees.

**Popular name:** Veterans' Trust Fund Act

### **35.606a Representative veteran county committees; administration of money at local level; appointment; qualifications; removal of member; vacancy; expenses; office space; appeal of decision.**

Sec. 6a. (1) The board of trustees shall establish in the counties of this state representative veteran county



committees for the administration of the allocated money on the local level. The board of trustees may combine 2 or more counties into a district if, in the opinion of the board of trustees, a more efficient local administration may result from that combination.

(2) Each member appointed shall have demonstrated knowledge, skills, and experience in public service, business, or finance. Members shall be appointed as follows:

(a) One representative of the American legion.

(b) One representative of the veterans of foreign wars of the United States.

(c) One representative of the disabled American veterans.

(d) One representative of any other congressionally chartered veterans' organization other than those organizations identified in subdivision (a), (b), or (c).

(e) Not less than 1 independent member who may or may not be a member of 1 or more congressionally chartered veterans' organizations, but shall not represent any congressionally chartered veterans' organization of which he or she is a member.

(3) Members appointed under subsection (2) shall be appointed by the board of trustees upon recommendation of the organizations identified in subsection (2). For members appointed under subsection (2)(a), (b), or (c), a recommendation for appointment shall come from an organized and functioning local unit of the organization, through the organization's headquarters. For a member appointed under subsection (2)(d), a recommendation for appointment shall come from the state headquarters of the congressionally chartered veterans' organization that validates the nominated member's qualifying criteria. For members appointed under subsection (2)(e), candidates shall submit through the county or district committee the request for consideration of appointment with the required criteria validated.

(4) Each member of a county or district committee shall be a veteran.

(5) The board of trustees may remove a member of a county or district committee for misfeasance, malfeasance, or nonfeasance in office, after hearing. Missing 2 or more consecutive meetings shall be considered malfeasance and is grounds for removal.

(6) If a vacancy occurs during the term of office of a member of a county or district committee, the member's successor shall be selected from the same organization and in the same manner as the original appointment for the balance of the unexpired term.

(7) Members of a county or district committee shall serve without compensation, but shall be entitled to actual and necessary expenses incurred in attending scheduled meetings of the committee or in attending a meeting to make a determination on a grant, which expenses, together with administration expenses, shall be paid from money allocated to the county or district committee as provided in this act.

(8) The county boards of commissioners, or the board of county auditors in a county with a board of county auditors, shall provide suitable office space for county and district committees.

(9) A veteran who considers himself or herself aggrieved at a decision rendered by a county or district committee in connection with a request for assistance may appeal that decision to the board of trustees. The decision of the board of trustees on an appeal referred to it is final and binding on the veteran and the county or district committee.

**History:** Add. 2011, Act 282, Eff. Jan. 1, 2012.

**Popular name:** Veterans' Trust Fund Act

### **35.607 Funds; distribution by state treasurer.**

Sec. 7. Funds shall be distributed to the several county treasurers by the state treasurer at the direction of the board of trustees. The funds distributed shall be credited by the county treasurer to a county veterans' trust fund and shall be disbursed by the county treasurer on vouchers drawn by the county clerk based on orders filed by the county or district committee. Allocations to district committees shall be distributed to the several county treasurers of the counties composing the district. The veterans' trust fund shall be covered by the official bond of the county treasurer.

**History:** 1946, 1st Ex. Sess., Act 9, Imd. Eff. Feb. 25, 1946;—CL 1948, 35.607;—Am. 2002, Act 153, Imd. Eff. Apr. 8, 2002.

**Popular name:** Veterans' Trust Fund Act

### **35.608 Veterans' committees; regulation by state board of trustees; audit.**

Sec. 8. The county and district committees shall be governed by the rules and regulations of the state board of trustees. The board of trustees, the veteran county or district committees, and the county treasurers shall be subject to audit in the same manner as provided under the accounting laws of this state for state departments and counties.

**History:** 1946, 1st Ex. Sess., Act 9, Imd. Eff. Feb. 25, 1946;—CL 1948, 35.608;—Am. 2002, Act 153, Imd. Eff. Apr. 8, 2002.

**Popular name:** Veterans' Trust Fund Act

**Administrative rules:** R 35.1 et seq.; R 35.621 et seq.; R 35.631 et seq.; and R 35.651 et seq. of the Michigan Administrative Code.

**35.609 Obtaining or giving grant by fraud; penalty.**

Sec. 9. Any person who shall knowingly, by fraudulent representations, obtain or allow to be obtained any payment or aid herein provided for shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be subject to a fine of not to exceed \$500.00 or imprisonment in the county jail not to exceed 6 months, or both such fine and imprisonment in the discretion of the court.

**History:** 1946, 1st Ex. Sess., Act 9, Imd. Eff. Feb. 25, 1946;—CL 1948, 35.609.

**Popular name:** Veterans' Trust Fund Act

**35.610 Appropriation.**

Sec. 10. There is hereby appropriated from the general fund of the state the sum of \$50,000.00 to the board of trustees to defray expenses in carrying out the provisions of this act, to be disbursed in accordance with the accounting laws of the state.

**History:** 1946, 1st Ex. Sess., Act 9, Imd. Eff. Feb. 25, 1946;—CL 1948, 35.610.

**Popular name:** Veterans' Trust Fund Act

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