



# HOUSE BILL No. 5866

November 10, 1994 Introduced by Reps DeMars, Scott, Rivers, Owen, Wallace Anthony, Dobronski, McBryde, Freeman Varga, Price Dobb, Porreca, Gagliardi, Byrum, Wetters, Palamara, Willard Olshove, Dalman Stallworth Lowe, Weeks Martin, Voorhees, Nye Middaugh, Jacobetti Hood Agee and Llewellyn and referred to the Committee on Military and Veterans Affairs

A bill to authorize the issuance of general obligation bonds of the state and to pledge the full faith and credit of the state for the payment of principal and interest for a service bonus for certain veterans to provide for other matters relating to the bonds and the use of the proceeds of sale of the bonds and to provide for the submission of the question of the issuance of the bonds to the electors of the state

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT

- 1       Sec 1     As used in this act
- 2       (a) 'Armed forces' means the army, air force navy, marine
- 3 corps, coast guard, or other military forces of the United
- 4 States, and includes the auxiliary branches of those forces
- 5       (b) 'Beneficiary means, in either the following order of
- 6 priority or in the order of priority determined by a probate

1 court of the county of a veteran's residence at the time of that  
2 veteran's death all of the following

3 (1) The surviving husband or wife of a deceased veteran

4 (11) The child or children of a deceased veteran

5 (111) The dependent surviving mother or father of a deceased  
6 veteran

7 (c) "Combat veteran" means a veteran eligible to wear a  
8 service medal or armed forces expeditionary medal for service  
9 during that veteran's period of service

10 (d) 'Honorably separated from the armed forces means any of  
11 the following

12 (1) An honorable or general discharge, or separation from a  
13 branch of the armed forces under honorable conditions

14 (11) In the case of a serviceman or servicewoman who has not  
15 been discharged a certificate from the branch of the armed  
16 forces of which that person was a member that verifies that the  
17 person qualified or qualifies for an honorable or general dis-  
18 charge, or separation from the armed forces under honorable  
19 conditions

20 (e) Military service means membership in the armed forces  
21 that is not any of the following

22 (1) A full-time armed forces assignment to a civilian insti-  
23 tution for a course substantially the same as a course offered to  
24 civilians

25 (11) Service as a cadet or midshipman at a service academy

26 (111) Training for service in the army or air national  
27 guard

1 (iv) Service in the army, navy air force marine corps or  
2 coast guard reserve

3 (f) 'Period of service' means that period of military con-  
4 flict in the Persian Gulf beginning August 2 1990 and designated  
5 by the president of the United States as Operation Desert Shield  
6 or Operation Desert Storm

7 (g) Veteran" means a person who is or was each of the  
8 following

9 (i) A resident of this state for at least 6 months before  
10 his or her period of service

11 (ii) A member of the armed forces during the period of  
12 service

13 (iii) Honorably separated from the armed forces or a member  
14 of the armed forces after the period of service

15 (iv) Not entitled to receive, at the time his or her period  
16 of service ends benefits from another state that are similar to  
17 benefits conferred by this act

18 Sec 2 The state shall borrow not more than  
19 \$205 000 000 00 pledge its faith and credit and issue its  
20 serial notes or serial bonds for that money with maturities as  
21 fixed by law for the purpose of paying to or for the benefit of  
22 veterans and their beneficiaries as provided in section 3

23 Sec 3 (1) The state treasurer shall pay a combat veteran  
24 a service bonus in the amount of \$1,200 00

25 (2) The state treasurer shall pay a veteran a service bonus  
26 of \$30 00 per month for each month or portion of each month of  
27 that veteran s period of service, to a maximum total of \$900 00

1       (3) A person is not entitled to a bonus as both a veteran  
2 and a combat veteran

3       (4) If the veteran or combat veteran is deceased the state  
4 treasurer shall pay money due to that person under this act to  
5 his or her beneficiary

6       (5) If a veteran dies from service-connected causes, the  
7 veteran s beneficiary is entitled to receive the difference  
8 between the amount that the veteran received under subsection (2)  
9 and the sum of \$900 00

10       Sec 4    The state administrative board shall provide by  
11 resolution from time to time for the issuance and sale of  
12 serial notes or serial bonds at the lowest possible cost to the  
13 state and the legislature may provide for the amounts and method  
14 of, and eligibility for payment of, the sums to be paid under  
15 this act

16       Sec 5    The question of borrowing the sum of  
17 \$205,000,000 00 and issuing bonds of the state for the purposes  
18 set forth in this act shall be submitted to vote of the electors  
19 of the state qualified to vote on that question in accordance  
20 with the provisions of section 15 of article IX of the state con-  
21 stitution of 1963 at the general November election immediately  
22 following the effective date of this act The question submitted  
23 to the electors shall be substantially as follows

24       "Shall the state of Michigan provide a service bonus to per-  
25 sons who were members of the armed forces of the United States  
26 during the Desert Shield and Desert Storm conflict in the Persian  
27 Gulf, borrow the sum of \$205,000,000 00, and issue general

1 obligation bonds of the state for that sum pledging the full  
2 faith and credit of the state for the payment of principal and  
3 interest on that sum, the method of repayment of the bonds to be  
4 from the general fund of the state?

5                               Yes [    ]                               No    [    ]

6           Sec 6    The benefits provided in this act are not pay for  
7 services rendered or subject to state or city income tax

8           Sec 7    The benefits provided by this act expire June 30  
9 1996

10          Sec 8    The secretary of state shall take steps and perform  
11 all acts that are necessary to submit the question set forth in  
12 section 5 to the electors of the state qualified to vote on that  
13 question at the general November election immediately following  
14 the effective date of this act

15          Sec 9    After the issuance of the bonds authorized by this  
16 act the legislature shall and the legislature covenants that it  
17 will, each year make appropriations fully sufficient to pay  
18 promptly when due the principal of and interest on all outstand-  
19 ing bonds authorized by this act and all costs incidental to the  
20 payment on those bonds

21          Sec 10   The state shall not issue bonds under this act  
22 unless the question set forth in section 5 is approved by a  
23 majority vote of the qualified electors voting on that question  
24 at the general November election immediately following the effec-  
25 tive date of this act

26          Sec 11   This act shall be finally effective at the time  
27 the question set forth in section 5 is approved by a majority

1 vote of the qualified electors of the state as required by  
2 section 15 of article IX of the state constitution of 1963