



**Senate Fiscal Agency**  
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**BILL ANALYSIS**

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Senate Bill 52 (Substitute S-1 as reported)

*(enacted version)*

Sponsor: Senator Jim Stamas

Committee: Veterans, Military Affairs and Homeland Security

Date Completed: 3-3-15

**RATIONALE**

The former Department of Labor and Economic Growth routinely sent a welcome-home letter to returning veterans, directing them to a website with information about pursuing work or education, starting a business, and securing veterans benefits. It was suggested that the letter also should inform veterans about State-funded veterans service organizations (VSOs), which led to the enactment of the Veterans Welcome Home Act in 2008, requiring the Department's letter to include a list of State-funded VSOs.

After being renamed the Department of Energy, Labor, and Economic Growth, the Department was named the Department of Licensing and Regulatory Affairs (LARA) by Executive Reorganization Order (ERO) 2011-4. The order also created the Workforce Development Agency within the Michigan Strategic Fund, and transferred the duties and functions of the former Bureau of Workforce Transformation from LARA to the Workforce Development Agency. That agency includes a Veterans Services Division, which works with employers and veterans to fill employment opportunities. The division's responsibilities include sending a letter to returning veterans. In addition, the division's website contains a link to the Michigan Veterans Affairs Agency, which was created within the Department of Military and Veterans Affairs by ERO 2013-2. It has been suggested that the Veterans Affairs Agency should have the responsibility of sending out the welcome-home letter to returning veterans and informing them about the VSOs.

**CONTENT**

The bill would amend the Veterans Welcome Home Act to require the Michigan Veterans Affairs Agency to develop and send to returning veterans a welcome-home letter, which would have to include a list veterans service organizations.

The bill would delete a requirement that the former Department of Labor and Economic Growth include a list of all State-funded VSOs in the welcome-home letter that it sent to returning veterans.

As currently required, the list of State-funded VSOs in the letter sent by the Veterans Affairs Agency would have to be ordered by the amount of State funding, with the VSO that receives the most State funding listed first and the remaining VSOs listed in descending order.

MCL 35.1232

**ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

**Supporting Argument**

Requiring that the State's welcome-home letter to returning veterans include a list of State-funded VSOs has helped to ensure that veterans are aware of those organizations and the services they provide. Having that information gives veterans another tool to assist them in returning to

everyday civilian life, as the VSOs can be helpful in securing veteran benefits in areas such as education, employment, business development, and health care.

In 2008, when the Veterans Welcome Home Act was signed into law, the former Department of Labor and Economic Growth mailed a welcome-home letter to returning veterans, offering information about education and work opportunities, and the availability of veterans benefits. It made sense to require that Department to include information about VSOs in its letter. Since ERO 2011-4 renamed the department, and created the Workforce Development Agency, the responsibility to send the letter to veterans has fallen to that Agency's Veterans Services Division. Now that the Michigan Veterans Affairs Agency has been created within the Department of Military and Veterans Affairs, however, it is appropriate to assign the newer Agency the responsibility of mailing returning veterans a welcome-home letter that contains the information about State-funded VSOs. As the coordinating office for all agencies of the executive branch that are responsible for programs related to veterans' services, the Veterans Affairs Agency is the proper body to send the letter.

Legislative Analyst: Patrick Affholter

### **FISCAL IMPACT**

The bill would have a minimal fiscal impact on the Department of Military and Veterans Affairs, where the Michigan Veterans Affairs Agency is located. According to the Department, to comply with the bill would cost approximately \$15,000 annually.

Fiscal Analyst: Bruce Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.