



**ADVOCACY
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COMPASSION**

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Mary:

To confirm our conversation. There are two here applicable limits on the spending of a. public money generally, and b. restrictions on spending Veteran Services Millage proceeds more particularly.

As to the general issue (a): Const. 1963, Art 9, § 18, provides that the credit of the state shall not be granted to, nor in aid of, any person, association or corporation, public or private, except as permitted by the constitution. This limitation on the grant of credit has been held to apply with equal force to municipalities of the state. *Black Marsh Drainage District v Rowe*, 350 Mich 470 (1958). The Michigan Attorney General has opined that the County, as a municipality, would violate this provision by merely donating monies to private individuals or entities. Municipalities have the power to expend funds only for a public purpose. The Michigan Supreme Court in *Wayne County v Hathcock*, 471 Mich 445, 462 (2004), defined "public purpose" as having "for its objective the promotion of the public health, safety, morals, general welfare, security, prosperity, and contentment of all the inhabitants or residents within the municipal corporation, the sovereign powers of which are used to promote such public purpose."

As to issue b. MCL 35.623 provides, in relevant part:

The committee is authorized to incur such expense as shall be necessary in carrying out the provisions of this act within the budget set up by the board of supervisors.

MCL 35.624 provides a general grant of authority to the VS Committee:

The county department of veterans' affairs shall perform such duties and exercise such powers as shall be necessary in carrying out the provisions of this act and any and all

Because millage funds may only be used for the purposes which are authorized by the voters, it is necessary to also examine the VS Millage. The VS Millage ballot language provides that the millage proceeds shall be used:

For the purpose of providing dedicated services and programs to Livingston County veterans of active United States military service and their dependents, including providing funding for the County Department of Veterans' Services...

Here, as I said on the phone: So long as approved by the Committee as being "for the purpose of providing dedicated services and programs to Livingston County veterans ...and dependents" AND that the money is within the current budget approved by the Board of Commissioners, a gift card incentive program targeted only to veterans to assist the County in getting information to provide or improve dedicated veterans services would be imo within the scope of the VR Millage.

As to issue a.—The purpose you described is a public purpose (i.e. your not just giving away public monies/gift cards (which would clearly be illegal -- Local governments do not have authority to expend money for floral gifts. Attorney General Opinion Number 2346 July 18, 1956) —but targeted veterans are getting the gift cards only as an incentive/in exchange for providing targeted information and participation for the Department of provide (or improve of the provision) of a public service. The Department of Treasury has opined that providing pizza at public meetings to incentive attendance of the public ... which would be permissible:

Providing Coffee, Food, etc.: The purchase of coffee, food, etc., must be for a public, not an individual or private group or purpose. These expenditures for use at a regular or special meeting where the public is also participating in the coffee, food, etc., for fire fighters, volunteer or full-time employees, when working an extended period of time or when dedicating public buildings are normally considered expenditures for a public purpose

https://www.mml.org/resources/publications/one_pagers/x%20FS%20Muni%20Expenditures.pdf which also opines that public money can be spend money to incentivize attending a meeting or building opening. Based on this, my opinion is that the Department can (so long as issue b. requirements are met) can be spend money for gift cards to incentivize/in exchange for providing targeted information from veterans to assist in the provision of the public services because it too has a (arguably superior) compelling public purpose. Moreover, I think this is buttressed because similar incentives (for vaccinations) have proven to be effective in addressing the conduct being fostered and approved in other places. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4927017/>

Please let me know if there are any questions or issues. Thank you.

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