

2015 HOUSE EDUCATION

HB 1413

2015 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Pioneer Room, State Capitol

HB 1413
1/28/2015
22760

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Donna Whetham

Explanation or reason for introduction of bill/resolution:

Relating to the creation of a veteran scholarship program; and to provide an appropriation.

Attachment # 1, 2, 3.

Minutes:

Chairman Nathe: opened the hearing on HB 1413.

Representative Kylie Oversen: District 42, Explained proposed amendment (See Attachment #1). Introduced HB 1413 (See Attachment #2,3) (3:20).

Rep Ben Koppelman: When returning to school and challenges, what special challenges do veterans face in terms of costs that aren't covered by the GI Bill?

Representative Kylie Oversen: The transition between military life and being on the campus and into the workforce can be very challenging, not having been in the workforce or having additional financial support.

Vice Chairman Schatz: The money will come out of a fund, what fund?

Representative Kylie Oversen: The student loan trust fund. There is about \$39 million dollars in there. This would be a one-time allocation and they could understand what the veteran's needs are and they could appropriate a different amount next session.

Chairman Nathe: Are you aware of any other programs like this already for veterans?

Representative Kylie Oversen: Currently we offer an in state tuition rate and a limited tuition waiver for members of the national guard. We don't provide anything else at the state level.

Chairman Nathe: This is for all armed forces veterans?

Representative Oversen: Correct.

Rep Zubke: It looks like you cut the scholarship in half from \$1500 to \$750 per semester but you went from \$15 million down to \$3 million dollars. Could you do the math for me?

Representative Oversen: The amount of appropriation will be \$3 million dollars, it will be \$1500 dollars per year, or \$750 per semester. It would provide for up to 2000 veterans attending schools. It doesn't cover all the need, but a first step.

Vice Chairman Schatz: Is there a residency requirement to receive this?

Representative Oversen: No, but if the committee would want that requirement, I would leave that up to your discretion.

Vice Chairman Schatz: If you live in Minnesota and cross the line and get a scholarship is that the intent of this bill?

Representative Oversen: Yes it is the intent to allow it to be open.

Rep Hunskor: There is limited monies available, is it possible to say that they get 25% or 10% of their tuition or what of the amount covered?

Representative Oversen: If the veteran is under chapter 33, which is post 911 most of the costs is covered. If you fall under a different chapter most of your costs are not covered.

Rep Hunskor: Those who are covered would they qualify for this also?

Representative Oversen: The department could work to address that issue.

Rep. Meier: You do request for them to use the funds toward certain things, how would we know what the funds are used for?

Representative Oversen: No we don't require receipts. If you think that would be, we could do that.

Rep Meier: Currently it is for enrollment into a university, this is so different?

Representative Oversen: That's correct, but if a student receives financial aid in any amount that exceeds what their tuition costs are they receive a check back from the institution and often that goes toward food and rent.

Rep Meier: You are talking about a sports scholarship, etc.?

Representative Oversen: any amount of financial aid a student would receive in excess of the tuition cost except for a federal loan?

Rep Olson: The definition of veteran did it come from the code?

Representative Oversen: Yes it did, I can let you know.

Rep Rohr: Would the excess fees be taxable income to the student?

Representative Oversen: I don't know that. I don't believe so but you do receive a form from IRS what is reportable.

Chairman Nathe: Any one in support of HB 1413? None. Any opposition on HB 1413?
Closed the hearing on HB 1413.

2015 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Pioneer Room, State Capitol

HB 1413
2/4/2015
23182

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Donna Whetham

Explanation or reason for introduction of bill/resolution:

Relating to the creation of a veteran scholarship program; and to provide an appropriation.

Attachment # 1,2.

Minutes:

Chairman Nathe: reopened the hearing on HB 1413.

Vice Chairman Schatz: Explained amendment on HB 1413. (See attachment # 1).

Move to pass amendment 15.0795.01002.

Rep. Mock: Seconded

Rep Dennis Johnson: Years ago any veteran could get resident tuition. Do they have to be a resident of ND for a certain time period to qualify?

Vice Chairman Schatz: It says if you are a resident for a minimum of 5 years, then you are eligible.

Rep Dennis Johnson: The law we have now you could retire from Washington DC and come back to North Dakota and qualify for resident tuition.

Vice Chairman Schatz: This would be fine with that too , if you lived here 5 years sometime in your life then you are eligible.

Chairman Nathe: but this would apply if I graduated from ND and moved out of state then came back this would apply?

Vice Chairman Schatz: Yes.

Voice Vote: All Ayes. Motion carried.

Chairman Nathe: Let's take up the Oversen amendment. (See Attachment #2)

Rep. Mock: This would reduce the fiscal note?

Chairman Nathe: It would reduce the fiscal note from \$15 million dollars to \$3 million dollars.

Rep. Mock: I move the Oversen amendment.

Rep. Kelsh: Seconded.

Voice vote . All ayes. Motion carried.

Rep. Olson: It defines a veteran as 180 days of active duty. It seems a short time.

Rep. Kelsh: Didn't we pass a bill before that changed it to 90 days.

Chairman Nathe: Yes, we don't have to follow that on this bill but in the interest of policy I think we should.

Rep. Mock: We wouldn't have too because it would not jeopardize any additional dollars.

Rep Dennis Johnson: It used to be your eligibility for help with education would depend on how long you were in the service, does that relate to this?

Chairman Nathe: I don't know. Do you want some more information on this.

Rep Dennis Johnson: No that is ok.

Rep. Looyen: What Rep. Koppleman handed out, I think we already do a lot and I talked to a few Veterans they didn't say they needed the bill. So I
Moved Do Not Pass on HB 1413.

Rep. Rohr: Seconded. I appreciate Representative Oversen's intent but we have a lot of programs in place for veterans.

Chairman Nathe: I found it interesting nobody from the military showed up to testify, we already do quite a bit for veterans.

A Roll Call Vote was taken. Yes: 9 No: 3 Absent: 1

Motion carried.

Rep Dennis Johnson: will carry the bill.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1413

Page 2, line 6, after the underscored period insert "An eligible veteran must be a North Dakota high school graduate or a resident of North Dakota for a minimum of five years."

Renumber accordingly

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1413

Page 2, line 18, after "dollars" insert "per academic year or seven hundred fifty dollars"

Page 3, line 1, remove "general"

Page 3, line 2, replace "fund" with "student loan trust fund"

Page 3, line 2, replace "\$15,000,000" with "\$3,000,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment reduces the scholarship amount limit from \$1,500 per semester to \$1,500 per year or \$750 per semester.

The amendment also changes the source of the appropriation from the general fund to the student loan trust fund and reduces the appropriation from \$15 million to \$3 million.

February 4, 2015

OK
10/1
2-4-15

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1413

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Renumber accordingly

Date: 2/4/15
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1413

House Education Committee

☐ Subcommittee

Amendment LC# or Description: 15.0795.01002

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep Schatz Seconded By Rep Mock

Representatives	Yes	No	Representatives	Yes	No
Chairman Nathe			Rep. Hunskor		
Vice Chairman Schatz			Rep. Kelsh		
Rep. Dennis Johnson			Rep. Mock		
Rep. B. Koppelman					
Rep. Looyesen					
Rep. Meier					
Rep. Olson					
Rep. Rohr					
Rep. Schreiber Beck					
Rep. Zubke					

Total (Yes) No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Motion carried

Date: 2/4/15
Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1413

House Education Committee

☐ Subcommittee

Amendment LC# or Description: Overseen Amendment 15.0795.01001

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep. Mock Seconded By Rep. Kelsh

Representatives	Yes	No	Representatives	Yes	No
Chairman Nathe			Rep. Hunskor		
Vice Chairman Schatz			Rep. Kelsh		
Rep. Dennis Johnson			Rep. Mock		
Rep. B. Koppelman					
Rep. Looyesen					
Rep. Meier					
Rep. Olson					
Rep. Rohr					
Rep. Schreiber Beck					
Rep. Zubke					

Total (Yes) No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Motion Passes.

Date: 2-4-15
Roll Call Vote #: 3

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1413

House Education Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☐ Do Pass ☒ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep. Looyesen Seconded By Rep. Rohr

Representatives	Yes	No	Representatives	Yes	No
Chairman Nathe	✓		Rep. Hunskor		✓
Vice Chairman Schatz	✓		Rep. Kelsh		✓
Rep. Dennis Johnson	✓		Rep. Mock		✓
Rep. B. Koppelman	A				
Rep. Looyesen	✓				
Rep. Meier	✓				
Rep. Olson	✓				
Rep. Rohr	✓				
Rep. Schreiber Beck	✓				
Rep. Zubke	✓				

Total (Yes) 9 No 3

Absent 1

Floor Assignment Rep. Johnson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1413: Education Committee (Rep. Nathe, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (9 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1413 was placed on the Sixth order on the calendar.

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Renumber accordingly

2015 TESTIMONY

HB 1413

1

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1413

Page 2, line 18, after "dollars" insert "per academic year or seven hundred fifty dollars"

HB 1413
1/28/15

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This amendment reduces the scholarship amount limit from \$1,500 per semester to \$1,500 per year or \$750 per semester.

The amendment also changes the source of the appropriation from the general fund to the student loan trust fund and reduces the appropriation from \$15 million to \$3 million.

2 HB 1413
1/28/15

Testimony - House Bill 1413
House Education Committee
January 28, 2015

Chairman Nathe and members of the Education committee, my name is Kylie Oversen and I represent District 42 in Grand Forks. I am here to testify in support of HB 1413 which would create a scholarship program for veterans attending North Dakota institutions of higher education.

The idea for this bill came from several classmates of mine at UND, who as former members of the armed forces or of the National Guard had experienced difficulties in receiving full funding for their education. Many veterans, even if they are recipients of GI bill support, struggle to pay for other costs like rent, food, childcare, campus fees, exam fees, textbooks, and much more. The program in front of you was modeled after the existing Indian Scholarship Program, found at NDCC 42-01-01.

This bill is intended to provide a scholarship to fill in the gaps between existing funding. Many states provide additional assistance to student veterans and while North Dakota does provide an in-state tuition rate, there is much more we can do. The additional support provided by this bill would have a significant impact on veterans who are trying to further their education.

As North Dakota's economy has changed over the past decade, we have an increasingly difficult time maintaining a full time workforce. We have hundreds of job openings across the state and simply not enough people to fill those jobs. The ability to attract young able bodied individuals to our schools and then hopefully retain them in our workforce would be extremely beneficial to our state. This bill would be a great recruitment tool for our schools and training programs.

Veterans face many barriers when returning to a civilian life and particularly when they return to school. There are a number of ways that we can work to improve that experience for our veterans and providing funding to ensure that they are financially taken care of is just one piece of the larger puzzle.

Mr. Chairman and members of the committee, I urge to you favorably consider HB 1413 and I would be happy to answer any questions that you have.

Unmet need at NDSU

- 159 Chapter 33 students: \$89,423.29 in tuition/fees not covered by Post 9/11 GI Bill
- 16 Active Duty (non-GI Bill) students: \$31,617.13 in tuition/fees not covered by FTA
- 39 NDNG students: \$66,413.62 in tuition/fees not covered by FTA/25% guard waiver (some could be covered by STR)
- 13 MNNG students: \$34,674.96 in tuition/fees not covered by FTA (some could be covered by STR)

Unmet Need at UND

Benefit - Vets/AD only	# Students	Unmet T&F	
CH33	185	\$ 105,807.54	
CH30	25	\$ 75,063.43	Benefits paid directly to students - cannot determine unmet need from PS
CH31	38	\$ -	Students completely covered
CH35	33	\$ 142,290.58	Benefits paid directly to students - cannot determine unmet need from PS
1606/1607	100	\$ 325,615.20	
Natl Guard	19	\$ 61,709.18	
Tuition Assistance	74	\$ 63,538.91	
Total	474	\$ 774,024.84	

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HB #3 1413 1/28/15

NORTH DAKOTA VETERANS' ASSISTANCE PROGRAMS

The following is a summary of North Dakota assistance programs available to North Dakota veterans. The veterans' programs are summarized by state veterans' support services, state veterans' education services, the Veterans' Home, state tax benefits for veterans, and other state assistance programs for veterans.

STATE VETERANS' SUPPORT SERVICES

Veterans' Aid Fund Loan Program

The veterans' aid fund is a permanent revolving fund for the purpose of making loans to veterans or their widows/widowers. To qualify, the applicant is required to be a veteran or a surviving spouse of a veteran if the spouse has not remarried, a citizen and resident of North Dakota for at least one year, and have the financial ability to make payments. The maximum loan amount is \$5,000, the interest rate may not exceed 10 percent, and the maximum length of the loan is 48 months. If the loan is repaid as agreed upon in the terms, one-half of the interest paid is refunded to the borrower. The Department of Veterans' Affairs may take legal action to collect delinquent loans.

Veterans' Postwar Trust Fund

The veterans' postwar trust fund is a constitutional fund and also a permanent trust fund of the State of North Dakota. The State Treasurer is authorized to invest the fund, and all income received from investments is to be utilized for programs which must be of benefit and service to veterans, who are defined by legislative enactment, or their dependents. The income is appropriated to the Administrative Committee on Veterans' Affairs (ACOVA) on a continuing basis for programs selected at the discretion of ACOVA. The Administrative Committee on Veterans' Affairs is responsible for the organization, policy, and general administration of all veterans' affairs in North Dakota. The Department of Veterans' Affairs is responsible for the disbursement of funds from the veterans' postwar trust fund as directed by ACOVA. The earnings from the veterans' postwar trust fund are used for a number of veterans' programs, including grants for transportation for veterans, and to provide funding for the hardship assistance program.

Transportation System

The Administrative Committee on Veterans' Affairs uses veterans' postwar trust fund earnings to provide transportation for veterans to the United States Department of Veterans' Affairs (VA) Hospital in Fargo and to three community-based outpatient clinics in Grafton, Minot, and Bismarck. Funds are provided for travel costs and vans. Vans are purchased with veterans' postwar trust fund earnings and used by the VA for the transportation of veterans. The VA pays for fuel and maintenance costs for the vans until they are returned to the North Dakota Department of Veterans' Affairs for sale or trade on new vans. The North Dakota Department of Veterans' Affairs may also provide funding for special transportation services necessary for a veteran in need of same day surgery or specialized care in another city when a family member is not available to assist with transporting the veteran.

Hardship Assistance Grant Program

The purpose of the hardship assistance grant program is to give aid and comfort to eligible veterans and their spouses, or widows/widowers of eligible veterans who have not remarried, who do not have the financial means to meet certain needs. The individual must have an unmet need of dental work, eyeglasses, hearing aids, transportation for medical treatment, or any special need for medical reasons, approved by the Commissioner of the Department of Veterans' Affairs.

Stand Down Events

Stand downs are typically one-day to three-day events providing services to homeless veterans. Services provided include food; shelter; clothing; health screenings; VA and Social Security benefits counseling; and referrals to a variety of other services, such as housing, employment, and substance abuse treatment. Stand downs are collaborative events, typically coordinated between local veterans groups, other government agencies, and community agencies who serve the homeless. The 2013 Legislative Assembly appropriated \$10,000 from the general fund for two stand down events.

Veterans' Service Dog Training (2013 Senate Bill No. 2344)

The purpose of the grant program is to provide North Dakota veterans suffering from posttraumatic stress disorder (PTSD) with a specially trained service dog. The minimum qualifications for a veteran to receive a service dog include: the veteran must be a North Dakota resident, have a diagnosis of PTSD, be engaged in counseling or therapy, and have a doctor's recommendation for a PTSD service dog. The service dogs are

trained by Service Dogs for America, which is located in Jud, North Dakota. The 2013 Legislative Assembly provided \$50,000 from the general fund to the Department of Veterans' Affairs for the grant program.

Agent Orange (2013 House Bill No. 1405)

The purpose of the Agent Orange grant program is to identify and provide services to North Dakota veterans who were exposed to Agent Orange. The 2013 Legislative Assembly provided \$50,000 from the general fund to the Department of Veterans' Affairs for the program.

STATE VETERANS' EDUCATION SERVICES

Dependent Tuition Waiver

A qualified dependent of a North Dakota veteran who was killed, totally disabled, or declared missing in action can obtain a bachelor's degree or certificate of completion, free of any tuition and fee charges at a North Dakota state institution of higher education. Eligible dependents must be accepted for enrollment, and the cost for aviation flight charges or expenses are not included in the waiver.

Veterans' Educational Training Program (2013 House Bill No. 1289)

The purpose of the veterans' educational training program is to help military veterans prepare for and successfully complete a postsecondary education. In order to qualify for the program, a veteran must be enrolled or in the process of enrolling at an institution of higher education located in this state or be enrolled or in the process of enrolling at an institution of higher education located in an adjacent state provided the institution participates in a course exchange agreement with an institution of higher education located in this state. The 2013 Legislative Assembly provided \$325,000 from the general fund to the North Dakota University System for the program.

VETERANS' HOME

The Veterans' Home is owned and operated by the State of North Dakota and currently provides 98 basic care and 52 skilled nursing beds for North Dakota veterans and spouses. To be eligible for admission, veterans must meet one of the following criteria: be a bona fide resident of North Dakota for at least 30 days, served in a North Dakota regiment, entered the armed services as a North Dakota resident, or be a spouse or surviving spouse of above veteran.

A veteran whose last period of service in the armed services was terminated under dishonorable conditions is not eligible. In addition, a veteran may not be admitted to the Veterans' Home if previously convicted of a felony or a crime involving moral turpitude, without producing sufficient evidence of subsequent good conduct and reformation of character to satisfy the Board of Admissions.

The basic care unit requires potential residents have total independence with personal care needs--bathing, dressing, eating, ambulating (walking), toileting, and transferring. The Veterans' Home is unable to accept residents who are receiving dialysis treatment and requires applicants who have a diagnosis of alcohol or substance abuse to have at least 9 to 12 months of documented sobriety before being accepted. A potential resident with a mental health condition must be stabilized at the time of admission. The skilled care unit requires a potential resident meet the North Dakota criteria for nursing home placement.

STATE TAX BENEFITS FOR VETERANS

Aircraft Excise Tax Exemption

An aircraft acquired by a disabled veteran is exempt from aircraft excise tax.

Motor Vehicle Excise Tax

Any motor vehicle acquired by, or leased and in the possession of, a resident disabled veteran who registers, or is eligible to register, the vehicle with a distinctive license plate is exempt from motor vehicle excise taxes. A surviving spouse who has not remarried and is receiving Department of Veterans' Affairs dependency and indemnity compensation retains the exemption of the deceased, qualifying veteran.

Property Tax Exemption for Disabled Veterans

Certain qualified disabled veterans may be eligible for property tax exemptions or property tax reductions, which also apply to the unremarried surviving spouse of a qualified deceased veteran. The first \$120,000 of true and full value of property owned and occupied as a homestead by certain qualified disabled veterans or their unremarried surviving spouse may be eligible for an exemption from property tax.

Property Tax Credit for Disabled Veterans

In addition to the property tax exemption, a qualified disabled veteran of the United States armed forces is eligible for a credit applied against the first \$6,750 of taxable valuation of the fixtures, buildings, and improvements of the homestead owned and occupied by the disabled veteran or unremarried surviving spouse equal to the percentage of the disabled veteran's disability compensation rating for service-connected disabilities as certified by the Department of Veterans' Affairs for the purpose of applying for a property tax exemption.

OTHER STATE ASSISTANCE PROGRAMS FOR VETERANS

Veterans' Preference

The veterans' preference provides that veterans who are state residents are entitled to preference over all other applicants in appointment or employment by governmental agencies, provided that such veteran is a United States citizen at the time of application for employment.

Veterans' Adjusted Compensation (Bonuses)

The veterans' adjusted compensation provides for adjusted compensation payments to members of the North Dakota National Guard and North Dakota residents of the reserve and active duty component, who were mobilized after December 5, 1992, in support of military operations around the world.

Game and Fish Reduced Fees and Licenses

A Game and Fish Department resident fishing license can be purchased by a resident disabled veteran for \$5 rather than \$16. The disabled veteran must have a 50 percent service-connected disability as determined by the Department of Veterans' Affairs or have an extra-schedular rating to include individual unemployability that brings the veteran's total disability ratio to 50 percent. The combined general game, habitat stamp, small game, and fur-bearer license for a resident disabled veteran is \$3 instead of \$50.

15.0795.01002
Title.

#1 HB1413
2/4/15
Prepared by the Legislative Council staff for
Representative Schatz

February 2, 2015

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