

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

GOVERNMENT SERVICES COMMITTEE

Thursday, June 12, 2014
Room 231, Readiness Center, Camp Grafton
Devils Lake, North Dakota

Senator Ronald Sorvaag, Chairman, called the meeting to order at 9:00 a.m.

Members present: Senators Ronald Sorvaag, Ron Carlisle, David O'Connell; Representatives Roger Brabandt, George J. Keiser, Curtiss Kreun, Scott Louser, Gail Mooney, Chet Pollert, Vicky Steiner

Members absent: Senator Richard Marcellais; Representatives Glen Froseth, Ed Gruchalla, Rick Holman, Karen Karls, Alon Wieland

Others present: Judy Lee, State Senator, West Fargo
See [Appendix A](#) for additional persons present.

It was moved by Senator O'Connell, seconded by Representative Keiser, and carried on a voice vote that the minutes of the April 2, 2014, meeting be approved as distributed.

**STUDY OF CURRENT STATE AND FEDERAL BENEFITS
AVAILABLE TO NORTH DAKOTA VETERANS**

Major General David Sprynczynatyk, Adjutant General, North Dakota National Guard, welcomed the committee to Camp Grafton.

Mr. Lonnie Wangen, Commissioner, Department of Veterans' Affairs, Fargo, presented information ([Appendix B](#)) regarding the status of the service dog training program. He said the Service Dogs for America organization has four dogs trained and ready for placement with North Dakota veterans. He said the Department of Veterans' Affairs issued a press release in May 2014 to announce the availability of the service dogs for veterans with posttraumatic stress disorder (PTSD). He said dozens of applications have been mailed to potential applicants and an unknown number of applications have been downloaded from the department's website. He said the department has received a limited number of completed applications in the three weeks since the press release was issued and is waiting for additional preapplications to be submitted. He said the Service Dogs for America organization would like to present at a future committee meeting.

In response to a question from Chairman Sorvaag, Mr. Wangen said the Department of Veterans' Affairs has mailed applications to people who have contacted the department. He anticipates the four trained dogs will be assigned to veterans by October 2014.

In response to a question from Representative Keiser, Mr. Wangen said the service dogs are trained in a prison in Kansas for social skills before they are brought to North Dakota for more advanced training. He said the Service Dogs for America organization has had discussions with representatives of the James River Correctional Center, State Penitentiary, and Dakota Women's Correctional and Rehabilitation Center to explore the possibility of expanding the service dog training program to prisons in North Dakota.

Chairman Sorvaag said time will be provided at the next meeting for another report on the service dog program.

Ms. Jeri Vaudrin, Project Coordinator, Veteran Education Training, North Dakota State University, and Ms. Aida Martinez-Freeman, TRIO Director, North Dakota State University, presented information ([Appendix C](#)) regarding the veteran education training program. Ms. Vaudrin said the original funding request for the program was \$548,000 and the program received \$325,000 from the general fund. She said the program is currently serving 40 veterans. She said limitations of the program include:

- Certain veterans have experienced difficulties taking online courses;
- Staff was reduced from 3 full-time employees to 1.75 full-time employees due to the reduction in the budget;

- Resources are lacking to assist partnering institutions; and
- The definition of veterans does not include members of the National Guard who have not been deployed.

Ms. Vaudrin said long-range goals of the veterans' higher education assistance program include:

- Additional classrooms around North Dakota;
- Expanded utilization of the Interactive Video Network;
- More extensive marketing; and
- Collaboration with the Department of Corrections and Rehabilitation to serve incarcerated veterans.

In response to a question from Chairman Sorvaag, Ms. Vaudrin said the \$548,000 funding request was what the program would have received had the federal government not eliminated funding for the program.

In response to a question from Representative Keiser, Ms. Vaudrin said the language in 2013 House Bill No. 1289 designated the program for veterans; therefore, nondeployed National Guard members do not qualify.

In response to a question from Chairman Sorvaag, Mr. Wangen said the definition of veteran also applies in certain other programs. He said the issue is specific to the National Guard, and the definition would need to be changed to specifically include nondeployed National Guard members to make them eligible.

In response to a question from Representative Brabandt, Ms. Vaudrin said the veteran education training program does not encompass the general educational development (GED) program. She said military members must have their high school diploma or GED to be accepted into the program.

In response to a question from Representative Kreun, Ms. Vaudrin estimated approximately 30 to 40 students at the University of North Dakota and North Dakota State University do not qualify for the veteran education training program due to the restrictive definition of veteran.

Representative Keiser suggested the committee receive information on veterans' programs and the use of various definitions of the term "veteran." Chairman Sorvaag asked the Legislative Council staff to provide this information to the committee at its next meeting.

Brigadier General Alan S. Dohrmann, Deputy Adjutant General, North Dakota National Guard, presented information ([Appendix D](#)) regarding the projected costs for writing, publishing, and distributing a record of all North Dakota veterans, including those killed in action and missing in action, since statehood. He said a meeting was held with representatives of the North Dakota State University Department of History to discuss a partnership to complete the book. He said a request for proposal has been drafted and will be released by Monday, June 30, 2014.

In response to a question from Chairman Sorvaag, Brigadier General Dohrmann said other states will be consulted to determine how certain terms will be defined, including what qualifies a veteran as a North Dakotan. He said the Adjutant General would need authority to accept funds from sponsors or donors for the book if the Legislative Assembly determines the project should be completed using private donations.

In response to a question from Representative Louser, Brigadier General Dohrmann said the \$50,000 appropriated to the Adjutant General for the book will not be adequate to complete the project.

Chairman Sorvaag said the Adjutant General will be asked to update the committee on the project at a future meeting.

Lt. Colonel Davina French, Government Affairs Officer, North Dakota National Guard, presented information ([Appendix E](#)) regarding the activities of the ND Cares Task Force. She said the ND Cares Task Force is not a provider of services. She said the ND Cares Task Force is working to identify issues or gaps in services and bring those issues to the attention of service providers in order to make improvements.

In response to a question from Senator Carlisle, Lt. Colonel French said the ND Cares Task Force is working with service providers to provide consistency and focus regarding veterans' services and related issues.

In response to a question from Representative Steiner, Lt. Colonel French said she would provide updated data regarding the number of veteran and military member suicides at a future committee meeting.

Chairman Sorvaag said the ND Cares Task Force will be asked to present at a future meeting regarding gaps in veterans' services and other work the group is performing.

Mr. Dean Overby, Chairman, Administrative Committee on Veterans' Affairs, presented information ([Appendix F](#)) regarding potential legislation related to veterans' benefits. He said the Administrative Committee on Veterans' Affairs (ACOVA) is not proposing any new bills but is requesting certain items be included in the Department of Veterans' Affairs budget. He said items requested by ACOVA include:

- A \$2 million transfer to increase the principal balance of the veterans' postwar trust fund;
- Grant funding of \$150,000 to provide a \$50,000 grant each to the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars organizations;
- Funding for the veteran education training program; and
- Funding for the Department of Veterans' Affairs.

In response to a question from Chairman Sorvaag, Mr. Overby said ACOVA recommends the veteran education training program budget be increased to \$548,000.

In response to a question from Senator Carlisle, Mr. Overby said stand down events are held in cities across North Dakota. He said some stand down events do not require state funding.

In response to a question from Representative Pollert, Mr. Wangen said three vans were purchased in the 2011-13 biennium.

In response to a question from Representative Pollert, Mr. Overby said the 2011 Legislative Assembly provided \$210,000 from the general fund to pay for the items generally paid for with money from the veterans' postwar trust fund to allow the fund principal to increase. He said the 2013 Legislative Assembly provided for \$250,000 to be transferred from the general fund to the veterans' postwar trust fund to increase the principal balance of the fund.

The Legislative Council staff presented a memorandum entitled [Income Tax Exemptions for Veterans' Retirement Compensation](#). The memorandum provides information regarding income tax exemptions in other states for veterans' retirement compensation. Examples of income tax exemptions in other states for veterans' retirement compensation include:

- Alabama exempts 100 percent of veterans' retirement compensation from the state income tax;
- Delaware exempts from the state income tax up to \$2,000 of veterans' retirement compensation for persons under age 60 and up to \$12,500 of veterans' retirement compensation for persons aged 60 and older; and
- Iowa exempts up to \$6,000 of veterans' retirement compensation from the state income tax.

In response to a question from Representative Kreun, the Legislative Budget Analyst and Auditor said 2013 House Bill No. 1254, which would have exempted military retirement pay from the state income tax, was defeated in the House of Representatives. He said the bill had a fiscal note of approximately \$4 million.

In response to a question from Representative Brabandt, Major General Sprynczynatyk said military retirement pay is federally taxed. He said North Dakota is near the highest in the country for per capita population that serves or has served in the military.

Representative Kreun suggested the committee consider recommending a bill draft to exempt 100 percent of veterans' retirement pay from the state income tax.

It was moved by Senator Carlisle, seconded by Representative Kreun, and carried on a voice vote that the Legislative Council staff prepare a bill draft to exempt 100 percent of military retirement pay from the state income tax.

Mr. Wangen presented information ([Appendix G](#)) regarding state benefits available to veterans in North Dakota and other states. He said he has received information from approximately 15 states regarding their state veterans' benefits.

In response to a question from Representative Louser, Mr. Wangen said he anticipates receiving information from all of the states.

Ms. Connie Sprynczynatyk, ND Cares Task Force, presented testimony regarding higher education and mental health as they relate to military members and veterans. She said the northwest region of the state has a need for increased adult and youth behavioral health services.

Major General Sprynczynatyk presented information ([Appendix H](#)) regarding the Joint Executive Council of the National Guard and its programs. He said the values of the Joint Executive Council are leadership, excellence, trust, integrity, respect, and selfless service. He said the goals of the Joint Executive Council include:

1. Train and ready units and leaders;
2. Build a competitive force positioned for emerging missions;
3. Strengthen the National Guard community;
4. Forge and maintain partnerships; and
5. Act as effective stewards of resources.

In response to a question from Chairman Sorvaag, Major General Sprynczynatyk said National Guard recruitment is fairly stable, but it is less successful than it was a few years ago due to competition from private companies, including those involved in oil-related activities.

Lt. Colonel Clark Johnson, Training Center Commander, North Dakota National Guard, presented information ([Appendix I](#)) regarding Camp Grafton. He said Camp Grafton has experienced growth, development, and improvements since the North Dakota National Guard received the land for its military mission. He said these improvements continue to be made and are designed to keep Camp Grafton relevant to its mission to support training of the North Dakota National Guard.

In response to a question from Representative Keiser, Lt. Colonel Johnson said the cost of training for outside organizations and other states is calculated based on costs, billed, and reimbursed from these other organizations or states to the North Dakota National Guard.

COMMITTEE DISCUSSION AND STAFF DIRECTIVES

Representative Keiser suggested the committee receive information regarding the federal Department of Veterans' Affairs (VA) hospital system in North Dakota. He said the information should include wait times, staff needs, accessibility, potential expansion of services, and other issues.

Mr. Wangen said 42 VA medical centers nationally were identified as having service-related concerns after recent investigations. He said an investigation of the VA hospital in North Dakota was conducted, and he can provide the report to the committee. He said North Dakota was not identified as having major problems. He said he believes the Director of the VA hospital would be willing to testify at a future meeting. He said he will provide the report to the committee members when he receives it.

In response to a question from Representative Mooney, Mr. Wangen said an issue at the VA hospital in North Dakota is the need for mental health professionals.

Chairman Sorvaag said a representative of the interim Human Services Committee will be asked to present information regarding that committee's findings and recommendations of its study of behavioral health needs in North Dakota at a future Government Services Committee meeting.

Representative Keiser said PTSD is an important issue that may not be adequately addressed in North Dakota.

Chairman Sorvaag said the Missouri River Correctional Center report will be presented to the committee at its next meeting.

Chairman Sorvaag said he has asked the Legislative Council staff to draft bills to appropriate funding for a master plan for state agencies in the Bismarck area and for a master plan for the State Hospital and James River Correctional Center.

The committee conducted a tour of Camp Grafton.

No further business appearing, Chairman Sorvaag adjourned the meeting at 4:30 p.m.

Alex J. Cronquist
Fiscal Analyst

Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:9