

2009 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1358

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1358

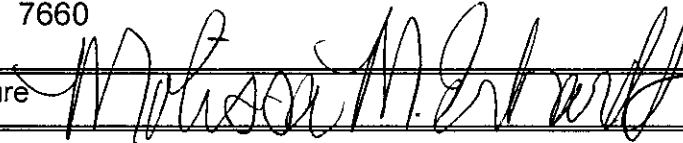
House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 1/23/2009

Recorder Job Number: 7660

Committee Clerk Signature



Minutes:

Chairman Grande: Opened the hearing on HB 1358. Clerk read the title to the bill.

Rep. Amerman: I am Rep. Bill Amerman, District 26, representing five counties

in the southeast portion of State. I am going to use some terms just to simplify

things. Such as the National Guard and Reserves and active. What I mean by

active is those that are in the regular service, like the Army, Air Force, and such.

The handout (See Attachment #1) that was passed around, was the "law of the

land" so to speak in ND, as far as LC could research up until 1993, when it was

repealed and the new law was written. That is to the best of my knowledge.

If you look at that handout, it describes the compensation, highlighted in yellow.

A veteran, at that time, was any one who was called to active duty in 60 days, it

could have been a National Guard Unit that was activated, it could have been

somebody that was in the active service or whatever. If you go to the

compensation, it does not differentiate from the domestic service or foreign

service. Domestic service is when you serve in the United States, Germany, or anything outside the war zone, so to speak. If you look at the handout, everybody got domestic service and everybody got foreign service regardless if you were in active Guard or Reserve. This was repealed in 1993. The reason for that was because there was no one left in the Viet Nam era that did not collect the compensation anymore. At that time the law was changed and it separated domestic service and foreign service from what we see today. In Foreign service, if a Guard member or Reserve member or an Active member is in the war zone they receive a \$100 a month. In domestic service, the Guard and Reserve, get \$50 a month. But the young men and women that are in active service receive nothing. I do not know how to answer someone who comes to me and says "I served as honorably as a Guard Member and a Reserve Member, why do I not get this compensation."

We have the Fiscal Note, Chairman Grande and committee members, never in my wildest dreams did I think that I would come up with an idea worth over \$4 million. But apparently I have. It's a sad Fiscal Note because the State has been able to keep and use over \$4 million that I believe belongs to ND residence that have served honorably in our active section. I am bringing the bill forward and trying to correct that. Believe anybody, whether they are the Guard, Reserve, or

in the active service, should have the same compensation. That concludes my testimony.

Chairman Grande: I am not as well versed in this as you are. When you say active? What payroll are they on?

Rep. Amerman: If the National Guard is activated they are on the Federal payroll. In active duty, in regular Army, I am on the same payroll.

Chairman Grande: But when I am on Domestic soil and I am an active member, who am I working for?

Rep. Amerman: Country, State.

Chairman Grande: But you sign for that job with the Federal Government and when I join the National Guard don't I sign up to work for the State of ND?

Rep. Amerman: That's a good question. I am not sure how to answer. When you sign up, you are in the Army. If you sign up for the National Guard, I believe it would be for the State. But you are taking the same oath saying you will die for your country if you are called to active duty.

Rep. Boehning: Section 2, Active duty: Are you talking the active components, for the States and Stateside? A lot of our men and women that are stationed in Grand Forks, Minot, and wherever else are from within the States how are we going to consider them residents of ND?

Rep. Amerman: No. Just like me when I was in the service, I was stationed in Georgia, but I was still a ND resident. But I still had a ND drivers license. There is a possibility that they could become a ND resident.

Rep. Boehning: The ones that are stationed in the State would have to be residents of the State? Not just stationed here?

Rep. Amerman: Yes.

Rep Schneider: Do you have the Fiscal Note with you? Looking at it, it looks like the annual cost is \$247,000? Was it your intention to make this retroactive?

Rep. Amerman: I wouldn't say it was my intention. Think it is the right thing to do. But maybe get rid of the Fiscal Note moving forward. This ends in 2011, so it would have to be revisited again. As a veteran myself, how do you put a price tag on commitment, courage, and freedom? This covers a time period. When the conflicts end this whole section might get repealed, just like the Viet Nam one. That was not my intention but that's the way it turned out.

Chairman Grande: When you were stationed in Georgia, you had your ND drivers license, and that made you a ND resident?

Rep. Amerman: Yes.

Chairman Grande: Are we looking at doing this bonus for my neighbor who is a Marine and he is now stationed in CA? He is a ND resident, he will get this?

Rep. Amerman: If he fell into the perimeters of the time frame, yes he would.

There are limits. How much the bonuses are and certain areas of the law.

Rep. Nathe: How would this work if someone served in 1992 and now they have moved to Iowa or Colorado, how would you get this money to them?

Rep. Amerman: If they fall under the parameters, yes they could qualify. Or maybe they would miss out because we didn't have a record of them and they did not know about it.

Rep. Jim Kerzman: District 31 and I would like to lend my support to this bill.

I think the people who have stepped forward to support our country whether they serve stateside or overseas I think they deserve commended status. Think the state could do a little bit to reward them. I have had a little bit of experience in this area and I appreciate Rep. Amerman asking me to sign on for this. Both my parents were in WW II, they were both veterans. I have a number of siblings who have served in the military. My brother who farms with me now is a Viet Nam veteran, and three of my own children who are in the military. I have one son that served all stateside, one son that has done two tours of duty in Kuwait, who has just returned. My daughter is in Afghanistan right now. It is tough on families but I encourage them to do it.

Rep. Kasper: Do you know the average monthly income for a soldier to be mobilized to go to Iraq or Afghanistan or overseas? Is it not a very good amount?

Rep. Kerzman: At present, they do very well. My daughter did receive a nice bonus, they do get a break as far as non-taxable income. As far as per month I am not sure. I think it varied between my son and my daughter.

Chairman Grande: Anyone else in Favor? Anyone else who wishes to speak against this bill?

Lt. Colonel Dave Thiele: Director of Personnel for ND National Guard.

Speaking against this bill. I am here on behalf of Major General David Spryncznatyk. First I want to say thanks to Rep. Amerman and Rep. Kerzman for their support. It's a little bit awkward to come up and testify against something that is going to help our veteran's with retro-active Guard and Reserve. But I think it is important for the committee to have some background as far as the bonus program. The bonus program has been in existence since 1919. ND obviously has a history of supporting our veteran's. What happens with every period of conflict, is we reinstitute our legislation, getting ourselves to repeal it because the conflict ended. We actually had a separate veterans bonus program for the Viet Nam era veteran's, for Korea, for WW II, for WW I, and after the Viet Nam era, we saw the first Gulf War. That is where you saw the clear

distinction between, what we would call domestic service and foreign service.

One of the key things here is to answer Rep. Amerman question is how do I explain to an active duty service member why you are not going to get \$50 a month? It's really no different than Dave Thiele sitting here, I am full time National Guard, and I am not eligible for the bonus program because I am simply doing my job stateside. Just like I did as Dave Thiele when I was on active duty for eight years. I was in the US Army as an active duty service member. The veterans bonus program, if you look at the state and public purpose, is intended for those mobilized. What we are looking at is recognizing the sacrifice of those who are likely going to leave home to serve their country. For Dave Thiele, when

I was on active duty, home for me was for three years, San Antonio, Texas.

Then it was Port Sheridan, IL, and then Fort Knox, KY. I was on active duty during the first Gulf War but I did not leave deploy. I was able to go home to my family every evening, just like I do today. When I deploy to Kosovo next fall, I am leaving my home, I am leaving my family. That is the distinction and intent behind the veteran's bonus program, to recognize that level of sacrifice. Do all service members sacrifice and support the current war on terror. Our tempo is crazy whether you are in the Guard, Reserves, or the active component. It does not matter where you are stationed you are awful busy supporting the effort.

That is one of the key things to look at. Obviously you have to look at cost, the

way the legislation is worded it certainly would be retro-active. So there is that cost factor and that is something you will have to balance. I can speak for the National Guard as we look at initiatives, there are a lot of things we would like to do but just cannot do fiscally. I can tell you that as we move forward in the National Guard we are designing our programs to benefit all service members, whether they are active from deployment from Guard or Reserves. So when Rep. Kerzman talks about his kids being on active duty deployed we also want to be able to support Rep. Kerzman and his family and help them or his children when they come off active duty. We just opened up a military service center here in Bismarck and you all will be invited to a Grand Opening in February, and it's designed to be a one-stop shop, whether it's talking to the chaplain, the social worker, or talking to the transition assistance advisor. Again, it's designed for all those elements, not just Guard. Because I think we're positioned to help everybody and it's just the right thing to do.

Rep. Kasper I will get you the pay chart, it reflects what our service members make. We have come a long way since the late seventies where what they were receiving was criminal. I think we can always do more. But as Rep. Kerzman said there are a lot of programs now. Enlistment programs, the new GI bill, and those types of things, and that I think is the other distinction. If you are talking about giving someone money for doing their normal job, not saying we should not

recognize that, but in a sense that is a recruiting and retentions issue as opposed to a bonus program. The only other issue I would have is that this bill did come up last session, it was HB 2191 and it was hog-housed. That probably wasn't the right thing to do with it but that's the way it turned out. We did look at it then as well. We also have a bill this session, HB 1482, that is limiting the cap on benefits. This would apply to all the services of the active Guard and Reserve. Obviously when we proposed the veteran's bonus program in 2005, I don't know that any of us envisioned we'd be standing here in 2009 with no end in sight. But that is where we are at today. But seeing active service members in the Guard with multiple deployments, we are hitting that \$1800 cap and I think that it is the right thing to do to change that particular section. Obviously, if we were to pay \$50 for stateside service and we approve the other bill with no cap there is going to be an issue there that will need to be addressed as well.

Chairman Grande: Any questions of the Lt Col.?

Rep. Schneider: When you talked about prioritizing what funds are allocated, this is our decision to make. Guess I am confused by your opposition in trying to help out your fellow service men and women? Don't understand where that position comes from?

Lt. Col. Dave Thiele: Will support anything that helps our servicemen, but we don't have finite resources. We as an agency within the Guard propose a

legislative agenda, we also have an obligation to look at every issue. In this particular case, when we are talking about the veterans bonus program, if you look at the history and the intent behind it. If this legislative assembly wants to give \$50 a month to all active ND residents, that's fine, but they probably shouldn't be in the veteran's bonus program. The active component in the Federal Government has a variety of programs to assist our service members across the board. Then you have the other issue, if you are going to pay a stateside service bonus, what about the full-time Guard and Reservists that are doing essentially the same thing.

Rep. Froseth: Bottom of the Fiscal Note it indicates HB 1016 is being considered and will have a \$900 cap if approved. Do you know anything about that bill?

Lt Col. Dave Thiele: That has been converted into the other bill, HB 1482.

Chairman Grande: Committee that was a motion made on the floor by Rep. Vigesaa, motioned it, Rep. Karlson, and Rep. Boucher spoke to it. It was about six bills they pulled out from the budget that were policy pieces that they wanted the policy to be approved before the appropriation was dealt with. That is why this portion was pulled out and is now going to be in front of us next week in HB 1482.

Rep. Nathe: Lt. Col. Just want to be a little more clear on why on you oppose this? Is it my understanding that you feel we have enough of these types of programs out there for our service men and women?

Lt. Col. Dave Thiele: I don't that I would say there is enough programs to support our service men and women across the board. We are always looking for additional things. Think that what we are suggesting is that we have a particular adjusted compensation program, that has a specific intent to recognize those who are mobilized, mean leave home, and this would not meet that intent. Also, because of the cost as we look to the needs of our service members, including the active component within ND, there are probably better ways to spend this money to be perfectly frank. We administer this program, so through my office we get all the applications, we are talking to the active component service members, the Guard, the Reservists, and we are not hearing anybody complain on the active component side that they are not getting money for doing there stateside job that they are assigned. They are very, very, appreciative for the \$100 a month when they are deployed in the case of an active component. The other thing is that when we first went through this, there was an issue about some active component, that were not necessarily in the theater of operations, that is clearly defined as Iraq and Afghanistan. But maybe they were sent, not as a permanent move with their family, but sent to England in support of the global

war on terror. We recognize that. That is part of 1482 is to just codify what we are already doing is giving those active component service members the \$100 a month for that service as well.

Need to add one thing, as we talk about resources, we talk about the service center, we have also created the Veteran's Outreach Program and we were able to get federal funding this last year. I had six people whose sole job it was to touch one on one, all of our veteran's in ND and again that was Korea, Viet Nam, and going to the nursing homes looking for WW II veteran's and anybody else.

That is another program that I am trying to maintain and sustain that has a pretty hefty price tag as well. But I tell you what, we are doing some good things out there and touching our veterans and their families and that is one of the key things that we need to keep doing.

Rep. Boehning: Lt Col. you were talking about your last components about the outreach going out. Is this like the county service officers, this part of what you are going to be doing now or something up and above them?

Lt Col Dave Thiele: That's a great question. One of the first things when we created this program was, we did not want there to be any conflict with the VSO's. We want to work with them and that's what we have been able to do.

Our six member team across the entire state, has been working with the VSO's and partnering with them. That is what we are trying to do is to create that

synergy out there between various entities, instead of custom sole piping resources. That is kind of where we are at. Everybody is stretched very thin right now. Our social workers and our chaplain's are very busy. So we need to work smarter, not harder. But we need to get out there and reach those people. We need to work with the VSO's and they are very good at what they do. But they also have limitations on their authority to actually get out there and sit down one on one.

Chairman Grande: Anyone who wishes to speak neutral? We are closing the hearing on this bill.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. Committee Work One HB 1358

House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 01/29/2009

Recorder Job Number: 8181

Committee Clerk Signature

Melissa M. Inhardt

Minutes:

COMMITTEE WORK ONE:

Chairman Grande: You should have received an email from Lt. Col. Dave

Theile a request from the committee all of the pay scales. We had a request

from Rep. Kasper that came in the form of an email if anybody wanted to print it out they could of all the pay scale and effective dates. I printed it off and if

anyone wants to see it I have it. It came to all the committee members and it

was an attachment. This would have been last week Friday at the end of Floor Session.

Rep. Amerman: Never could understand why this has changed and why now

active components don't get the domestic compensation, where the Guards and

Reserves do and I am certainly glad that they do. But up until 1993 it was, I

believe, through Viet Nam when it was repealed there was no difference between

active personnel, Guard and Reserve, all of them did get foreign and domestic

service. Then in 1993 for some reason, that was repealed and this new

language came in that separated the domestic service from the foreign service.

Move for a Do Pass Motion.

Chairman Grande: Have a Do Pass motion. Do I have a second?

Rep. Wolf: 2nd.

Chairman Grande: We have a Do Pass motion from Rep. Amerman and a second 2nd from Rep. Wolf. Discussion?

Rep. Kasper: Rep. Amerman can you explain what this bill will do compared to what we currently are not doing?

Rep. Amerman: This bill will give those who are called on active duty, regular Army, not just someone who is the Guard or Reserves but someone from ND that joins the regular service. What they are doing now, if a Guard or Reserve from ND, that have to go to Georgia for 10 months, they will get \$50 a month for domestic service while they are in Georgia. A young person in the regular active Army out of high school, somehow he ends up in Georgia for 10 months, he does not get the \$50 a month for domestic service.

Rep. Kasper: If they are a regular Army service person deployed overseas then they get the bigger amount?

Rep. Amerman: They are included in the (can't understand). They are also included in the other bill we passed out today, where it comes under foreign service. They have been included in that.

Rep. Kasper: So this bill only takes care of this men and women who are on active duty Army, Air Force, Navy, Marines, that stay in this country, they will get the \$50?

Rep. Amerman: Right. From last year, they described domestic service as anything outside the foreign service, the war zone. They are to get domestic service however it is described in law. Now that might be Germany, if we had Guard Units in Germany for some reason, they would get domestic service there too. Basically, my understanding Rep. Kasper is domestic service is anywhere outside the war zone.

Chairman Grande: Rep. Kasper I think as Lt. Col. Dave Thiele had mentioned that when they are on active duty, in their 10-month training in the States, it hasn't been felt that they would have that bonus, that they are on full government pay. For our Guard duty guys that was not really what they signed up for where those long tour type things. So that was why we initially set up the bonus that dealt with just that for in country versus those that signed up to go to camp in long term situations.

Rep. Amerman: You could be right on how it was established, however when the Guard unit is activated they come under the same pay as whatever the Army is or same pay as anybody else that would be in there.

Rep. Kasper: I noticed here on the fiscal note, does this go retroactive?

Rep. Amerman: Yes.

Rep. Kasper: Retro-active to 19 years.

Rep. Amerman: It would go back to whenever they started this program in 1992.

Rep. Kasper: So you are giving a retro-active payment to service members who have duty outside of a war zone?

Rep. Amerman: That is correct because that is when the Guard and Reserves started getting these domestic bonuses.

Rep. Kasper: Does your bill also carry forward?

Rep. Amerman: It goes until 2011, and then it gets revisited, going in two year increments because we don't know when the war will end.

Chairman Grande: The bonus program is reviewed every two years.

Rep. Kasper: If it were going forward I might be interested but now going backwards I am not so interested.

Rep. Amerman: You should not read so much Rep. Kasper.

Vice Chairman Randy Boehning: The concern that I have is that we just passed out the HB 1482, which lists the cap of the \$900 and \$1800. If this bill passes I'm afraid this fiscal note is going to escalate to way more than the \$4.7 million it is now. Because there would be a lot of those soldiers that would be over there that would qualify for the \$900 plus dollars if I am correct.

Rep. Amerman: I believe that you correct Rep. Boehning.

Vice Chairman Randy Boehning: With that I am going to have to oppose this because if we pass the HB 1482 and pass this fiscal note for HB 1358 that is going to escalate it is going to add up to millions more of dollars. For that I am going to have to resist the Do Pass.

Chairman Grande: We have HB 1358 in front of us with a Do Pass motion.

Rep. Nathe: I am in agreement with Rep. Boehning's testimony, although I will refer to Lt. Col. Dave Thiele's testimony who opposed the bill. Mainly because they are already doing this, they have no complaints from the members, and with the retro-active clause in there it could bust their budget, so I think I will refer to the Lt. Col. on this.

Chairman Grande: Clerk will call the roll.

Clerk Erhardt: Roll Call. Yes: 4 . No: 8. Absent: 1. Rep. Schneider.

Vice Chairman Randy Boehning: Move for a Do Not Pass motion.

Rep. Nathe: 2nd.

Chairman Grande: Clerk will call the roll.

Clerk Erhardt: Roll Call. Yes: 8. No: 4. Absent: 1. Rep. Schneider. Carrier:
Rep. Boehning.

FISCAL NOTE
 Requested by Legislative Council
 01/13/2009

Bill/Resolution No.: HB 1358

1A. **State fiscal effect:** Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$4,693,000		\$0	
Appropriations			\$4,693,000		\$0	

1B. **County, city, and school district fiscal effect:** Identify the fiscal effect on the appropriate political subdivision.

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

Section 2 Amendment provides \$50/month of adjusted compensation for resident active component veterans that are mobilized or stationed stateside up to \$900 since December 5, 1992.

B. **Fiscal impact sections:** Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

3. **State fiscal effect detail:** For information shown under state fiscal effect in 1A, please:

A. **Revenues:** Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

None

B. **Expenditures:** Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

\$50 per month with a cap of \$900 for any active duty service outside theater of operations since December 5, 1992.

C. **Appropriations:** Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.

Est. cost is \$4,693,000 to cover active duty stateside service at \$50.00 per month up to \$900.00 from 1992 to 2011. Number of North Dakotans who join the military each year has averaged approximately 274 per year. At \$900 per service member that is an annual cost of \$247,000. At 19 years total (this would be retroactive) the total cost est. is \$4,693,000. HB 1016 is being considered and would remove the \$900 cap if approved. Without a cap on benefits the total would dramatically increase.

Name:	Holly Gaugler	Agency:	Adjutant General
Phone Number:	(701) 333-2079	Date Prepared:	01/16/2009

Date: 4/29/09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1358

House Government and Veterans Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS

Motion Made By Rep Amerman Seconded By Rep Wolf

Representatives	Yes	No	Representatives	Yes	No
Chairman Grande		✓	Rep. Amerman	✓	
Vice Chairman Boehning		✓	Rep. Conklin	✓	
Rep. Dahl		✓	Rep. Schneider		
Rep. Froseth		✓	Rep. Winrich	✓	
Rep. Karls		✓	Rep. Wolf	✓	
Rep. Kasper		✓			
Rep. Meier		✓			
Rep. Nathe		✓			

Total (Yes) 4 No 8

Absent 1

Floor Assignment _____

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

#2

Date: 1/29/09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1358

House Government and Veterans Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DNP

Motion Made By Rep Boehning Seconded By Rep Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Grande	✓		Rep. Amerman		✓
Vice Chairman Boehning	✓		Rep. Conklin		✓
Rep. Dahl	✓		Rep. Schneider		
Rep. Froseth	✓		Rep. Winrich		✓
Rep. Karls	✓		Rep. Wolf		✓
Rep. Kasper	✓				
Rep. Meier	✓				
Rep. Nathe	✓				

Total (Yes) 8 No 4

Absent 1 Schneider

Floor Assignment Rep Boehning

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

REPORT OF STANDING COMMITTEE

HB 1358: Government and Veterans Affairs Committee (Rep. Grande, Chairman)
recommends **DO NOT PASS** (8 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING).
HB 1358 was placed on the Eleventh order on the calendar.

2009 TESTIMONY

HB 1358

Attachment #1

8. "Veteran" means a man or woman who served honorably and faithfully for more than sixty days on active duty in the armed forces of the United States, at any time during the period of service, and who was a resident of the state of North Dakota at the time of entering upon such duty and for at least six months prior thereto, and who has not received bonus or adjusted compensation from another state for the period of service.

Source: S.L. 1971, ch. 346, § 2; 1973, ch. 283, § 1; 1977, ch. 315, § 1.

Constitutionality.

Subdivision defining "resident" is a constitutionally valid legislative enactment in that it reasonably furthers the intent of the legislature to compensate only North Dakota residents who are veterans of the Vietnam conflict to the exclusion of career veterans who had not established their actual abode in North Dakota. Horst v. Guy (1973) 211 NW 2d 723.

Adjutant General's Rules and Regulations.

A regulation of the adjutant general that a

veteran must have completely separated from continuous active duty was correct, so that a career Navy man serving as a recruiter in North Dakota was not eligible for a bonus under this chapter. Horst v. Guy (1974) 219 NW 2d 153.

Resident.

Subdivision d of the definition of "resident" applies to all other subdivisions of that definition, so that a career Navy man with 25 years of service before coming to North Dakota to serve as a recruiter in 1969 was not eligible for a bonus under this chapter. Horst v. Guy (1974) 219 NW 2d 153.

37-25-03. Payment of adjusted compensation for domestic and foreign service — Maximum payment. Each veteran shall be paid for domestic service twelve dollars and fifty cents for each month or major fraction thereof, and shall be paid for foreign service seventeen dollars and fifty cents for each month or major fraction thereof. If the veteran be deceased, payments shall be made to the beneficiary. Applications for adjusted compensation may be filed with the adjutant general after the date of October 1, 1971. No adjusted compensation payment made to any person under this chapter shall exceed sixteen hundred dollars or the largest payment made prior to March 21, 1973, whichever is greater.

Source: S.L. 1971, ch. 346, § 3; 1973, ch. 283, § 2.

37-25-04. Payment to beneficiary of veteran who died in active service. In the case of a veteran who died in active service during the period of service, there shall be paid to the beneficiary of such veteran an amount as determined by section 37-25-03, provided that in no case shall such beneficiary be paid less than six hundred dollars.

Source: S.L. 1971, ch. 346, § 4.

37-25-05. Application. Each veteran or his beneficiary entitled to payment shall make application to the adjutant general of the state of North Dakota upon such form as may be prescribed by him, provided that if the veteran be incompetent or his beneficiary be incompetent or a minor, appli-

cation shall be made by the guardian, if any, of the veteran or beneficiary, or, if there be no guardian, then by the person, determined by the adjutant general, to have assumed the major responsibility for the care of the veteran or beneficiary and to be a proper person to receive payment for the veteran or beneficiary, or in case of a veteran who is hospitalized in a state, county, or federal institution if no application has otherwise been approved by the adjutant general, by the person in charge of such institution with the approval of the adjutant general. For the purpose of this section, the word "minor" shall not include the unmarried wife of a veteran. Each application shall be accompanied by a certified copy of honorable discharge or by other evidence of honorable and faithful service as set forth in section 37-25-02. Each application shall be subscribed and sworn to by the applicant in such manner as may be prescribed by the adjutant general. The adjutant general shall provide by regulation for an endorsement on the evidence of honorable and faithful service required that application for payment has been made.

Source: S.L. 1971, ch. 346, § 5.

37-25-06. Method of payment — Deduction of sums due educational aid fund and veterans' aid fund. Upon submission to him of satisfactory proof that the applicant is entitled to payment under this chapter, the adjutant general shall compute the amount of payment due the applicant, make a record thereof, and forward a voucher for the payment to the office of management and budget, which shall cause a warrant-check to be issued for the amount of the claim. Payment shall be made from funds appropriated by the legislative assembly, pursuant to the former article 87 of the articles of amendment to the Constitution of North Dakota. Where the veteran or the applicant for payment under this chapter is indebted to the veterans' aid fund of the state of North Dakota, the adjutant general shall determine the amount of such indebtedness and certify such determination to the office of management and budget, together with the record of payment due. Within the limits of the payment due, the amount of such indebtedness shall be paid to the veterans' aid fund and the applicant shall be paid the difference, if any, to which he may be entitled. Grants or stipends paid by the state to any veteran for educational assistance under chapter 37-24 shall be deducted from the adjusted compensation payable to such veteran under this chapter, and the department of veterans' affairs shall certify to the adjutant general the names of those veterans who have received educational assistance and the amounts received therefor; also, the names of those veterans who will receive educational assistance and the amounts to be received within ten days after it is determined that such veteran is eligible for and will receive such educational assistance.