

VETERANS' ASSISTANCE PROGRAMS AND THE DEFINITION OF VETERAN FOR PURPOSES OF ELIGIBILITY UNDER THE PROGRAMS

NORTH DAKOTA VETERANS' PROGRAMS

The following is a summary of state benefits available to North Dakota veterans:

State Veterans' Support Services

Veterans' Aid Fund Loan Program (North Dakota Century Code Section 37-14-04)

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 loans 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 (Section 37-14-14)

The veterans' postwar trust fund is a constitutional fund and also a permanent trust fund of the state. 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 veteran's 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 (Section 37-14-03)

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 Program (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 (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 (Section 15-10-18.3)

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 post-secondary 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 (Chapter 37-15)

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 months 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 (Section 57-40.5-03(1))

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

Motor Vehicle Excise Tax (Section 57-40.3-04(1))

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 (Section 57-02-08(20))

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 (Section 57-02-08.8)

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 Benefits for Veterans

Veterans' Preference (Chapter 37-19.1)

The veteran's 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) (Chapter 37-28)

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 (Section 20.1-03-12)

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.

STATUTORY DEFINITIONS OF VETERAN

The following schedule provides the definition of "veteran" used for each of the North Dakota veterans' programs described above established in statute:

Veteran Programs	Section Defining Veteran	Current Definition of Veteran Used by the Programs
Veterans' aid fund loan program (Section 37-14-04) Veterans' postwar trust fund, including transportation system, and hardship assistance program (Section 37-14-14)	37-14-01.1	"Veteran" means an individual who served in the armed forces of the United States on federal active duty for reasons other than training and who has been discharged under other than dishonorable conditions.
Dependent tuition waiver (Section 15-10-18.3) Veterans' Home (Chapter 37-15)	37-01-40(1)	A "veteran" is an individual who has served on continuous federalized active military duty for 180 days or the full period for which the individual was called or ordered to active military duty for reasons other than training, and who was discharged or released under other than dishonorable conditions. A discharge reflecting "expiration of term of service" or "completion of required service" or words to that effect qualifies the shorter term of service as making the individual a veteran.
Aircraft excise tax exemption (Section 57-40.5-03(1))	57-40.5-03(1)	A resident disabled veteran under the provisions of Pub. L. 79-663 [38 U.S.C. 3901].
Motor vehicle excise tax (Section 57-40.3-04(1))	57-40.3-04(1)	A resident disabled veteran under the provisions of Pub. L. 79-663 [38 U.S.C. 3901], a resident disabled veteran who has a 100 percent service-connected disability as determined by the Department of Veterans' Affairs, or a resident disabled veteran who has an extra-schedular rating to include individual unemployability that brings the veteran's total disability rating to 100 percent as determined by the Department of Veterans' Affairs who registers, or is eligible to register, the vehicle with a distinctive license plate issued by the department of transportation under subdivision j of subsection 2 of Section 39-04-18.

Property tax exemption for disabled veterans (Section 57-02-08(20))	57-02-08(20)	A paraplegic disabled veteran of the United States armed forces or any veteran who has been awarded specially adapted housing by the Department of Veterans' Affairs, or the unmarried surviving spouse if such veteran is deceased, for the first \$120,000 of true and full valuation of the fixtures, buildings, and improvements.
Property tax credit for disabled veterans (Section 57-02-08.8)	57-02-08.8	A disabled veteran of the United States armed forces with an armed forces service-connected disability of 50 percent or greater or a disabled veteran who has an extra-schedular rating to include individual unemployability that brings the veteran's total disability rating to 100 percent as determined by the Department of Veterans' Affairs, who was discharged under honorable conditions or who has been retired from the armed forces of the United States. A paraplegic disabled veteran of the United States armed forces or any veteran who has been awarded specially adapted housing by the Department of Veterans' Affairs, or the unmarried surviving spouse if such veteran is deceased, for the first \$120,000 of true and full valuation of the fixtures, buildings, and improvements.
Veterans' preference (Chapter 37-19.1)	37-01-40 (2)	A "wartime veteran" is an individual who served in the active military forces, during a period of armed conflict or who received the armed forces expeditionary or other campaign service medal during an emergency condition and who was discharged or released under other than dishonorable conditions. "Wartime veteran" also includes an individual who died in the line of duty in the active military forces, as determined by the armed forces.
Veterans' adjusted compensation (bonuses) (Chapter 37-28)	37-28-02(7)(b)	Veteran means, for eligibility purposes, a member of the national guard or reserve component who was activated under 10 U.S.C. 12301, as effective, in effect on October 28, 2004, and 10 U.S.C. 12302, in effect on December 31, 2011, and who completed honorable and faithful service of more than 30 days on active duty in the armed forces of the United States at any time during the period of service, or active component member awarded the expeditionary medal or campaign badge for service after December 5, 1992, who was a resident of the state of North Dakota, and who has not received bonus or adjusted compensation from another state for the period of service.
Game and Fish reduced fees and licenses (Section 20.1-03-12)	20.1-03-12(6)	A resident disabled veteran who has a 50 percent service-connected disability as determined by the Department of Veterans' Affairs or has an extra-schedular rating to include individual unemployability that brings the veteran's total disability ratio to 50 percent

PROPOSED MODIFICATIONS OF THE DEFINITION OF VETERAN UNDER THE VETERANS' PROGRAMS

The Century Code contains definitions of veteran as included in this memo. The definitions are used for determining eligibility for the programs to which they are cited.

At the committee's June 2014 meeting, a suggestion was made to expand the definition of veteran under the veterans' education training program to allow more veterans to be eligible for the program. The 2013 Legislative Assembly approved House Bill No. 1289 appropriating \$325,000 from the general fund for the 2013-15 biennium to the University System for the veterans' education training program to provide assistance to eligible veterans.

The bill did not provide a definition of veteran and the program does not have a statutory definition of veteran. The program currently uses the definition of veteran under 38 CFR 21.5040(b)(iv) which provides an individual must either have: (A) served on active duty for a least 181 continuous days, or (B) been discharged or released from active duty for a service-connected disability. Because the program is currently authorized only for the 2013-15 biennium under House Bill No. 1289, the program will need to be reauthorized for the 2015-17 biennium either through funding that may be included in the University System appropriation bill or in a separate bill. Options to expand the definition include:

1. If funding is included in the University System appropriation bill, and amendment could be proposed either:
 - a. Providing a definition of veteran for the program; or
 - b. Providing legislative intent that the University System expand the definition of veteran for the program.
2. A separate bill could be introduced providing an appropriation for the program for the 2015-17 biennium and including either:
 - a. A section providing a definition of veteran for the program; or
 - b. A section of legislative intent that the University System expand the definition of veteran.

If the committee wishes to expand the number of veterans who would be eligible for the program, it could provide an expanded definition of veteran for the program.

Possible modifications available to the committee for the other North Dakota veterans' programs include providing a single definition of veteran for all of the benefit programs or modifying the definition of veteran used for selected veterans' programs.