

January 2002

ADMINISTRATIVE COMMITTEE ON VETERANS AFFAIRS - HISTORY AND MEMBER EXPENSE REIMBURSEMENT

STATUTORY HISTORY

The 1971 Legislative Assembly approved Senate Bill No. 2089 creating the Administrative Committee on Veterans Affairs in North Dakota Century Code (NDCC) Chapter 37-18.1. The committee originally consisted of 12 voting members, three from the American Legion, three from the Veterans of Foreign Wars, three from the Disabled American Veterans, and three from the Veterans of World War I, USA. The committee also included four ex officio nonvoting members--the Adjutant General, the center director of the Veterans Administration, the executive director of Job Service North Dakota, and the Director of Institutions. Committee members were not authorized to receive compensation for performance of their duties. They could, however, be reimbursed for travel expenses in connection with their duties, similar to other elected and appointed officials.

The bill provided that two subcommittees be appointed from the voting membership of the Administrative Committee on Veterans Affairs--a five-member subcommittee to supervise and oversee the Veterans Home and a seven-member subcommittee to supervise and oversee the Department of Veterans Affairs.

The 1985 Legislative Assembly expanded the voting membership of the committee by 3, from 12 to 15 members. The three additional members were to represent the Vietnam Veterans of America. The 1985 Legislative Assembly also replaced the Veterans of World War I, USA, with the Veterans of World War II, Korea, and Vietnam (AMVETS).

Although the 1987 Legislative Assembly did not change the statutory provisions providing for the two subcommittees structure of the Administrative Committee on Veterans Affairs, it did remove the requirement that the Veterans Home subcommittee consist of five members and that the Department of Veterans Affairs subcommittee consist of seven members.

The 1991 Legislative Assembly reduced the number of ex officio members on the Administrative Committee on Veterans Affairs by one, from four to three, by removing the Director of Institutions.

MEMBER EXPENSE REIMBURSEMENT

Since NDCC Chapter 37-18.1 was enacted in 1971, statutory provisions relating to the Administrative Committee on Veterans Affairs have precluded committee members from being compensated for

performance of their duties; however, members have been allowed to be reimbursed for travel expenses in connection with their duties. During the 1999-2001 biennium, the Veterans Home spent \$13,340 from the general fund to reimburse members of the Veterans Home subcommittee for travel expenses. The Department of Veterans Affairs spent \$8,549 from the veterans' postwar trust fund to reimburse members of the Department of Veterans Affairs subcommittee for their travel expenses. Traditionally, the Veterans Home and the Department of Veterans Affairs have alternated annually paying the travel expenses of the Administrative Committee on Veterans Affairs chairman; however, the current chairman has not requested reimbursement for travel expenses. For the 2001-03 biennium, the Veterans Home has budgeted \$16,000 from the general fund for travel reimbursement for Veterans Home subcommittee members; however, the Veterans Home now anticipates spending \$30,000 for these travel expenses. The increased cost results from the Veterans Home subcommittee membership being increased from seven to eight members and the subcommittee meeting monthly rather than quarterly. The Department of Veterans Affairs budgeted \$7,000 from the veterans' postwar trust fund for the Department of Veterans Affairs subcommittee member travel reimbursement during the 2001-03 biennium. This amount is not specifically appropriated by the Legislative Assembly because Article X of the Constitution of North Dakota provides the Administrative Committee on Veterans Affairs a continuing appropriation to spend moneys in the veterans' postwar trust fund.

DEPARTMENT OF VETERANS AFFAIRS OPTIONAL ADJUSTMENT REQUEST

Attached as Appendix A is a copy of the Department of Veterans Affairs optional adjustment request submitted to the Office of Management and Budget and the Legislative Assembly for the 2001-03 biennium. Priority No. 3 requested \$7,000 from the general fund to be used for travel reimbursement for committee members rather than using veterans' postwar trust fund moneys. Attached as Appendix B is a copy of the Department of Veterans Affairs testimony before the Appropriations Committees of the 2001 Legislative Assembly requesting that \$7,000 be provided from the general fund for travel reimbursement.

USES OF THE VETERANS' POSTWAR TRUST FUND

The Administrative Committee on Veterans Affairs is authorized to spend moneys in the veterans' postwar trust fund pursuant to its continuing appropriations (Article X of the Constitution of North Dakota). These funds are not included in the appropriations approved by the Legislative Assembly. For the 1999-2001 biennium, the committee spent \$519,652 as follows:

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| Department of Veterans Affairs | |
| Administrative costs | \$5,973 |
| Travel reimbursement for administrative committee members | 8,549 |
| 1 FTE - Veterans specialist II | 52,694 |
| Grants | 205,825 |
| Training | 3,836 |
| Transportation program | 50,513 |
| Veterans Home | |
| Veterans' activities | 15,000 |
| Gazebo construction | 48,400 |
| Veterans Cemetery maintenance | 105,000 |
| Veterans Cemetery promotional video | 1,700 |
| World War II Memorial (Washington, D.C.) | 15,790 |
| Women and military memorial (Washington, D.C.) | 5,000 |
| Veterans' license plate promotion | 1,000 |
| Services for homeless veterans | 372 |
| Total | \$519,652 |

Attached as Appendix C is the Legislative Council staff analysis of the veterans' postwar trust fund for the 1999-2001 and 2001-03 bienniums prepared at the close of the 2001 Legislative Assembly indicating that the estimated June 30, 2003, veterans' postwar trust fund balance is projected to be \$4.4 million. The principal balance of the fund may not be spent and is \$4.1 million.

ATTACH:3