



July 22, 2011

2011 Session Review

Capital Investments

- MDVA New Appropriations
- DMA New Appropriations
- Capital Investments

New Session Law & Funding

- Gold Star Plate Expansion
- Additional MACV Funding
- HEVP Sunset Repealed
- MN GI Bill Funded
- Earmarks for VSO's
- Veterans Home Funding
- Homestead Market Value Exclusion Expanded
- Game & Fish Laws Amended
- Transportation Funding for Veterans
- Legacy Funding for Veterans Rest Camp
- DHS Refers Veterans to VA

Military

- Funding for Enlistment Incentives
- Military Museum Funding
- Early Graduation Military Service Award Program
- Driver's License Renewal Expansion

Mike McElhiney (651)757-1530
MDVA Legislative Director

Capitol Acknowledges the Value of Veterans

As the 2011 Minnesota Legislative Session began, it was with a significant change to the balance of power at the Capitol. For nearly 40 years the DFL held the majority but this year that balance has shifted. With 36 newly elected members, 33 of which were in the Republican majority, and a new DFL Governor, there was speculation that the session would get off to a bit of a slow start with a quarter of the freshmen members learning the ropes. That was not the case.

The House and Senate majorities hit the ground running and focused on budget issues. One of the interesting occurrences this year was the fact that the budget deadline for bills with a fiscal impact was essentially the first committee deadline while historically it has been the third committee deadline. Typically the Legislature deals with policy issues early in the session. As stated, times have changed.

With a \$5 billion deficit for the 2012-2013 biennium, balancing the budget was the primary focus throughout the session and within the policy bills put forth. Because of the deficit and very different ideas on both sides of the aisle as to how to balance the budget, an agreement was not easily achieved and we found ourselves in the middle of the longest state shutdown in history. However, The Minnesota Department of Veterans Affairs appreciates the fact that the State



Legislature acknowledges the value of our mission and supports it through funding provided to Veterans and because of that MDVA received a slight budget increase.

That said, of the nearly 45 Veterans related bills put forth, not all of them had a fiscal impact. They ranged from bills dealing with taxes, driver's license issues, and women Veteran recognition initiatives to recreation improvements and opportunities, new employment rights and protections for Veterans, and changes in small business preference for Veterans.

Not all these bills made it to the Governor's office to be signed into law. However, government is a process of incrementalism, and just as victory in war is not achieved in one battle, policy and funding to support and improve the lives of Veterans and their families is not achieved in a single session.

The State Government Innovation and Veterans Omnibus Bill appropriated a total of \$116,290,000 to the Minnesota Department of Veterans Affairs (MDVA) for FY12-13, \$2,790,000 of which is newly legislated dollars. In addition to this new funding, the Legislature earmarked \$100,000 in one-time funding from the existing Support Our Troops license plate Special Revenue Fund to be allocated to the Minnesota Assistance Council for Veterans (MACV). What is also not counted in the above totals are Special Revenue Funds that are already statutorily appropriated and authorized to be carried forward annually. A further explanation is contained within.

MDVA Appropriations for Fiscal Year 2012 and 2013

Related Bill #	Amount of Appropriation and Year Programs and Services	Purpose
SF 12	\$945,000 per year (\$1,890,000 for the FY12-13 biennium)	To fund the Higher Education Veterans Program (HEVP) on various campuses across the state
SF 12	\$100,000 one-time grant to MACV from the SOT Fund for the FY12-13 biennium	This is to augment Minnesota Assistance Council for Veterans (MACV) funding to help end Veteran homelessness in the state. This is a one-time grant to MACV from the SOT fund
	Total New Funding Programs and Services FY12-13 Biennium: \$1,890,000	
	Grand Total Programs and Services FY12-13 Biennium: \$27,558,000	
	Amount of Appropriation and Year Veterans Homes	Purpose
SF 12	\$738,000 in FY13	For operating costs of the new 21-bed specialty care/Alzheimer's unit at the Fergus Falls Veterans Home
SF 12	\$162,000 in FY13	For operating costs of the new Adult Day program at the Minneapolis Veterans Home
	Total New Funding Veterans Homes FY12-13 Biennium: \$900,000	
	Grand Total Veterans Homes FY12-13 Biennium: \$88,732,000	
	Grand Total Veterans Affairs FY12-13 Biennium: \$116,290,000	

DMA Appropriations for Fiscal Year 2012 and 2013

Related Bill #	Amount of Appropriation and Year	Purpose
SF 12	\$3,000,000 for FY12	Enlistment Incentives
SF 12	\$14,000 in FY12	Minnesota Air National Guard Museum
SF 12	\$90,000 in FY12	Minnesota Military Museum
	Total New Funding Military Affairs FY12-13 Biennium: \$3,000,000	
	Grand Total Military Affairs FY12-13 Biennium: \$41,742,000	



Capital Investment Funding

Related Bill #	Amount of Bonding and Year Programs and Services	Purpose
HF 23	\$1,500,000 existing bonding dollars from 2008 *NOT NEW MONEY*	Bonding language change specifying southeastern and southwestern Minnesota as future Veterans Cemetery locations with Fillmore County specified as the location in southeastern Minnesota. It also included language which enables recirculation of federally reimbursed funds for future design cost of those additional cemeteries
	Amount of Bonding and Year Veterans Homes	Purpose
HF 23	\$2,300,000 FY12-FY15	For asset preservation at Veterans Homes statewide
HF 23	\$1,155,000 existing bonding dollars from 2008 *NOT NEW MONEY*	For HVAC and improvements to the south wing of building 17 at the Minneapolis Veterans Home—Language Change
HF 23	\$265,000 existing bonding dollars from 2008 *NOT NEW MONEY*	For Alpha Building demolition at the Minneapolis Veterans Home—Language Change
HF 23	\$618,500 existing bonding dollars from 2008 *NOT NEW MONEY*	For new maintenance building at the Minneapolis Veterans Home—Language Change
HF 23	\$12,500,000 existing bonding dollars from 2008 *NOT NEW MONEY*	For continued construction of buildings 16 and 17 at the Minneapolis Veterans Home

Related Capital Investment

Related Bill #	Amount of Bonding	Purpose
HF 23	\$2,000,000	To build an appropriate monument in Sheridan Veterans Memorial Park in Minneapolis
HF 23	\$5,605,000	For asset preservation and to build a state education complex at Camp Ripley

New Session Law for 2011

Veterans

Gold Star License Plate Eligibility Expanded



This was one of the first Veterans related bills that passed during the regular session. HF232 contains language that now allows surviving legal guardians, children, and siblings to purchase Gold Star license plates. Since October 2009 a surviving spouse or parent of a service member who dies while serving honorably in active

service has been eligible to receive a complimentary Gold Star license plate. Effective Aug. 1, 2011, a new law expands plate eligibility to surviving legal guardians and the siblings and children of a service member.

In another section of this law (section 4) there is language which allows the Minnesota

Department of Veterans Affairs to accept federal funds, effective July 1, 2011. Also beginning July 1, 2011, Residents involved in work therapy programs at State Veterans Homes may work on a broader array of projects.

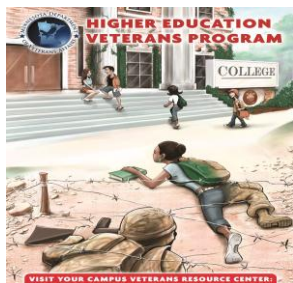
HF232/SF179

Additional Funding for MACV

In order to assist in ending Veteran homelessness in the state, the State Government Innovation and Veteran Omnibus Bill earmarks an additional \$100,000 in FY12 from the "Support Our Troops" account established under Minnesota Statutes, section 190.19 Subd. 2a for a one-time grant to the Minnesota Assistance Council for Veterans. This is in addition to the annual \$500,000 funding which passes through MDVA.

SS1 HF27/SF12 Art. 2 Sec. 3

Higher Education Veterans Program is Continued



Originally the Higher Education Veterans Program (HEVP) funding was due to sunset June 30, 2012 or when the number of veterans enrolled in Minnesota public institutions of higher education is fewer than 4,000 as outlined in Minn. Stat. 197.585. This program assists in "building the innovators of tomorrow" by providing experts on campuses and institutions of higher learning across the state which assist Veterans in ascertaining and understanding the college benefits they have earned as well as other assets that are available to students. The sunset date was repealed and it was then funded at a rate of \$945,000 per fiscal year with no new sunset date mandated.

SS1 HF27/SF12 Art. 2 Sec. 3

Minnesota GI Bill

The Minnesota GI Bill program was established in 2007 to provide postsecondary educational assistance to eligible Minnesota Veterans and to the children and spouses of deceased and severely disabled Minnesota Veterans. The commissioner of MDVA, in cooperation with eligible postsecondary educational institutions, administers the program for the purpose of providing postsecondary educational assistance to eligible persons in accordance with Minn. Stat. 197.791. Each public postsecondary educational institution in the state must participate in the program and each private postsecondary educational institution in the state is encouraged to participate in the program. Although the Minnesota GI Bill is a “last dollar in” program and an open appropriation to MDVA, the cost of administering that program is not. However, it is a general fund appropriation and just as it has been in the past two years, it was again earmarked at a level of \$100,000 per year for FY12-13. This will ensure the excellent quality and continuity in administering the program.



SS1 HF27/SF12 Art. 2 Sec. 3

Earmarks for Veterans Service Organizations

\$706,000 for FY12-13 is for grants to the following congressionally chartered Minnesota Veterans Service Organizations, as designated by the MDVA Commissioner: Disabled American Veterans, Military Order of the Purple Heart, the American Legion, Veterans of Foreign Wars, Vietnam Veterans of America, AMVETS, and Paralyzed Veterans of America. This funding is provided to assist these organizations in providing Powers' of Attorney in assisting Veterans to achieve benefits they have earned.

SS1 HF27/SF12 Art. 2 Sec. 3

Veterans Homes Funding

Of the general fund appropriation, \$738,000 in FY13 is for operation of a new 21-bed specialty care/Alzheimer's unit at the Minnesota Veterans Home in Fergus Falls. Base funding for this program is \$842,000 in FY14 and FY15. \$162,000 in FY13 is for the operation of the new adult day care program at the Minneapolis Veterans Home. Base funding for this program is \$232,000 in FY14 and FY15. Additionally, there has been a Veterans Homes service redesign whereby \$551,000 in FY12 and \$801,000 in FY13, generated from additional non-general fund revenue and cost savings from operating efficiencies, are to be used to support the operational needs of the five state Veterans homes.



SS1 HF27/SF12 Art. 2 Sec. 3



Expansion of Homestead Market Value Exclusion

This law expands eligibility for the market value exclusion for disabled Veterans by allowing the surviving spouse of a disabled Veteran to continue to receive the benefit for five full years after a disabled Veteran's death. Under current law the surviving spouse continues to receive the benefit for only two years. The surviving spouse of a service member who dies of service-connected causes while serving honorably in active military (as defined by Minn. Stat. 190.05) service is allowed to receive the exclusion for the same five-year period as the surviving spouse of a disabled Veteran that dies. A disabled Veteran's *primary family caregiver*, if one exists, is allowed to receive the market value exclusion if the Veteran has no homestead of her or his own (Congress recently enacted the "*Caregivers and Veterans Omnibus Health Services Act of 2010*," establishing a program of assistance to the approved family caregiver of a service member who is being medically discharged from the military, or a Veteran, having a serious injury incurred or aggravated in the line of duty since 9/11/2001, if the VA determines that it is in the best interest of the Veteran to do so). The language also provides that the market value exclusion terminates in the year after a surviving spouse remarries. The application date for the first category of recipients (surviving spouses of qualifying disabled Veterans) is extended from July 1 to August 15 for 2011 only to allow recipients to receive the benefit for taxes payable in 2012. The de facto effective date for the other two categories of recipients is taxes payable in 2013 because it is past the application deadline for taxes payable in 2012.

SS1 HF20/SF08 Art. 5 Sec. 8



Game and Fish Laws Amended for Veterans and Service Members

Under current law, qualified service members or Veterans currently serving, or who have served at any time during the past 24 months, in active service as a member of the United States armed forces, including the National Guard or other military reserves may receive first preference in any drawing or lottery involving the selection of applicants for hunting or fishing licenses, permits, and special permits. The amended language now allows for those who have received a Purple Heart medal for qualifying military service, as shown by official military records; or has a service-connected disability rated at 100 percent as defined by the United States Department of Veterans Affairs to receive preference as well. This subdivision does not apply to licenses or permits for taking moose, elk, or prairie chickens. The effective date of this new law is July 20, 2011.

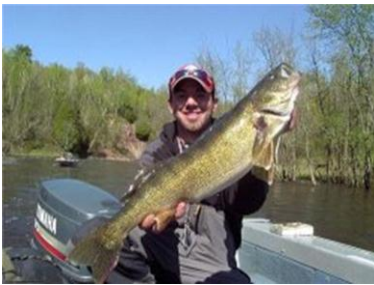
SS1 HF05/SF03 Art. 5 Sec. 32



Funds Earmarked within the Transportation Omnibus Bill for Disabled Veterans

The Metropolitan Council's General Fund Appropriation for FY12-13 is \$76,076,000 and of that amount \$140,000 has been specified for transit service to disabled Veterans. On and after July 1, 2009, the Council was mandated to provide regular route transit, free of charge for veterans, as defined in Minn. Stat. 197.447, certified as disabled. For purposes of this section, "certified as disabled" means certified in writing by the United States Department of Veterans Affairs or the state commissioner of Veterans Affairs as having a permanent service-connected disability.

SS1 HF02/SF04 Art. 1 Sec. 4



Veterans Camps to Receive Legacy Funding

The Disabled Veterans Rest Camp on Big Marine Lake in Washington County has received an appropriation of \$400,000 in FY12 for facility improvements and upgrades such as a new dual purpose storm shelter and shower facility. The Veterans on the Lake Resort on Fall Lake in St. Louis County will also receive \$75,000 in FY12 for necessary maintenance and improvements.

SS1 HF06/SF06 Art. 4 Sec. 2

Health and Human Services Must Refer Veterans to County Veterans Service Officers

This new law states that Health and Human Services shall ensure that all applicants for MinnesotaCare who identify themselves as Veterans are referred to a County Veterans Service Officer for assistance in applying to the United States Department of Veterans Affairs for any Veterans benefits for which they may be eligible. This is effective on July 20, 2011 or upon federal approval of federal financial participation for adults without children, whichever is later. The commissioner of Health and Human Service shall notify the revisor of statutes when federal approval is obtained.



SS1 HF25/SF10 Art. 6 Sec. 77

New Session Law for 2011

Military



New Enlistment Incentive Funding

The Minnesota National Guard will receive one-time funding of \$3,000,000 in FY12 which can be used in both FY12 or FY13 to increase the rate of tuition reimbursement as an enlistment incentive.

SS1 HF27/SF12 Art. 2 Sec. 2

Minnesota Air National Guard and Military Museum

The Minnesota Air National Guard Museum in St. Paul will receive \$14,000 in FY 12 and the Military Museum at Camp Ripley will receive \$90,000 in FY12 for upgrades and improvements to the Museum. This precious history is preserved in part through this funding which is sub-allocated from the Minnesota Historical Society.

SS1 HF27/SF12 Art. 1 Sec. 19

Early Graduation Military Service Award Program

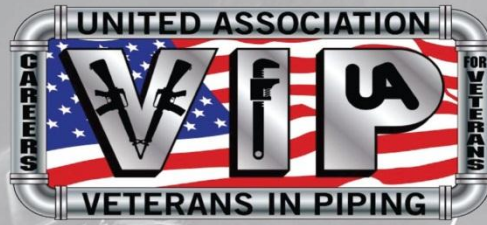
This law creates an award program where students who qualify and graduate early and enter the military can receive a cash award not to exceed the scholarship amounts listed below. To be eligible means you must be a secondary student enrolled in any Minnesota public school who qualifies for early graduation under section 120B.07 and who, before the end of the calendar year of the student's graduation, enters into active service in either the active or reserve component of the United States armed forces and deploys for 60 days or longer to a military base or installation outside Minnesota for the purpose of attending basic military training or military school and, if required by the military, performing other military duty. The active service may be in accordance with United States Code, title 10 or title 32. An eligible person may apply to the commissioner of education for an early graduation military service bonus. The application must be in the form and manner specified by the Commissioner of the Department of Education. Upon verification of the qualifying student's course completion necessary for graduation and eligibility for the military service bonus, the Commissioner must issue payment to that person. Payment amounts must be determined according to section 120B.08, subdivision 2 which states: A student who participates in the early graduation achievement scholarship program is eligible for a scholarship of \$2,500 if the student qualifies for graduation one semester or two trimesters early, \$5,000 if the student qualifies for graduation two semesters or three or four trimesters early, or \$7,500 if the student qualifies for graduation three or more semesters or five or more trimesters early. This section is effective for fiscal year 2012 and later.

SS1 HF26/SF11 Art. 1 Sec. 6

Expired Driver License Renewals

Minnesota active military service members serving outside the state will have one year after they are discharged from active duty to renew an expired driver's license. This law extends renewal time from 90 days to one year. The law is effective July 1, 2011, and applies to Minnesota driver's licenses valid on or after that date.

HF186/SF395



For Veterans, National Guard and Reserves



Veterans In Piping (VIP) is an intensive free 20-week Training Program in Welding and Piping Industry related skills.

Upon successful completion, including achieving a minimum of two pipe welding certifications you will be **GUARANTEED** a job and enter one of our Apprentice programs as a second year Apprentice.

For more information visit www.ua.org

In Minnesota call MN Pipe Trades 651-291-5001

The United Association of Plumbers and Pipefitters program coordinates with the MN Department of Veteran Affairs, MN Department of Employment and Economic Development and two of our national Contractor Associations.



Vietnam Veterans:

Camp Ripley invites Vietnam Veterans to its biennial open house Sunday, September 18, 2011 10:00 a.m. to 2:00 p.m.

There will be a ceremony to honor our "Vietnam Hero's" at 1:00 p.m. themed Welcome Home Vietnam Veterans

**Vietnam Veterans who want to participate in this event contact: SGT Timothy Krouth: (320) 616-2714*

