

HOUSE COMMITTEE ON
VETERANS' AFFAIRS

March 22, 2005 Hearing Room C

8:30 A.M. Tapes 42 - 44

MEMBERS PRESENT: Rep. Donna Nelson, Chair

Rep. Phil Barnhart, Vice-Chair

Rep. Debi Farr, Vice-Chair

Rep. Brian Boquist

Rep. Scott Bruun

Rep. Dave Hunt

Rep. Betty Komp

STAFF PRESENT: Jim Stembridge, Committee Administrator

Erin Seiler, Committee Assistant

MEASURES/ISSUES HEARD:

HB 2737 – Public Hearing

HB 2845 - Public Hearing

HB 2860 - Public Hearing

HB 2864 – Public Hearing

HB 2602 – Public Hearing

HB 2684 – Public Hearing

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 42, A		
001	Chair Nelson	Opens the meeting at 8:33 a.m. Opens the public hearing on HB 2737.

HB 2737 – PUBLIC HEARING

028	Jim Stembridge	Committee Administrator. Explains HB 2737, which creates Oregon Military Family Relief Program in Oregon Military Department.
037	Colonel Mike Caldwell	Deputy Director, Oregon Military Department (OMD). Testifies in support of HB 2737, stating the importance of helping the soldiers' families.
062	Chair Nelson	Asks what the fiscal impact would be for the OMD to administer the fund.
065	Caldwell	States that the administrative costs would have a "very minimal" impact on the OMD budget.
080	Chair Nelson	Asks how the OMD defines the "immediate family of a soldier."
086	Caldwell	Explains that immediate family refers to spouse, children, or parents, but can be whomever the soldier designates as next of kin.
098	Chair Nelson	Asks how to resolve the conflict between the language used to define eligible veteran as having to be on "federal duty for more than 30 days" and the new definition established in HB 2687 (2005).
111	Caldwell	Explains why the requirement of being on "federal duty for more than 30 days" should be deleted.
122	Chair Nelson	Asks if there is a committee or board to administer monies donated to the OMD temporary relief fund.
124	Caldwell	States that the OMD has a board that reviews requests, determines need, and distributes grant and loan money to families.

- 158 Chair Nelson Asks if qualifying language should be established or if “need” should remain at the discretion of the OMD.
- 170 Caldwell Explains that determining “need” should remain at the discretion of the OMD because of the knowledge that the OMD has of the familial situation.
- 191 Chair Nelson Asks about including Reserve soldiers in program.
- 204 Caldwell Explains that the OMD is not adept at tracking the Reserve because there is no database.
- 213 Chair Nelson Asks if the language relating to deployment hardships is appropriate.
- 217 Caldwell Recommends the deletion of any reference to hardship related deployments because hardships that soldiers’ and their families experience are not necessarily related to deployment, it comes at all times throughout the year.
- 253 Debra Buchanan Legislative Coordinator, Department of Revenue. Submits copies of Oregon Individual Income Tax Return Form 40S (**EXHIBIT A**). In reference to the charitable check-off portion of the tax form, explains that the bill would require the Department of Revenue to redesign the form and remove other entities from the form.
- 330 Chair Nelson States the need to redesign Oregon tax forms to include more entities in the charitable check-off section.
- 384 Buchanan Submits and summarizes Oregon Department of Revenue Charitable Check-Off History chart (**EXHIBIT B**).
- 399 Chair Nelson Points out that entities on front page of the Oregon tax form receive more donations than those listed in the tax instruction manual.

TAPE 43, A

- 016 Buchanan Addresses the importance that the Department of Revenue maintain the ability to meet all statutory requirements, while trying to meet requests to add more entities to tax form.

052	Mac MacDonald	Representative, Veterans' Organization. Testifies in support of HB 2737, adding that Reserve soldiers need to be included.
091	Chair Nelson	Asks how fund would be administered if Reserve soldiers were included.
099	Rep. Barnhart	States how the original intention of the bill was to assist in the transition of returning soldiers and the suggested changes would "clearly change the focus of the bill, but in a positive direction."
112	Chair Nelson	Closes the public hearing on HB 2737. Opens the public hearing on HB 2845.

HB 2845 – PUBLIC HEARING

116	Jim Stembridge	Committee Administrator. Explains HB 2845, which creates Oregon Military Childcare Grant Program.
125	Colonel Mike Caldwell	Deputy Director, Oregon Military Department (OMD). Testifies to the merits of creating a childcare grant program.
138	Caldwell	Identifies the potential for the program to have a high fiscal component, stating that the "intent is good, but it is outside our budget."
189	Chair Nelson	Asks who should administer the grant program.
191	Caldwell	Explains why appropriated funds would need to be administered by the OMD.
206	Caldwell	Recommends the deletion of the phrase "while on active duty for a period of 30 days or more."
212	Rep. Farr	Asks how many families the childcare grant program would apply too.
222	Caldwell	Speaks to the applicability of the grant program.
242	Rep. Farr	Points out how the program will only apply to a certain percentage of soldiers on active duty.

- 255 Caldwell Explains the salary structure of active-duty, non-active duty, and National Guard soldiers.
- 363 Rep. Farr Asks if there will be income criteria for distributing the grants.
- 398 Caldwell Explains the criteria that the OMD used as the basis for estimating the cost of the program.

TAPE 42, B

- 021 Chair Nelson Asks if it necessary to have separate funds; one for veterans and one for National Guard.
- 034 Caldwell Explains why the OMD only has the ability to deal with active guard soldiers.
- 079 Rep. Barnhart Speaks to intent to assist in increasing enlistment numbers and encouraging soldiers to reenlistment.
- 090 Caldwell States that the two reasons most commonly cited for not reenlisting is family and employment.
- 114 Rep. Barnhart Asks what percentage of soldiers are new enlistments and what percentage are reenlistments.
- 119 Caldwell States that the average of reenlistments in Oregon is eighty percent after deployment, but recently there has been a significant decrease as a result of their deployments.
- 164 Rep. Barnhart Comments that discussion about Reserve soldier is less significant in regards to this bill.
- 176 Harlay Ray Legislative Chair, American Legion. Addresses the issue of Reserve soldiers versus National Guard soldiers.
- 190 Mac MacDonald Representative, Veterans' Organization. Speaks to the need to include activated Reserve soldiers in all programs.
- 239 Rep. Hunt Asks if the fiscal impact of the childcare grants would be reduced if the money was made a part of a broader family relief program.

- 256 Caldwell States how it would be better to have the money in a broader relief fund, which would allow the OMD to provide a multitude of assistance to families.
- 370 Chair Nelson Closes the public hearing on HB 2845. Opens the public hearing on HB 2860.

HB 2860 – PUBLIC HEARING

- 400 Jim Stembridge Explains HB 2860, which creates Oregon Military Transition Assistance Program.

TAPE 43, B

- 006 Colonel Mike Caldwell Deputy Director, Oregon Military Department (OMD). States that the program is not included in the OMD official budget and cannot officially support the program.
- 025 Caldwell Comments that HB 2860, HB 2737, and HB 2845 all address similar needs and that it would be best to collapse into a single assistance fund.
- 032 Chair Nelson Expresses concern about the inability to assess soldiers sooner than ninety days after return from deployment.
- 038 Caldwell Speaks to the physical and psychological issues returning soldiers are experiencing.
- 058 Chair Nelson Asks about funding for “drilling” soldiers after ninety days so to assess mental and physical well-being.
- 062 Caldwell Explains that the OMD has sought permission from the Governor to have soldiers voluntarily come to “drill” after thirty days.
- 081 Caldwell Speaks to how the OMD has established a temporary transition team to assist returning soldiers and their families.
- 118 Rep. Boquist Asks if the OMD will retain their battalion and command leaders in position after ninety days.

- 133 Caldwell States that their intention is to keep battalion leadership in place for at least ninety days and up to six months.
- 154 Mac MacDonald Representative, Veterans' Organizations. Testifies in support of HB 2860.
- 167 Chair Nelson Closes the public hearing on HB 2860. Opens the public hearing on HB 2864.

HB 2864 – PUBLIC HEARING

- 174 Jim Stembridge Committee Administrator. Explains HB 2864, which creates Veterans' Discharge Stipend Program to provide temporary income to veterans when discharged from active federal service.
- 195 Val Conley Veterans' Services Division Administrator, Oregon Department of Veterans' Affairs (ODVA). Submits and summarizes written testimony in support of HB 2864 (**EXHIBIT C**).
- 215 Mac MacDonald Representative, Veterans' Organizations. Testifies in support of HB 2864.
- 228 Harley Ray Legislative Chair, American Legion. Testifies in support of HB 2864.
- 261 Chair Nelson Verifies the three different types of military discharge that would permit the issuance of a stipend and that having a stipend would not permit a soldier to "jump" service units.
- 297 Conley States that ODVA would support any program that provides additional benefits to veterans'.
- 314 Chair Nelson Closes the public hearing on HB 2864. Opens the public hearing on HB 2602 and HB 2684.

HB 2602 & HB 2684 – PUBLIC HEARING

- 336 Jim Stembridge Committee Administrator. Explains HB 2602/HB 2684, which create Oregon Military Emergency Financial Relief Program.

- 347 Colonel Mike Caldwell Deputy Director, Oregon Military Department (OMD). Speaks to fiscal impact of the program and administrative costs.
- 387 Chair Nelson Asks how much is the average amount of a grant or loan made to a soldier.
- 389 Caldwell States that average grant is \$1200 dollars and that program should not be limited to active duty guardsmen.

TAPE 44, A

- 009 Rep. Farr Verifies that definition of veteran needs to be deleted.
- 030 Chair Nelson Asks if grant or loan programs are set up as 501(c) 3 entities there will be a greater tax benefits for donors.
- 034 Caldwell Concurs that 501(c) 3 would provide a greater state and federal tax benefit to a donor.
- 047 Rep. Farr Verifies that there is not a similar relief program for Reservists at the federal level.
- 060 Rep. Farr Inquires whether or not it would make more sense to seek assistance for Reserve soldiers through the federal government with the assistance of the federal delegation.
- 065 Rep. Barnhart Asks if OMD has the authority to establish non-profit corporations that work in conjunction with monies appropriated through the state General Fund, but are administered separately for tax purposes.
- 081 Caldwell Explains the statutory authority that the OMD has to establish specific relief funds, noting that said funds are not 501(c) 3 entities.
- 118 Chair Nelson Closes the public hearings on HB 2602 and HB 2684. Adjourns meeting at 10:32 a.m.

EXHIBIT SUMMARY

- A. **HB 2737, Oregon Individual Income Tax Return Form 40S, Debra Buchanan, 2 pp**
- B. **HB 2737, Oregon Department of Revenue Charitable Check-Off History Chart, Debra Buchanan, 1 p**
- C. **HB 2864, written testimony, Val Conley, 2 pp**