

HOUSE COMMITTEE ON
VETERANS' AFFAIRS

March 31, 2005 Hearing Room C

8:30 A.M. & 3:00 P.M. Tapes 51 - 54

MEMBERS PRESENT: Rep. Donna Nelson, Chair

Rep. Phil Barnhart, Vice-Chair

Rep. Debi Farr, Vice-Chair

Rep. Brian Boquist

Rep. Dave Hunt

Rep. Betty Komp

MEMBER EXCUSED: Rep. Scott Bruun

STAFF PRESENT: Jim Stembridge, Committee Administrator

Erin Seiler, Committee Assistant

MEASURES/ISSUES HEARD:

HB 3332 – Public Hearing

HJR 34 – Public Hearing

HB 2437 – Work Session

HB 2687 – Work Session

HJM 2 – Public Hearing

HB 3103 – 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 51, A		
002	Chair Nelson	Opens the meeting at 8:41 a.m. Discusses upcoming events honoring the returning Oregon National Guard soldiers.
289	Chair Nelson	Recesses the meeting at 9:00 a.m.
290	Chair Nelson	Reconvenes the meeting at 9:05 a.m.
333	Chair Nelson	Opens a public hearing on HB 3332.

HB 3332 – PUBLIC HEARING

370	Jim Stembridge	Committee Administrator. Explains HB 3332, which authorizes Public Employees' Benefit Board to offer high deductible health benefit plan to members of Oregon National Guard and dependents of members without health insurance coverage. Submits and summarizes -1 amendments (EXHIBIT A).
380	Rep. Jeff Kropf	House District 17. Submits and summarizes written testimony in support of HB 3332 (EXHIBIT B).

TAPE 52, A

121	Chair Nelson	Addresses several amendments that need to be drafted to correct language relating to the effective date of health benefits coverage.
177	Rep. Kropf	Restates the intent of HB 3332 is to extend health and dental benefits to soldiers after demobilization.
191	Chair Nelson	Asks if mental health parity could be included as a part of a health benefits package.

204	Rep. Kropf	States that the benefits are for Oregon National Guard soldiers regardless of mobilization status.
233	Rep. Barnhart	Confirms the intent of HB 3332.
243	Colonel Mike Caldwell	Deputy Director, Oregon Military Department (OMD). Explains why Oregon National Guard members are not part of the state health care system and addresses efforts by the federal government to extend health care and dental coverage for National Guard soldiers.
316	Caldwell	Explains why the OMD does not officially support HB 3332.
325	Chair Nelson	Verifies that Oregon National Guard soldiers are not part of the Public Employees Retirements System (PERS).
338	Rep. Boquist	Speaks to recent action by the Department of Defense to pass and fund a subsidy program extending TRICARE health benefits up to eight years for Reserve soldiers.
386	Rep. Kropf	Comments on efforts to include the Oregon Reservists in as many pieces of legislation as possible.

TAPE 51, B

012	Rep. Kropf	Comments on ability to save money using high deductible health saving accounts.
039	Rep. Barnhart	Verifies that HB 3332 has the appropriate relating cause.
048	Rep. Kropf	Points out how offering health benefits would be a “powerful tool” for retention and recruitment of Oregon National Guard soldiers.
080	Chair Nelson	Asks if the adjutant general has an insurance policy.
082	Caldwell	Confirms that the adjutant general does have an insurance policy and identifies the number of OMD employees who are state or federally employed.
140	Caldwell	

Speaks to the positive work of the committee, cautioning that the fiscal reality of the state cannot be forgotten and efforts need to focus on what can realistically be done.

- 187 Rep. Hunt Asks why Public Employee Benefits Board (PEBB) has requested not to be the administrative body for the health benefit program.
- 200 Rep. Kropf Explains why the PEBB has asked not to administrate the health benefit program.
- 229 Rep. Hunt Asks why a two-to -one cost-sharing ratio would be appropriate.
- 235 Rep. Kropf Explains why a two-to-one cost-sharing ratio was chosen for the health care benefit plan.
- 262 Rep. Kropf Comments on experience meeting with Oregon National Guard soldiers in Iraq.
- 304 Chair Nelson Closes the public hearing on HB 3332. Opens a public hearing on HJR 34.

HJR 34 – PUBLIC HEARING

- 330 Jim Stembridge Committee Administrator. Explains HJR 34, which proposes amendment to Oregon Constitution dedicating portion of net proceeds of State Lottery for services for Oregon veterans.
- 337 John Lindsay Commissioner, Linn County. Testifies in support of HJR 34.
- 380 Lindsay Identifies the need to provide veterans with health benefits and services.

TAPE 52, B

- 047 Lindsay Speaks to the language of HJR 34 relating to County Veterans' Service Officers.
- 137 Jim Willis Director, Oregon Department of Veterans' Affairs (ODVA). Testifies in support of HJR 34.

164	Willis	Speaks to the quality of work of County Veterans' Service Officers and what could be accomplished if Officers were properly funded.
181	Willis	Identifies how HJR 34 reflects all the work being done on behalf of veterans, Oregon National Guard and Reserve soldiers, and their families.
209	Chair Nelson	Speaks to the amount of available lottery funds.
284	Chair Nelson	Asks why a 1 percent funding diversion was deemed adequate.
290	Lindsay	Explains how and why the one percent funding rate was determined.
336	Lindsay	Identifies how a lottery fund diversion could be used to supplement other benefits for veterans.
347	Chair Nelson	States interest in including seniors, spouses, and disabled persons as beneficiaries of program funds.
374	Lindsay	Affirms support for this suggestion, noting that any amendment language would need to be very specific to prevent abuse of monies.

TAPE 53, A

001	Chair Nelson	Asks what amount of money is adequate to accomplish the goals set forth in HJR 34.
008	Rep. Boquist	Explains how source of funding was chosen to prevent diverting monies for other programs funded by Oregon Lottery dollars.
050	Rep. Hunt	Expresses concern about the long-term stability of lottery monies and ask whether sponsors would be willing to insert language relating to employment, education, and training.

The following written testimony is submitted for the record without public testimony:

Patricia Farrell Chair, Yamhill Basin Council. Submits written testimony in opposition to HJR 34 (**EXHIBIT C**).

Tim Wood

Director, Oregon Parks and Recreation Department. Submits written testimony in opposition to HJR 34 (**EXHIBIT D**).

Allison Hensey Legislative Coordinator, Oregon Watershed Enhancement Board (OWEB). Submits written testimony about the fiscal impact of HJR 34 for OWEB (**EXHIBIT E**).

140 Chair Nelson Closes the public hearing on HJR 34. Recesses the meeting at 10:47 a.m.

141 Chair Nelson Reconvenes the meeting at 3:09 p.m. Opens a work session on HB 2437.

HB 2437 – WORK SESSION

146 Jim Stembridge Committee Administrator. Explains HB 2437, which removes certain limitations on eligibility for educational aid for veterans. Submits and summarizes –1 amendments (**EXHIBIT F**). Submits and summarizes –2 amendments (**EXHIBIT G**). Submits and summarizes –3 amendments (**EXHIBIT H**).

176 Chair Nelson Verifies that there are currently ten veterans utilizing the Oregon Education Aid for Veterans Program.

192 Val Conley Veterans' Services Division Administrator, Oregon Department of Veterans Affairs (ODVA). Explains how language in the law prevents a veteran from utilizing both state and Federal Veterans' Administration Educational Entitlement funds.

206 Chair Nelson Asks for information about the eligibility and home-of-record criteria for utilizing educational program.

226 Conley Confirms eligibility criteria for educational assistance from ODVA and how the ODVA defines home-of-record for veterans.

234 Rep. Farr Verifies the qualifications for veterans' educational aid in other states.

261 Rep. Boquist Points out that there are "around 20 states" that provide free college education for veterans.

272 Rep. Komp Speaks in support of the current language of HB 2437.

291 Rep. Hunt Asks for clarification on -1 amendments and the staff measure summary.

301 Chair Nelson Clarifies the language in –1 amendments relating amount of financial assistance a veteran would receive per year.

323 Rep. Farr **MOTION: Moves to ADOPT HB 2437-1 amendments dated 02/14/05.**

328 **VOTE: 6-0-1**
EXCUSED: 1 - Bruun

Chair Nelson **Hearing no objection, declares the motion CARRIED.**

333 Rep. Farr **MOTION: Moves to ADOPT HB 2437-2 amendments dated 02/14/05.**

342 **VOTE: 6-0-1**
EXCUSED: 1 - Bruun

Chair Nelson **Hearing no objection, declares the motion CARRIED.**

346 Rep. Farr **MOTION: Moves to ADOPT HB 2437-3 amendments dated 02/28/05.**

351 **VOTE: 6-0-1**
EXCUSED: 1 - Bruun

Chair Nelson **Hearing no objection, declares the motion CARRIED.**

354 Rep. Farr **MOTION: Moves HB 2437 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.**

VOTE: 6-0-1

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 1 - Bruun

Chair Nelson The motion CARRIES.

377 Chair Nelson Closes the work session on HB 2437. Opens a work session on HB 2687.

HB 2687 – WORK SESSION

378 Jim Stembridge Committee Administrator. Explains HB 2687, which modifies definition of “veteran” for certain purposes. Submits and summarizes –1 amendments (**EXHIBIT I**). Submits and summarizes –2 amendments (**EXHIBIT J**).

TAPE 54, A

001 Chair Nelson Clarifies the language of -1 amendments and -2 amendments and reads from HB 2687.

039 Rep. Boquist Explains the different types of military discharge.

060 Mac MacDonald Representative, Veterans’ Organizations. States that he only knows about honorable and dishonorable discharges.

074 Rep. Boquist States that there is no longer administrative discharge and list the types of discharges.

090 Rep. Barnhart Asks what conditions would result in a person being discharged as something other than honorable.

097 Colonel Mike Caldwell Deputy Director, Oregon Military Department (OMD). Addresses the concern of fraudulent enlistments and why an individual would not receive an honorable discharge from the military.

123 Rep. Boquist States that currently most soldiers receive general discharge, which is not honorable, but not necessarily dishonorable.

131	Rep. Barnhart	Concurs with Rep. Boquist.
140	Rep. Boquist	States that the appropriate language relating to veterans' status would be "honorable conditions."
151	Caldwell	Explains why the appropriate language relating to military discharge would be "discourage under honorable conditions."
154	Rep. Hunt	Confirms that the terminology of "discourage under honorable conditions" would be the most inclusive language for defining who qualifies for veteran status.
157	Caldwell	States that the current terminology can work.
171	Rep. Barnhart	Recommends -2 amendments.
180	Rep. Barnhart	MOTION: Moves to ADOPT HB 2687-2 amendments dated 03/28/05.
186		VOTE: 5-0-2 EXCUSED: 2 - Bruun, Farr
	Chair Nelson	Hearing no objection, declares the motion CARRIED.
188	Rep. Barnhart	MOTION: Moves HB 687 to the floor with a DO PASS AS AMENDED recommendation
194		VOTE: 5-0-2 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Bruun, Farr
	Chair Nelson	The motion CARRIES. REP. BOQUIST will lead discussion on the floor.
209	Chair Nelson	Closes the work session on HB 2687. Opens the public hearing on HJM 2.

HJM 2 – PUBLIC HEARING

- 216 Jim Stembridge Committee Administrator. Explains HJM 2, which urges Congress to introduce and pass legislation to allow veterans in Oregon to receive health care from health care facilities other than Department of Veteran’s Affairs health care facilities.
- 219 Rep. Donna Nelson House District 24. Testifies in support of HJM 2.
- 280 Rep. Hunt Points out need to amend HJM 2 if the intent is for veterans to be able to access both Veterans’ Affairs medical facilities and non-Veterans’ Affairs medical facilities.
- 290 Chair Nelson Agrees that the intent of HJM 2 is to allow veterans to have access to all medical facilities.
- 304 Vice-Chair Barnhart Closes the public hearing on HJM 2.
- 308 Chair Nelson Opens a public hearing on HB 3103.

HB 3103 – PUBLIC HEARING

- 310 Jim Stembridge Committee Administrator. Explains HB 3103, which allows State Fish and Wildlife Commission to issue hunting and angling licenses at no charge to members and recent retirees of Oregon National Guard and military reserves, members of armed forces on active federal duty and recent retirees from active federal duty. Submits fiscal statement on HB 3103 (**EXHIBIT K**).
- 347 Colonel Mike Caldwell Deputy Director, Oregon Military Department (OMD). Speaks to the fiscal impact of HB 3103 and the budget allocation by Governor Kulongoski in the 2005-07 Governor’s Budget.
- 418 Chair Nelson Questions the appropriateness of limiting participation to federal active duty soldiers.
- 425 Rep. Boquist Explains that Oregon National Guard soldiers, active duty soldiers, and Military Reserve soldiers would all be eligible for free licenses.

011	Rep. Boquist	Clarifies the fiscal statement.
017	Chair Nelson	Asks what is meant by “active federal duty requirement.”
021	Caldwell	Explains that active federal duty would mean that a soldier is no longer in Oregon.
033	Rep. Barnhart	Clarifies that there are three categories of soldiers who qualify for a free hunting or fishing licenses in Oregon.
040	Chair Nelson	States that HB 3103 has the potential to be too broad in its application because it does apply to any soldier in the United States.
	Val Conley	Veterans’ Services Division Administrator, Oregon Department of Veterans Affairs (ODVA). Explains that Oregon States Statutes require that a veteran have a service-connected disability rating of 30 percent or above to be entitled to a free hunting or fishing license.
086	Rep. Boquist	Points out the differences between the fiscal impact statement from Legislative Fiscal and the Governor’s budget.
109	Kris Kautz	Deputy Director for Administration, Oregon Department of Fish and Wildlife Program. Submits and summarizes written testimony on the budgetary impact of HB 3103 (EXHIBIT L).
136	Rep. Boquist	States that the intent is not to take revenue from the Oregon Department of Fish and Wildlife and that the funds need to be fought for “down in Ways and Means.”
142	Kautz	Points out that OMD has set aside money to reimburse veterans who purchase hunting or fishing licenses.
150	Rep. Boquist	Explains the administrative process of the hunting and fishing license program.
171	Chair Nelson	Closes the public hearing on HB 3103. Adjourns the meeting at 4:07 p.m.

EXHIBIT SUMMARY

- A. HB 3332, -1 amendments, staff, 1 p
- B. HB 3332, written testimony, Jeff Kropf, 1 p

F. HB 2437, -1 amendments, staff, 2 pp

- 1. G. HB 2437, -2 amendments, staff, 1 p
- 2. H. HB 2437, -3 amendments, staff, 2 pp
- 3. I. HB 2687, -1 amendments, staff, 1 p
- 4. J. HB 2687, -2 amendments, staff, 1 p
- 5. K. HB 3103, fiscal statement, staff, 2 pp
- 6. L. HB 3103, written testimony, Kris Kautz, 2 pp

The following written testimony is submitted for the record without public testimony:

- C. HJR 34, written testimony, Patricia Farrell, 1 p
- D. HJR 34, written testimony, Tim Wood, 2 pp
- E. HJR 34, written testimony, Allison Hensey, 3 pp