

**HOUSE COMMITTEE ON**  
**VETERANS' AFFAIRS**

**April 14, 2005 Hearing Room C**

**8:30 A.M. Tapes 70 - 72**

**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 Stenbridge, Committee Administrator**

**Erin Seiler, Committee Assistant**

**MEASURES/ISSUES HEARD:**

**Meeting                   Oregon State Bar Military Assistance Panel – Informational**

**HB 2681 – Work Session**

**HB 3103 – Work Session**

**HJM 2 – Work Session**

**HB 3325 – Public Hearing**

**HJR 47 – 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.**

<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 70, A</b>		
001	Chair Nelson	Opens the meeting at 8:38 a.m.
010	Jim Stembridge	Committee Administrator. Reviews the committees' travel schedule for April 15, 2005 and April 16, 2005.
084	Chair Nelson	Opens an informational meeting on the Oregon State Bar Military Assistance Panel.

**OREGON STATE BAR MILITARY ASSISTANCE PANEL – INFORMATIONAL MEETING**

087	Pete Shepard	Deputy Attorney General, State of Oregon. Explains the history, purpose, and work of the Oregon State Bar Military Assistance Panel.
125	Charles Williamson	Attorney, Kell, Alterman and Runstein. Speaks to Kell, Alterman, and Runstein work with the Oregon State Bar's Military Assistance Panel. Submits Oregon State Bar's Military Assistance Panel Overview Report ( <b>EXHIBIT A</b> ).
164	Chair Nelson	Asks what have been the primary issues soldiers have needed legal assistance resolving.
187	Shepard	Explains that requests for legal assistance have been "unexpectedly" diverse.
196	Williamson	Identifies that Kell, Alterman and Runstein have dealt with a variety of cases, but cases have mainly involved foreclosure, credit, and family court matters.

- 222 Shepard Explains how Oregon Military Department processes soldier requests for legal assistance.
- 262 Rep. Barnhart Commends the work of the Oregon States Bar’s Military Assistance Panel.
- 310 Chair Nelson Closes the informational meeting on the Oregon States Bar’s Military Assistance Panel. Opens a work session on HB 2681.

**HB 2681 – WORK SESSION**

- 314 Jim Stembridge Committee Administrator. Explains HB 2681, which requires school district to issue high school diploma upon request to veteran who served in United States Armed Forces during specified war or was present in specified operations if veteran attended high school before serving in Armed Force, did not complete high school because of service in Armed Forces and was discharged or released under honorable conditions from Armed Forces. Submits and summarizes -1 amendments (**EXHIBIT B**).
- 331 Rep. Bruun Raises concern about the negative impact of granting high school diplomas to soldiers who are “basically kids” and removing the “incentive” for earning GED or high school degree.
- 357 Rep. Boquist Explains the Department of Defense academic evaluation program that automatically evaluates and transfers military service into academic credit for young soldiers.
- 392 Rep. Komp Points out that school districts have administrative procedures in place to evaluate a student’s “life experience” and award the proper academic credit.

**TAPE 71, A**

- 003 Colonel Mike Caldwell Deputy Director, Oregon Military Department (OMD). Explains that enlistment provisions result in only a “very small slice of members of military” without high school degrees and how young soldiers do not leave military service without a high school education.
- 031 Chair Nelson Asks if the language in -1 amendments is comprehensive enough to include all combat zone operations.

- 039 Caldwell Confirms that the language in -1 amendments does include any military operation when a soldier received combat pay.
- 049 Mac MacDonald Representative, Veterans' Organizations. Verifies the necessity of a high school degree to be in the military.
- 059 Chair Nelson Confirms that an individual must complete the Armed Services Vocational Aptitude Battery test before entering the military and that it is "essentially equivalent" to a Graduation Equivalent Diploma (GED).
- 109 Irv Fletcher Legislative Assistant, Office of Representative Brad Witt. Confirms the rarity that a soldier will enter or leave military duty without a high school degree or an equivalent level of education.
- 121 Rep. Barnhart Explains how several minor amendments would resolve concerns \ that high school diplomas would be granted to those who have not earned it.
- 151 Rep. Bruun Verifies family members will be able to request high school diplomas posthumously.
- 157 Chair Nelson Closes the work session on HB 2681. Opens a work session on HB 3103.

### **HB 3103 – WORK SESSION**

- 162 Jim Stembridge 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 and summarizes -1 amendments (**EXHIBIT C**).
- 183 Mac MacDonald Representative, Veterans' Organizations. States the need to delete portions of -1 amendments that are "discriminatory" to some veterans.
- 212 Rep. Boquist Explains why the bill would be politically and fiscally unfeasible without -1 amendments.

- 225 Rep. Barnhart Questions the application process and regulations stipulating how often a veteran can apply for hunting and fishing license.
- 235 Rep. Boquist Explains how -1 amendments clarify the definition of resident for purposes of attaining a hunting and fishing license.
- 244 Chair Nelson Verifies that -1 amendments prevent out-of-state veterans from attaining a hunting and fishing license.
- 254 Rep. Boquist Expresses opposition to an amendment that would increase eligibility for a free hunting and fishing license from 12 months after retirement to a lifetime of eligibility.
- 284 Rep. Hunt Explains why the challenge is aligning the language in -1 amendments with the existing statutory language relating to annual renewal licenses.
- 309 Jeff Bodin Veteran, Oregon Resident. Testifies in support of HB 3103.
- 329 Chair Nelson Asks if a free hunting and fishing license could be made permanent for veterans with 30 percent or above service-connected disability and an "one time event" for all others veterans.
- 355 Rep. Hunt Suggests a conceptual amendment to -1 amendments that would change 25 percent service-connected disability to 30 percent service-connected disability.
- 371 Rep. Hunt MOTION: Moves to ADOPT HB 3103-1 amendments dated 04/05/05 and that the measure be FURTHER AMENDED on page 1, line 23, by inserting "30 percent disabled, free" after "at least".**
- 384 Rep. Barnhart Questions the necessity for changing 25 percent to 30 percent service-connected disability.
- 404 Chair Nelson Speaks in support of the purposed conceptual amendment.

**TAPE 70, B**

- 012 Stembridge

Explains that 25 percent service-connected disability is clear benchmark and does not necessity change to 30 percent.

- 027 Kris Kautz Deputy Director for Administration, Oregon Department of Fish and Wildlife Program.
- 030 Chair Nelson Asks how many disabled veterans have received a free hunting and fishing license.
- 032 Kautz Speaks to the intent of HB 3103 and -1 amendments and affirms that changing length of eligibility would significantly increase fiscal impact.
- 057 Rep. Hunt Withdraws previous motion to amend HB 3013.
- 059 Rep. Hunt MOTION: Moves to ADOPT HB 3013-1 amendments dated 04/05/05.**
- VOTE: 7-0-0**
- Chair Nelson The motion CARRIES.**
- 065 Rep. Boquist MOTION: Moves HB 3103 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.**
- VOTE: 7-0-0**
- AYE: In a roll call vote, all members present vote Aye.**
- Chair Nelson The motion CARRIES.**
- 076 Chair Nelson Closes the work session on HB 3103. Opens a work session on HJM 2.

### HJM 2 – WORK SESSION

- 082 Jim Stembridge 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 Veterans' Affairs

health care facilities. Submits and summarizes -1 amendments  
**(EXHIBIT D).**

**087**      **Rep. Barnhart**      **MOTION: Moves to ADOPT HJM 2-1 amendments dated 04/11/05.**

**VOTE: 7-0-0**

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

**090**      **Rep. Barnhart**      **MOTION: Moves HJM 2 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.**

095      Rep. Boquist      Explains why HJM 2 is important.

**104**      **VOTE: 7-0-0**

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

**Chair Nelson**      **The motion CARRIES.**

**REP. NELSON will lead discussion on the floor.**

117      Chair Nelson      Closes the work session on HJM 2. Opens a public hearing on HB 3325 and HJR 47.

### **HB 3325/HJR 47 – PUBLIC HEARING**

135      Jim Stembridge      Explains HB 3325, which modifies references to persons who qualify for loans from veterans' program. Explains HJR 47, which proposes amendment to Oregon Constitution relating to eligibility for farm or home loan from Oregon War Veterans' Fund.

141      Chair Nelson      Raises concern about the political and fiscal impact of adding another item to the primary ballot.

156      Rep. Farr      Asks how election costs increase relative to the size of a ballot.

163      Stembridge      Explains the fiscal impact and why HJR 47 has a subsequent referral to the House Committee on Elections and Rules.

174	Rep. Farr	Verifies that election costs are proportionate to the size of the voter's pamphlet.
180	Rep. Boquist	Questions whether HJR 47 should be on the next primary or general election ballot.
208	Bruce Shriver	Chief Financial Officer, Oregon Department of Veterans' Affairs (ODVA). Submits and summarizes written testimony in support of HJR 47 ( <b>EXHIBIT E</b> ). Submits ODVA Amendment Report on HJR 47 ( <b>EXHIBIT F</b> ).
275	Rep. Barnhart	Asks, should the Oregon Constitution be amended by HJR 47, would it still violate federal law for ODVA to issue bonds for home loans subject to federal restrictions.
284	Shriver	Explains why ODVA would be precluded from using federal bonds for the Veterans' Home Loan Program until both the Oregon Constitution and federal law is amended.
289	Rep. Barnhart	Verifies purpose of HJR 47.
298	Shriver	Explains that, even if HJR 47 does pass and the Oregon Constitution is changed, ODVA still would not be able to utilize federal bonds.
310	Rep. Barnhart	Asks if passing HJR 47 would have an immediate impact on how ODVA administrates the Veterans' Home Loan Program.
318	Shriver	Explains that the passage of HJR 47 would allow ODVA access to a small pool of funds for Reservists and Guardsmen, but unless federal law is also amended, when that pool is exhausted ODVA will have no funds for those soldiers.
327	Chair Nelson	States that it is "a disgrace" that more than a million soldiers are excluded from receiving a home loan because of federal law.
349	Rep. Barnhart	Explains why the strongest message that can be sent to Congress is to pass HJR 47, change the Oregon Constitution, and put pressure on the Congress to amend federal home loan policy.



355 Chair Nelson Confirms that HJR 47 would resolve home loan eligibility issues.

367 Shriver Concludes testimony (**EXHIBIT E, Page 2**).

**TAPE 71, B**

001 Shriver Summarizes ODVA Amendment Report on HJR 47 (**EXHIBIT F**)

014 Chair Nelson Asks if HJR 47 applies to Oregon Reservists.

024 Stembridge Explains why legislative counsel needs to be contacted about application of HJR 47 to Oregon Reservists.

033 Chair Nelson Questions what the difference is between active duty and non-active duty soldiers.

035 Colonel Mike Caldwell Deputy Director, Oregon Military Department (OMD). Clarifies definition of active-duty soldier in with a Reserve component and regular active duty soldier.

054 Chair Nelson Questions why all soldiers, whether in-active or active, are not eligible for Veterans' Home Loan Program.

064 Caldwell Explains that it is the intent of OMD to include all soldiers, regardless of duty status.

074 Shriver Explains how the goal of HJR 47 is for all Oregon soldiers to be eligible for Veterans' Home Loan Program under Oregon law.

099 Brenda Bayes Operations Manager, Secretary of States Office

104 Jesse Cornett Legislative Liaison, Secretary of States Office.

106 Chair Nelson Asks when the next regular general election will be held in Oregon.

108 Bayes States that the next regular scheduled statewide election will be the primary in May 2006 and the next general election will be in November 2006.

116	Rep. Boquist	Clarifies the difference between the next regularly scheduled general election and next scheduled primary election.
119	Chair Nelson	Asks if there is any restriction as to what items are on a primary election ballot.
121	Bayes	States that there are no restrictions on the number of items that the legislature can refer to a ballot.
125	Rep. Boquist	Asks what the correct “verbology” is for defining a specific election in an election cycle.
130	Bayes	Believes the appropriate language would be “the next statewide primary election or the next statewide general election.”
138	Rep. Boquist	Asks what the appropriate bill language is for defining and citing an off-year election.
143	Bayes	Explains the costs and administrative procedures associated with putting a referral on an off-year ballot for a statewide election.
162	Rep. Barnhart	Asks if there are any constitutional restrictions preventing the legislature from establishing an election on any date.
168	Bayes	Explains the administrative timeline necessary for the Elections Division to hold an election.
188	Cornett	Explains the cost of producing the voter’s pamphlet.
198	Rep. Hunt	Asks if the Secretary of State Office has anticipated the cost of a special election in the 2005-07 Fiscal Year budget.
207	Cornett	States that the Secretary of State Office would go to the Emergency Board to fund a special election.
209	Rep. Hunt	Suspects that the cost of adding an additional measure to an already existing ballot is minimal when compared to the costs of a special election.

218	Bayes	Explains why it is difficult to assess the cost of an individual ballot measure.
228	Cornett	Confirms that the Secretary of State Office does have a bill pending to increase cost of submitting information to the voter's pamphlet.
266	Chair Nelson	Asks if extending eligibility for a home loan to all soldiers is good recruitment tool for OMD.
270	Caldwell	States why it would add a significant benefit to OMD and be an effective tool for retention and recruitment.
293	Chair Nelson	Asks if ODVA knows of any additional fiscal resources to provide home loan bonds.
300	Shriver	Explains how after available home loan bonds are gone, ODVA would use any unrestricted money in its budget.
320	Chair Nelson	Comments on the importance of HJR 47.
335	Rep. Barnhart	Addresses the action that needs to be taken on HJR 47 before it will be ready to move out of committee.
373	Chair Nelson	Speaks to why HJR 47 should be on the ballot of the first regular primary election.
394	Shriver	Suggests establishing a work group with Legislative Counsel, Oregon Department of Justice, and Oregon State Treasure to resolve fiscal and constitutional concerns.

**TAPE 72, A**

004	Rep. Barnhart	Asks that if the State of Oregon were to loan money for non-governmental purposes and then collected interest on those loans, would the state be subject to federal income taxes on the interest collected.
022	Shriver	Explains why the state would not be subject to federal income taxes on the interest.

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

	Bruce Shriver	Submits written testimony in support of HB 3325 ( <b>EXHIBIT G</b> ).
	Bruce Shriver	Submits Oregon Revises Statute Report on HB 3325 ( <b>EXHIBIT H</b> ).
038	Chair Nelson	Closes the public hearing on HB 3325 and HJR 47. Adjourns the meeting at 10:32 a.m.

**EXHIBIT SUMMARY**

- A. **Oregon State Bar's Military Assistance Panel, Oregon State Bar's Military Assistance Panel Overview Report, Charles Williamson, 1 p**
- B. **HB 2681, -1 amendments, staff, 1 p**
- C. **HB 3103, -1 amendments, staff, 3 pp**
- D. **HJM 2, -1 amendments, staff, 1 p**
- E. **HJR 47, written testimony, Bruce Shriver, 2 pp**
- F. **HJR 47, ODVA Amendment Report, Bruce Shriver, 1 p**

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

- G. **HB 3325, written testimony, Bruce Shriver, 2 pp**
- H. **HB 3325, Oregon Revises Statute Report, Bruce Shriver, 23 pp**