

HOUSE COMMITTEE ON
VETERANS' AFFAIRS

May 4, 2005 Hearing Room E

3:30 P.M. Tapes 88 - 90

Corrected 10/17/05

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 2677 – Work Session

HB 2700 – Public Hearing and Work Session

HB 2737 – Work Session

HB 2843 – Work Session

HB 2847 – Work Session

HB 2933 – Work Session

HB 2945 – Work Session

HB 3096 – Work Session

HJR 47- Work Session

HB 3325 – Work Session

HJM 14 –Work Session

HJM 18 – Work Session

HJM 31 – Work Session

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
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TAPE 88, A

002	Chair Nelson	Opens the meeting at 3:38 p.m. Opens the work session on HB 2677.
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HB 2677 – WORK SESSION

035	Jim Stembridge	Committee Administrator. Explains HB 2677, which creates Oregon National Guard Life Insurance Reimbursement Program and Oregon National Guard Life Insurance Reimbursement Program Fund. Submits and summarizes -1 amendments (EXHIBIT A). Submits and summarizes -2 amendments (EXHIBIT B). Submits and summarizes -3 amendments (EXHIBIT C).
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077	Mac Macdonald	Representative, Veterans’ Organization. Questions why Oregon Reservists are excluded from participating in life insurance program.
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089	Colonel Mike Caldwell	Deputy Director, Oregon Military Department (OMD). Explains why it would be difficult for OMD to administer program for Reservists.
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101	Rep. Hunt	Verifies that the pending federal supplemental program would include all military soldiers.
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105	Caldwell	Reiterates the difficulties of including members of the military who are outside the purview of the OMD.
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114 Rep. Hunt Clarifies that the fiscal statement is based only on the life insurance coverage of Oregon National Guard soldiers.

122 Rep. Farr **MOTION: Moves to ADOPT HB 2677-3 amendments dated 05/02/05.**

VOTE: 7-0-0

Chair Nelson Hearing no objection, declares the motion CARRIED.

124 Rep. Farr **MOTION: Moves HB 2677 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.

137 Chair Nelson Closes the work session on HB 2677. Opens a public hearing and work session on HB 2700.

HB 2700 - PUBLIC HEARING AND WORK SESSION

146 Jim Stembridge Committee Administrator. Explains HB 2700, which directs Director of Veterans' Affairs to establish Veterans' Service Officer Expansion Program. Submits and summarizes -3 amendments (**EXHIBIT D**). Submits and summarizes -4 amendments (**EXHIBIT E**). Submits and summarizes -5 amendments (**EXHIBIT F**). Submits and summarizes -6 amendments (**EXHIBIT G**).

189 Douglass T. MacEllven Representative, Washington County Aging and Veteran Services. Submits information packet in support of HB 2700 which includes the written testimony of Jeff Hill, County Veterans' Service Officers Accreditation and Training report, and County Veterans' Service Officers Quarterly Report on Activities (**EXHIBIT H**).

191 Joseph J. Reiley County Veteran Service Officer, Lane County. Submits and summarizes written testimony in support of HB 2700 with -4 amendments and -6 amendments (**EXHIBIT I**).

192	Reiley	Submits information packet in support of HB 2700 which includes email correspondence, CEST report, written testimony of Jacqueline Zimmer, and Geographic Distribution of Veterans' Affairs Expenditures in Oregon chart (EXHIBIT J).
221	Chair Nelson	Explains why expansion program requires County Veterans' Service Officers to coordinate any state and federal benefits available to a veteran.
250	Rep. Farr	Questions whether the concern is related to the legality of coordinating of benefits state and federal benefits.
264	Reiley	Cautions against implementing program requirements that could adversely impact the availability of benefits a veteran.
290	Chair Nelson	Addresses the purpose of expanding the responsibilities of County Veterans' Service Officer through the expansion program.
298	Reiley	Speaks to concern with language regarding the nature of state certification for County Veterans' Service Officers.
330	MacEllven	Points out that the Oregon County Veterans' Service Officers Associations (OCVSOA) and Oregon Department of Veterans' Affairs (ODVA) have formed a joint committee for education and training of officers.
335	Reiley	Speaks to the cooperate efforts of OCVSOA and ODVA on behalf of veterans.
350	Chair Nelson	Discusses how the language in -3 amendments could be changed to accurately reflect the cooperative relationship between OCVSOA and ODVA.
400	MacEllven	States support of County Veterans' Service Officer Jeff Hill.
406	Chair Nelson	Asks if the language in -3 amendments relating to the adoption of funding criteria by ODVA is acceptable to OACVSO.
429	Reiley	Explains why language in -3 amendments is not acceptable and how -4 amendments contain the appropriate funding formula for the expansion program.

TAPE 89, A

- 015 Reiley Explains why language in -3 amendments relating to qualifications and funding for state certification program could be misused by “rogue County Veterans Service Officers.”
- 022 Chair Nelson Justifies the need for the accreditation criteria to be a County Veterans’ Service Officer.
- 025 Reiley Identifies and explains the existing state and federal accreditation process for County Veterans’ Service Officers.
- 036 MacEllven Points out that the national service associations do have accreditation and training agreements with the United States Department of Veterans Affairs.
- 038 Reiley Speaks to concern with funding level set in -3 amendments.
- 058 MacEllven Explains how OCVSOA has been working to increase the staffing levels in all counties.
- 065 Rep. Hunt Asks if OCVSOA is satisfied with language in -4 amendments.
- 069 Reilly States that all the major concerns of OCVSOA are addressed in -4 amendments and -6 amendments.
- 075 Rep. Hunt Asks if there is potential for a county to “oversubscribe” the needs of veterans to increase funding level.
- 080 Reiley Explains the basis for determining the \$5 million dollar budget estimate.
- 095 MacEllven States why it is “unlikely” that any county would be overstaffed.
- 109 Mac MacDonald Representative, Veterans’ Organization. Explains why funding for National Veterans’ Service Officers should be included in HB 2700.
- 130 Chair Nelson Asks if National Veterans’ Service Officers are being paid by federal government

133	MacDonald	Explains the funding sources for National Veterans' Service Officers.
158	Chair Nelson	Asks how the bill "ties the director hand to anything."
161	MacDonald	States why ODVA director must have flexibility to act in the best interest of veterans.
178	Rep. Farr	Asks if SB 10 was amended by Ways and Means Committee.
181	Stembridge	Explains how SB 10 was amended to better align with HB 2700.
193	Paula Brown	Deputy Director, ODVA.
198	Chair Nelson	Asks how HB 2700 ties the hands of the director of ODVA.
202	Brown	Cites examples of several provisions that could potentially tie the hands of the director of ODVA.
225	Furlton Burns	Member, ODVA Advisor Board. Testifies in support of HB 2700.
253	Kevin O'Reilly	Government Relations/Advocacy Director, Oregon Paralyzed Veterans of America. Explains why all Veterans' Service Officers should be state certified.
313	Brown	Testifies in support of HB 2700 with -5 amendments.
389	Val Conley	Veterans' Service Division Administrator, ODVA. Testifies in support of HB 2700.
411	Brown	Clarifies that ODVA supports the inclusion of all veterans' service officers in certification process.
425	Rep. Barnhart	Verifies how -5 amendments are different for the other proposed amendments.

TAPE 88, B

018	Reiley	Speaks in opposition to the proposed accreditation and standardization procedures for County Veterans' Service Officers.
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The following written testimony is submitted for the record without public testimony:

- Frank Freyer Aging and Disability Services Employee, Multnomah County.
Submits written testimony in support of HB 2700 (**EXHIBIT K**).
- 071 Chair Nelson Closes the public hearing and work session on HB 2700. Opens the work session on HB 2737.

HB 2737 – WORK SESSION

- 076 Jim Stembridge Committee Administrator. Explains HB 2737, creates Oregon Military Family Relief Program in Oregon Military Department. Submits and summarizes -1 amendments (**EXHIBIT L**). Submits and summarizes -2 amendments (**EXHIBIT M**).
- 089 Chair Nelson Recesses the meeting at 4:45 p.m.
- 090 Chair Nelson Reconvenes the meeting at 4:47 p.m.
- 092 Chair Nelson Explains intent of HB 2737.
- 135 Rep. Barnhart MOTION: Moves to ADOPT HB 2737-2 amendments dated 05/02/05.**
- 139 Rep. Hunt Verifies that all organizations listed on the front cover would be subject to the rotation system, even if the organization met the 50,000 signature requirement.
- 146 Rep. Hunt Objects to the motion to adopt -2 amendments.
- 153 Rep. Bruun Questions the inclusion of a stipulation in -2 amendments that makes access to relief funds contingent on an Oregon National Guard being ordered to active duty.
- 161 Chair Nelson Discusses several changes that need to be made before action will be taken on HB 2737.
- 182 Rep. Barnhart Withdraws motion to adopt -2 amendments.

185 Chair Nelson Closes the work session on HB 2737. Opens a work session on HB 2843.

HB 2843 – WORK SESSION

189 Jim Stembridge Committee Administrator. Explains HB 2843, which requires waiver of occupational and professional license, certificate, permit, and registration fees for veterans. Submits and summarizes -1 amendments (**EXHIBIT N**). Submits and summarizes -2 amendments (**EXHIBIT O**).

209 Chair Nelson Explains the importance of HB 2843.

250 Rep. Boquist MOTION: Moves to ADOPT HB 2843-2 amendments dated 04/25/05.

VOTE: 7-0-0

Chair Nelson Hearing no objection, declares the motion CARRIED.

261 Rep. Bruun Verifies that a soldier can attain multiple licenses during the one year eligibility period.

270 Rep. Boquist MOTION: Moves HB 2843 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.

313 Rep. Bruun Expresses opposition to the bill.

331 Rep. Boquist Explains the intent of bill and how it will assist a significant number of veterans with a small fiscal impact.

343 Rep. Hunt Expresses opposition to the bill.

358 Chair Nelson Expresses support for the bill.

400 VOTE: 4-2-1

AYE: 4 - Barnhart, Boquist, Komp, Nelson

NAY: 2 - Bruun, Hunt

EXCUSED: 1 - Farr

Chair Nelson The motion CARRIES.

BOQUIST will lead discussion on the floor.

404 Chair Nelson Closes the work session on HB 2843. Opens the work session on HB 2847.

HB 2847- WORK SESSION

428 Jim Stembridge Committee Administrator. Explains HB 2847, which requires that Oregon Veterans' Home Account be permanently listed on individual tax return form for charitable contribution purposes. Submits and summarize -2 amendments (**EXHIBIT P**).

TAPE 89, B

006 Rep. Bruun MOTION: Moves to ADOPT HB 2847-2 amendments dated 05/02/05.

010 Rep. Hunt States objection to the motion to adopt -2 amendments.

016 Rep. Boquist Verifies that establishing a rotation system removes those organizations mandated by law to be on the front page of tax form.

030 Rep. Komp States objection to the motion to adopt -2 amendments.

041 Chair Nelson Closes the work session on HB 2847. Opens the work session on HB 2933.

HB 2933 – WORK SESSION

041 Jim Stembridge Committee Administrator. Explains HB 2933, which provides that outstanding income tax liabilities of active duty military personnel shall be held in abeyance until six months after active duty service ceases and shall be discharged if taxpayer is killed in action. Submits and summarizes -1 amendments (**EXHIBIT Q**).

063 Rep. Hunt MOTION: Moves to ADOPT HB 2933-1 amendments dated 04//26/05.

VOTE: 6-0-1

EXCUSED: 1 - Farr

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

066 **Rep. Hunt** **MOTION: Moves HB 2933 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Revenue by prior reference.**

VOTE: 6-0-1

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

EXCUSED: 1 - Farr

Chair Nelson **The motion CARRIES.**

082 **Chair Nelson** **Closes the work session on HB 2933. Opens the work session on HB 2945.**

HB 2945 – WORK SESSION

087 **Jim Stembridge** **Committee Administrator. Explains 2945, which modifies property tax exemption for veterans' residences. Submits and summarizes -1 amendments (EXHIBIT R).**

100 **Chair Nelson** **Submits and summarizes written testimony on behalf of Jerry Ryan in support of HB 2945 (EXHIBIT S).**

118 **Rep. Hunt** **MOTION: Moves to ADOPT HB 2945-1 amendments dated 05/03/05.**

VOTE: 6-0-1

EXCUSED: 1 - Farr

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

123 **Rep. Hunt**

MOTION: Moves HB 2945 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Revenue by prior reference.

VOTE: 6-0-1

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

EXCUSED: 1 - Farr

Chair Nelson The motion CARRIES.

135 Chair Nelson Closes the work session on HB 2945. Opens the work session on HB 3096.

HB 3096 – WORK SESSION

150 Jim Stembridge Committee Administrator. Explains HB 3096, which provides automatic connection to changes in federal tax law related to taxation of combat zone compensation received by certain members of armed forces.

156 Rep. Bruun **MOTION: Moves HB 3096 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Revenue by prior reference.**

VOTE: 6-0-1

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

EXCUSED: 1 - Farr

Chair Nelson The motion CARRIES.

173 Chair Nelson Closes the work session on HB 3096. Opens a work session on HB 3325 and HJR 47.

HB 3325/HJR 47 – WORK SESSION

185 Jim Stembridge Committee Administrator. Explains HJR 47, which proposes amendment to Oregon Constitution relating to eligibility for farm or home loan from Oregon War Veterans' Fund. Submits and

summarizes HJR 47 -1 amendments (**EXHIBIT T**). Explains HB 3325, which modifies reference to persons who qualify for loans from veterans' loan program. Submits and summarizes HB 3325 -1 amendments (**EXHIBIT U**).

- 221 **Rep. Hunt** **MOTION: Moves to ADOPT HJR 47-1 amendments dated 04/29/05.**
- 250 Rep. Barnhart Questions the necessity for both measures.
- 259 Bruce Shriver Chief Financial Officer, Oregon Department of Veterans' Affairs (ODVA). Explains the necessity for both HJR 47 and HB 3325.
- 277 Dee Carlson Attorney, Oregon Department of Justice. Verifies the constitutional legality of both measures.
- 299 Rep. Barnhart Questions whether HJR 47 will align with federal law if it is changed.
- 302 Carlson Confirms that HJR 47 would align with federal law and would extend eligibility for home loan to members of the Oregon National Guard and Reserves who complete initial term of service.
- 314 Rep. Barnhart Verifies what monies would be available to ODVA for the Veterans' Home Loan Program if both bills passed.
- 338 **VOTE: 6-0-1**
EXCUSED: 1 - Farr
- Chair Nelson** **Hearing no objection, declares the motion CARRIED.**
- 360 **Rep. Hunt** **MOTION: Moves HJR 47 to the floor with a BE ADOPTED AS AMENDED recommendation and BE REFERRED to the committee on Elections & Rules by prior reference.**
VOTE: 6-0-1
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 1 - Farr

Chair Nelson **The motion CARRIES.**

380 **Rep. Bruun** **MOTION: Moves to ADOPT HB 3325-1 amendments dated 04/29/05.**

VOTE: 5-0-2

EXCUSED: 2 – Farr, Komp

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

398 **Rep. Bruun** **MOTION: Moves HB 3325 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Elections & Rules.**

VOTE: 5-0-2

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

EXCUSED: 2 – Farr, Komp

Chair Nelson **The motion CARRIES.**

TAPE 90, A

002 **Chair Nelson** **Closes the work session on HJR 47 and HB 3325. Opens the work session on HJM 14.**

HJM 14 – WORK SESSION

004 **Jim Stembridge** **Committee Administrator. Explains HJM 14, which urges Congress to fund health care for veterans without increased co-payments and user fees. Submits and summarizes -1 amendments (EXHIBIT V).**

017 **Chair Nelson** **Closes the work session on HJM 14 and opens a work session on HB 3325.**

HB 3325 – WORK SESSION

018 **Rep. Nelson** **MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. KOMP to BE RECORDED as voting**

AYE on the "MOTION: Moves HB 3325 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Elections & Rules".

VOTE: 6-0-1

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

EXCUSED: 1 - Farr

Chair Nelson The motion CARRIES.

021 Chair Nelson Closes the work session on HB 3325 and reopens a work session on HJM 14.

HJM 14 – WORK SESSION

030 Rep. Bruun **MOTION: Moves to ADOPT HJM 14-1 amendments dated 04/28/05.**

VOTE: 5-0-2

EXCUSED: 2 - Farr, Hunt

Chair Nelson Hearing no objection, declares the motion CARRIED.

034 Rep. Bruun **MOTION: Moves HJM 14 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.**

VOTE: 5-0-2

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

EXCUSED: 2 - Farr, Hunt

**Chair Nelson The motion CARRIES.
REP. Bruun will lead discussion on the floor.**

055 Chair Nelson Closes the work session on HJM 14. Opens work session on HJM 18.

HJM 18 – WORK SESSION

060 Jim Stembridge Committee Administrator. Explains HJM 18, which urges Congress to change funding of veterans' health care from discretionary entitlement to permanent and direct entitlement. Submits and summarizes -1 amendments (**EXHIBIT W**).

062 Mike Sullivan Lobbyist, Association of Western Pulp and Paper Workers. Testifies in support of HJM 18.

083 Mac MacDonald Representative, Veterans' Organization. Testifies in support of HJM 18.

097 Chair Nelson Identifies the need for a conceptual amendment that would change "permanent" to "mandated."

112 Rep. Bruun Points out that Merchant Marine need to be added.

123 **Rep. Barnhart** **MOTION: Moves to ADOPT HJM 18-1 amendments dated 03/18/05 and that the measure be FURTHER AMENDED on page 1, line 7, by inserting "mandated" after "funded by" and on page 1, line 8, by inserting "Merchant Marine" after "Guard,".**

149 **VOTE: 4-0-3**
EXCUSED: 3 - Farr, Hunt, Komp

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

150 **Rep. Barnhart** **MOTION: Moves HJM 18 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.**

162 **VOTE: 4-0-3**
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 3 - Farr, Hunt, Komp

Chair Nelson **The motion CARRIES.**
REP. Komp will lead discussion on the floor.

167 Chair Nelson Closes the work session on HJM 18. Opens the work session on HJM 31.

HJM 31 – WORK SESSION

- 172 Jim Stembridge Committee Administrator. Explains HJM 31, which urges Congress to amend definition of “veteran” in federal law to include all soldiers who served on behalf of this nation.
- 178 Chair Nelson Closes the work session on HJM 31. Opens the work session on HJM 18.

HJM 18 – WORK SESSION

- 185 Rep. Nelson **MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. KOMP to BE RECORDED as voting AYE on the “MOTION: Moves HJM 18 be sent to the floor with a BE ADOPTED AS AMENDED recommendation”.**

VOTE: 5-0-2

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

EXCUSED: 2 - Farr, Hunt

Chair Nelson

The motion CARRIES.

REP. Komp will lead discussion on the floor.

- 187 Chair Nelson Closes the work session on HJM 18. Opens the work session on HJM 31.

HJM 31 – WORK SESSION

- 196 Rep. Barnhart **MOTION: Moves HJM 31 be sent to the floor with a BE ADOPTED recommendation.**

- 201 Rep. Barnhart Explains purpose of HJM 31.

217 **VOTE: 5-0-2**

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

EXCUSED: 2 - Farr, Hunt

Chair Nelson **The motion CARRIES.**
REP. Boquist will lead discussion on the floor.

230 Chair Nelson Closes the work session on HJM 31.

251 Chair Nelson Adjourns the meeting at 5:56 p.m.

EXHIBIT SUMMARY

- A. HB 2677, -1 amendments, staff, 1 p
- B. HB 2677, -2 amendments, staff, 1 p
- C. HB 2677, -3 amendments, staff, 1 p
- D. HB 2700, -3 amendments, staff, 5 pp
- E. HB 2700, -4 amendments, staff, 4 pp
- F. HB 2700, -5 amendments, staff, 4 pp
- G. HB 2700, -6 amendments, staff, 4 pp
- H. HB 2700, information packet, Douglass T. MacEllven, 14 pp
 - I. HB 2700, written testimony, Joseph J. Reiley, 2 pp
 - J. HB 2700, information packet, Joseph J. Reiley, 6 pp
- L. HB 2737, -1 amendments, staff, 1 p
- M. HB 2737, -2 amendments, staff, 4 pp
- N. HB 2843, -1 amendments, staff, 1 p
- O. HB 2843, -2 amendments, staff, 1 p
- P. HB 2847, -2 amendments, staff, 4 pp
- Q. HB 2933, -1 amendments, staff, 1 p
- R. HB 2945, -1 amendments, staff, 1 p
- S. HB 2945, written testimony of Jerry Ryan, Donna Nelson, 1 p
- T. HJR 47, -1 amendments, staff, 3 pp
- U. HB 3325, -1 amendments, staff, 13 pp
- V. HJM 14, -1 amendments, staff, 1 p
- W. HJM 18, -1 amendments, staff, 1 p

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

- K. HB 2700, written testimony, Frank Freyer, 1 p