

HOUSE COMMITTEE ON
VETERANS' AFFAIRS

May 5, 2005 Hearing Room C

8:30 A.M. Tapes 91 - 93

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 – Work Session

HB 2847 – Work Session

HB 3333 – Work Session

HB 2864 – Work Session

HB 2844 – Work Session

HB 2846 – Work Session

HJM 13 – Work Session

HCR 14 – Work Session

HB 3413 – Work Session

HJM 15 – Work Session

HJM 16 – Work Session

HJM 21 – Work Session

HJM 32 – Work Session

HJM 33 – Work Session

HJM 34 – Work Session

HB 3331 – Work Session

HB 2700 – 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 91, A

002	Chair Nelson	Opens the meeting at 8:36 a.m. Opens the work session on HB 2737.
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HB 2737 - WORK SESSION

036	Jim Stembridge	Committee Administrator. Explains HB 2737, which creates Oregon Military Family Relief Program in Oregon Military Department. Submits and summarizes -3 amendments (EXHIBIT A).
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065	Rep. Barnhart	Explains -3 amendments.
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098	Chair Nelson	Comments on the importance of providing equity to all charitable organizations who participate in the Charitable Check-Off Program.
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105	Debra Buchanan	Legislative Coordinator, Department of Revenue. Explains the administrative procedures of the Charitable Check-Off Programs tax form rotation system, as prescribed by -3 amendments.
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136	Chair Nelson	Asks if the charities required by statute to be on the front of tax forms have to meet any additional requirements.
140	Buchanan	States that those organizations statutorily required to appear on tax cover do not have to meet any additional requirements.
150	Rep. Barnhart	Questions if the language granting the Department of Revenue the authority to establish a system for rotating eligible charities is “too limiting.”
156	Buchanan	States that the language “appears alright” and clarifies the three year eligibility restriction.
186	Buchanan	Questions if the Oregon Military Relief Fund would be subject to three year participation restriction.
198	Chair Nelson	Comments how the three year participation restriction needs to be removed.
204	Rep. Barnhart	Comments on ability to further amend the bill in House Revenue.
212	Rep. Boquist	Explains why HB 2737 has a subsequent referral to House Revenue.
241	Chair Nelson	Asks if the Oregon Military Department (OMD) has the personnel and administrative resources to administrate the fund.
248	Colonel Mike Caldwell	Deputy Director, OMD. Points out that OMD already have established procedures and regulations that govern the distribution of relief funds.
269	Caldwell	Clarifies that the Oregon Military Relief Fund is a new fund in the OMD budget and will be appropriated on an ongoing basis.
279	Chair Nelson	Asks if OMD charges a fee to administer the fund.
289	Caldwell	Explains how OMD already has personnel and budget capabilities to administer fund for Oregon National Guard soldiers, noting, however that the inclusion of Reservist soldiers would have a fiscal impact for OMD.

- 350 Rep. Boquist Explains why it is the responsibility of a Reservist soldier's chain-of-command to provide OMD the necessary information to attain monies from the relief fund.
- 379 Rep. Hunt Asks whether it is a "fair assumption" that rotating an organization off the front of the tax form would result in a decrease in donations.
- 397 Buchanan Expresses uncertainty that revenue would decrease because an entity has never been rotated off the form.

TAPE 92, A

- 005 Rep. Boquist Verifies the three organizations that are statutorily required to be on the form.
- 015 Mac MacDonald Representative, Veterans' Organizations. Testifies in support of HB 2737.
- 030 Rep. Barnhart **MOTION: Moves to AMEND HB 2737 on page 2, in line 21, after ""(b)," delete "An eligible entity shall be placed into the rotation schedule beginning with its third year of eligibility.", and on page 2, in line 15, after ""(3)(a)," delete "The department shall maximize the number of eligible entities shown on the income tax form., consistent with readability and format. If there is insufficient space on the form to show all eligible entities, the department by rule shall establish a system for rotating eligible entities for inclusion either on the tax form or in the department instructions.".**

VOTE: 7-0-0

Chair Nelson Hearing no objection, declares the motion CARRIED.

- 039 Rep. Barnhart **MOTION: Moves to ADOPT HB 2737-3 amendments dated 05/05/05.**
- 044 Rep. Hunt States objection to the motion.
- 053 **VOTE: 6-1-0**

AYE: 6 - Barnhart, Boquist, Bruun, Farr, Komp, Nelson

NAY: 1 - Hunt

Chair Nelson The motion CARRIES.

057 Rep. Barnhart MOTION: Moves HB 2737 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Revenue by prior reference.

068 VOTE: 6-1-0

AYE: 6 - Barnhart, Boquist, Bruun, Farr, Komp, Nelson

NAY: 1 - Hunt

Chair Nelson The motion CARRIES.

HB 2847/HB 3333 – WORK SESSION

079 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 summarizes -2 amendments for HB 2847 (EXHIBIT B). Explains HB 3333, which creates Wounded Soldier Relief Program in Oregon Military Department. Submits and summarizes -2 amendments for HB 3333 (EXHIBIT C). Submits and summarizes -3 amendment for HB 3333 (EXHIBIT D).

126 Rep. Barnhart MOTION: Moves to AMEND HB 3333 on page 2, in line 5, after ""(b)," delete "An eligible entity shall be placed into the rotation schedule beginning with its third year of eligibility.", and on page 1, in line 23, after ""(3)(a)," delete "The department shall maximize the number of eligible entities, the department by rule shall establish a system for rotating eligible entities for inclusion on either the tax form or in the department instructions.".

VOTE: 7-0-0

Chair Nelson Hearing no objection, declares the motion CARRIED.

139	Rep. Hunt	MOTION: Moves to ADOPT HB 3333-3 amendments dated 05/04/05.
144	Rep. Hunt	States objection to motion.
149		VOTE: 6-1-0
		AYE: 6 - Barnhart, Boquist, Bruun, Farr, Komp, Nelson
		NAY: 1 - Hunt
	Chair Nelson	The motion CARRIES.
151	Rep. Barnhart	MOTION: Moves HB 3333 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Revenue by prior reference.
		VOTE: 6-1-0
		AYE: 6 - Barnhart, Boquist, Bruun, Farr, Komp, Nelson
		NAY: 1 - Hunt
	Chair Nelson	The motion CARRIES.
164	Irv Fletcher	Representative, United Steelworkers Local Union 9170. Testifies in support of HB 2847.
171	Chair Nelson	Summarizes -2 amendments.
226	Mac MacDonald	Representative, Veterans' Organizations. Testifies in support of HB 2847.
238	Stembridge	Asks how the Oregon Veterans' Home qualified to be in the Charitable Check-Off Program.
240	MacDonald	Explains how the Oregon Veterans' Home qualified to be in the Charitable Check-Off Program.

252	Rep. Hunt	Clarifies the meaning of “permanently listed on the form.”
272	Rep. Barnhart	States that if the Department of Revenue establishes a rotational system for the Charitable Check-Off Program, HB 2847 is not necessary.
282	Stembridge	Asks if the Oregon Veterans’ Home is a permanent entity within the Charitable Check-Off Program.
288	MacDonald	Affirms that the Oregon Veterans’ Home is required to get 10,000 signatures to remain on the cover of the tax form.
295	Rep. Farr	MOTION: Moves to AMEND HB 2847 on page 2, in line 3, after ""(b)," delete "An eligible entity shall be placed into the rotation schedule beginning with its third year of eligibility.", and on page 1, in line 21, after ""(3)(a)," insert "The department shall maximize the number of eligible entities shown on the income tax form, consistent with readability and format. If there is insufficient space on the form to show all eligible entities, the department by rule shall establish a system for rotating eligible entities for inclusion on either the tax form or in the department instructions".
318		VOTE: 7-0-0
	Chair Nelson	Hearing no objection, declares the motion CARRIED.
320	Rep. Farr	MOTION: Moves to ADOPT HB 2847-2 amendments dated 05/02/05.
340	Rep. Hunt	States objection to the motion.
347		VOTE: 6-1-0
		AYE: 6 - Barnhart, Boquist, Bruun, Farr, Komp, Nelson
		NAY: 1 - Hunt
	Chair Nelson	The motion CARRIES.
350	Rep. Farr	

MOTION: Moves HB 2847 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Revenue by prior reference.

366

VOTE: 6-1-0

AYE: 6 - Barnhart, Boquist, Bruun, Farr, Komp, Nelson

NAY: 1 - Hunt

Chair Nelson

The motion CARRIES.

371

Chair Nelson

Closes the work session on HB 3333 and HB 2847. Opens the work session on HB 2864.

HB 2864 – WORK SESSION

378

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. Submits and summarizes -2 amendments (**EXHIBIT E**).

TAPE 91, B

011

Rep. Hunt

Questions whether the new definition of veteran does cover all soldiers.

016

Rep. Boquist

Speaks to the accuracy of the definition of veteran in -2 amendments.

029

Chair Nelson

Addresses the completeness of the bill and how everything "we want protected is there."

047

Chair Nelson

Closes the work session on HB 2864.

053

Chair Nelson

Opens the work session on HB 2844.

HB 2844 - WORK SESSION

057

Jim Stembridge

Committee Administrator. Explains HB 2844, which limits interest that may be charged on delinquent property taxes imposed on property of members of organized militia called into active service.

069 Rep. Komp **MOTION: Moves HB 2844 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Revenue by prior reference.**

082 **VOTE: 7-0-0**

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

Chair Nelson The motion CARRIES.

084 Chair Nelson Closes the work session on HB 2844. Opens the work session on HB 2846.

HB 2846 – WORK SESSION

088 Jim Stembridge Committee Administrator. Explains HB 2846, which permits veteran who is eligible for veterans homestead property tax partial exemption and who is at least 70 percent disabled to defer property taxes on portion of homestead that is not exempt.

092 Chair Nelson Speaks to why there are amendments that still need to be addressed.

104 Rep. Barnhart Points out that all concerns with the bill were resolved by HB 2945.

116 Chair Nelson Closes the work session on HB 2846. Opens the work session on HJM 13.

HJM 13 – WORK SESSION

125 Jim Stembridge Committee Administrator. Explains HJM 13, which urges President and Congress to exempt veterans' disability and pension income from federal income taxation. Submits and summarizes -1 amendments **(EXHIBIT F)**.

132 Rep. Hunt **MOTION: Moves to ADOPT HJM 13-1 amendments dated 04/28/05.**

VOTE: 7-0-0

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

138 **Rep. Hunt** **MOTION: Moves HJM 13 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.**

157 **VOTE: 7-0-0**

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

Chair Nelson **The motion CARRIES.**

REP. KOMP will lead discussion on the floor.

169 Chair Nelson Closes the work session on HJM 13. Opens the work session on HCR 14.

HCR 14 – WORK SESSION

171 Jim Stembridge Committee Administrator. Explains HCR 14, which recognizes June 14, 2005, as “Honor Our Oregon National Guard Day.”

180 Colonel Mike Caldwell Deputy Director, Oregon Military Department (OMD).

182 Chair Nelson Asks if there is a more appropriate date to honor Oregon National Guard other than June 14.

186 Caldwell Identifies the birthday of the Oregon National Guard as a better day.

194 Chair Nelson Closes the work session on HCR 14. Opens the work session on HB 3413.

HB 3413 – WORK SESSION

200 Jim Stembridge Committee Administrator. Explains HB 3413, which allows members of specified branches of military to take 15-day leaves of absence from employment for any purpose if member is ordered to federal or state active duty. Submits and summarizes -1 amendments **(EXHIBIT G)**.

229	Rep. Boquist	Asks for verification of the effect of the bill, -1 amendments, and fiscal impact.
242	Stembridge	States that the bill would have a substantial fiscal impact.
258	Rep. Farr	Verifies that 15-days of paid leave are provided.
267	Colonel Mike Caldwell	Deputy Director, Oregon Military Department (OMD). Point out that the purpose is for the 15-days of leave to be utilized for only annual training.
320	Caldwell	Explains how the 15-days of leave have historically been paid by employers.
346	Chair Nelson	Questions the necessity of the 15-day leave.
349	Caldwell	Explains the necessity for the 15-days of annual training.
373	Rep. Barnhart	Asks if there are always 15-days of annual training.
375	Caldwell	Verifies that there are always 15-days paid leave, noting instances when annual training has been longer.
390	Rep. Barnhart	Confirms that HB 3143 removes the burden from human resource departments to determine when leave is utilized.
399	Caldwell	Explains how soldiers utilize annual training leave.
401	Rep. Barnhart	Clarifies why there is no fiscal impact.

TAPE 92, B

007	Rep. Barnhart	Confirms that HB 3143 is really just “getting rid of obsolete language in the statute” and simplifying human resource procedures.
033	Chair Nelson	Comments that there is nothing in statute that would prevent an employer from requiring a soldier to use vacation time for annual training.

- 038 Rep. Barnhart Questions whether human resource departments are following the current law regarding annual training requirements.
- 042 Caldwell Speaks to the status of current law and how employers often define annual training.
- 079 Rep. Boquist **MOTION: Moves to ADOPT HB 3413-1 amendments dated 04/26/05.**
- VOTE: 6-0-1**
- AYE: In a roll call vote, all members present vote Aye.**
- EXCUSED: 1 - Farr**
- Chair Nelson **The motion CARRIES.**
- 083 Rep. Boquist **MOTION: Moves HB 3143 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.**
- 092 **VOTE: 6-0-1**
- AYE: In a roll call vote, all members present vote Aye.**
- EXCUSED: 1 - Farr**
- Chair Nelson **The motion CARRIES.**
- 095 Chair nelson Closes the work session on HB 3413. Opens a work session on HJM 15, HJM 16, and HJM 21.

HJM 15/HJM16/HJM21 – WORK SESSION

- 105 Jim Stembridge Committee Administer. Explains HJM 15, which urges Congress to allow returning combat veterans up to 21 days to make transition to civilian life and workplace. Explains HJM 16, which urges Congress to establish grants for veterans starting new businesses. Explains HJM 21, which urges United States Department of Veterans Affairs to demand excellence, promptness and accountability from contracted private providers of health care for active duty and retired members of United States Armed Forces, their families and their survivors.

- 117 **Rep. Barnhart** **MOTION: Moves HJM 15 be sent to the floor with a BE ADOPTED recommendation.**
- 127 **VOTE: 6-0-1**
- AYE: In a roll call vote, all members present vote Aye.**
- EXCUSED: 1 - Farr**
- Chair Nelson** **The motion CARRIES.**
- REP. HUNT will lead discussion on the floor.**
- 145 **Rep. Bruun** **MOTION: Moves HJM 16 be sent to the floor with a BE ADOPTED recommendation.**
- VOTE: 5-0-2**
- AYE: In a roll call vote, all members present vote Aye.**
- EXCUSED: 2 - Boquist, Farr**
- Chair Nelson** **The motion CARRIES.**
- REP. BRUUN will lead discussion on the floor.**
- 168 **Rep. Komp** **MOTION: Moves HJM 21 be sent to the floor with a BE ADOPTED recommendation.**
- 178 **VOTE: 6-0-1**
- AYE: In a roll call vote, all members present vote Aye.**
- EXCUSED: 1 - Farr**
- Chair Nelson** **The motion CARRIES.**
- REP. BOQUIST will lead discussion on the floor.**
- 181 **Chair Nelson** **Closes the work session on HJM 15, HJM 16, and HJM 21. Opens a work session on HJM 32, HJM 33, and HJM 34.**

HJM 32/HJM 33/HJM 34 – WORK SESSION

189	Jim Stembridge	Committee Administrator. Explains HJM 32, which urges Congress to adopt National Guard and Reserve Retirement Act that provides for National Guard and Reserve members who reach 30 years of service or 55 years of age to immediately receive military retiree pay.
197	Rep. Bruun	MOTION: Moves HJM 32 be sent to the floor with a BE ADOPTED recommendation.
		VOTE: 6-0-1
		AYE: In a roll call vote, all members present vote Aye.
		EXCUSED: 1 - Farr
	Chair Nelson	The motion CARRIES.
		REP. FARR will lead discussion on the floor.
211	Stembridge	Explains HJM 33, which urges Congress to direct Department of Defense to minimize amount of time members of National Guard are away from home and to ensure that National Guard and Reserve Components remain capable of accomplishing state missions.
216	Rep. Boquist	MOTION: Moves HJM 33 be sent to the floor with a BE ADOPTED recommendation.
224	Rep. Bruun	Expresses hesitance to tell Congress how to make training and military deployment decisions.
237	Rep. Boquist	Speaks to importance of HJM 33.
254	Rep. Bruun	Comments on the “high level of professionalism” of National Guard soldiers, but questions telling Congress how to make battlefield decisions.
272	Colonel Mike Caldwell	Deputy Director, Oregon Military Department (OMD). Testifies in support of HJM 33.
316	Rep. Farr	Comment on the level of training for Oregon National Guard soldiers at Camp Rilea.
324	Caldwell	

Summarizes the type and complexity of training that occurs at Camp Rilea

- 338 Rep. Bruun Agrees with the content of HJM 33, but disagrees with relating to clause.
- 358 Rep. Boquist Summarizes what “the heart” of HJM 33.
- 393 Rep. Barnhart Confirms that a unit commander would insist on additional training of soldiers were not ready for deployment.

TAPE 93, A

024

VOTE: 7-0-0

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

Chair Nelson

The motion CARRIES.

REP. BOQUIST will lead discussion on the floor.

- 032 Stembridge Explains HJM 34, which urges Congress to pass National Guard and Reserve Bill of Rights Act of 2005 giving reservists right to quality, affordable health care. Submits and summarizes -1 amendments **(EXHIBIT H)**.
- 051 Chair Nelson Closes the work session on HJM 32, HJM 33, and HJM 34. Opens the work session on HB 3331.

HB 3331 – WORK SESSION

- 060 Jim Stembridge Committee Administrator. Explains HB 3331, which increases pay and allowances of Adjutant General and Assistant Adjutants General. Submits and summarizes -1 amendments **(EXHIBIT I)**.
- 080 Colonel Mike Caldwell Deputy Director, Oregon Military Department (OMD). Submits and summarizes Oregon National Guard Salary Survey chart **(EXHIBIT J)**.
- 100 Rep. Boquist Explains why salary increases are not a financial reality.

112	Rep. Farr	Agrees that salary increases are not a fiscal reality, stating intent to vote against measure.
118	Rep. Hunt	Concurs and intends to vote no.
122	Caldwell	Comments on need to provide comparable salaries and benefits to individuals who manage state agencies.
137	Rep. Hunt	Supports pay equity amongst state employees, but current fiscal conditions cannot support this action.
150	Chair Nelson	Closes the work session on HB 3331. Opens the work session on HB 2700.

HB 2700 – WORK SESSION

162	Jim Stembridge	Committee Administrator. Explains HB 2700, which directs Director of Veterans Affairs to establish Veterans' Service Officer Expansion Program.
171	Rep. Barnhart	MOTION: Moves to ADOPT HB 2700-3 amendments dated 05/02/05.
173	Rep. Barnhart	Addresses the importance of establishing the County Veterans' Service Officers Expansion Program.
210	Chair Nelson	Speaks to the importance of County Veterans' Service Officers Expansion Program.
287	Rep. Hunt	Explains opposition to -3 amendments.
320	Chair Nelson	States that \$5 million dollar budget figure is not a set number.
336	Rep. Barnhart	Questions what the budget estimate was for SB 10.
354	Rep. Barnhart	Withdraws motion to adopt -3 amendments.
367	Rep. Farr	MOTION: Moves to ADOPT HB 2700-3 amendments dated 05/02/05.

VOTE: 4-3-0

AYE: 4 - Boquist, Farr, Komp, Nelson

NAY: 3 - Barnhart, Bruun, Hunt

Chair Nelson The motion CARRIES.

376 Rep. Farr MOTION: Moves HB 2700 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.

VOTE: 6-1-0

AYE: 6 - Barnhart, Boquist, Bruun, Farr, Komp, Nelson

NAY: 1 - Hunt

Chair Nelson The motion CARRIES.

391 Chair Nelson Closes the work session on HB 2700. Adjourns the meeting at 10:51 a.m.

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EXHIBIT SUMMARY

- A. HB 2737, -3 amendments, staff, 4 pp
- B. HB 2847, -2 amendments, staff, 4 pp
- C. HB 3333, -2 amendments, staff, 4 pp
- D. HB 3333, -3 amendments, staff, 6 pp
- E. HB 2864, -2 amendments, staff, 4 pp
- F. HJM 13, -1 amendments, staff, 1 p
- G. HB 3413, -1 amendments, staff, 1 p
- H. HJM 34, -1 amendments, staff, 1 p
- I. HB 3331, -1 amendments, staff, 3 pp
- J. HB 3331, Oregon National Guard Salary Survey Chart, Colonel Mike Caldwell, 2 pp