

**FIRST ENGROSSMENT  
with Senate Amendments  
ENGROSSED HOUSE BILL NO. 1217**

Introduced by

Representatives Owens, Dahl, Sanford

Senators Cook, Sorvaag

1 A BILL for an Act to amend and reenact subsection 1 of section 15-10-18.2, subdivision j of  
2 subsection 2 of section 39-04-18, subsection 1 of section 57-02-08.8, and subsection 1 of  
3 section 57-40.3-04 of the North Dakota Century Code, relating to benefits for disabled veterans;  
4 and to provide an effective date.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subsection 1 of section 15-10-18.2 of the North Dakota  
7 Century Code is amended and reenacted as follows:

8 1. "Dependent" for purposes of section 15-10-18.3 means:

- 9 a. A child, stepchild, spouse, widow, or widower of a resident veteran, as "veteran"  
10 is defined in section 37-01-40, who was killed in action or died from wounds or  
11 other service-connected causes, ~~was totally disabled as a result of~~  
12 service-connected causes, has a one hundred percent service-connected  
13 disability as determined by the department of veterans' affairs, has an  
14 extra-schedular rating to include individual unemployability that brings the  
15 veteran's total disability rating to one hundred percent as determined by the  
16 department of veterans' affairs, died from service-connected disabilities, was a  
17 prisoner of war, or was declared missing in action;
- 18 b. A child or a stepchild of a veteran, as defined in section 37-01-40, who was killed  
19 in action or died from wounds or other service-connected causes, ~~was totally~~  
20 ~~disabled as a result of service-connected causes,~~ has a one hundred percent  
21 service-connected disability as determined by the department of veterans' affairs,  
22 has an extra-schedular rating to include individual unemployability that brings the  
23 veteran's total disability rating to one hundred percent as determined by the  
24 department of veterans' affairs, died from service-connected disabilities, was a

- 1 prisoner of war, or was declared missing in action, provided the child's other  
2 parent has been a resident of this state and was a resident of this state at the  
3 time of death or determination of total disability of the veteran; or  
4 c. A child or a stepchild of a veteran, as defined in section 37-01-40, who was killed  
5 in action or died from wounds or other service-connected causes, ~~was totally~~  
6 ~~disabled as a result of service-connected causes,~~ has a one hundred percent  
7 service-connected disability as determined by the department of veterans' affairs,  
8 has an extra-schedular rating to include individual unemployability that brings the  
9 veteran's total disability rating to one hundred percent as determined by the  
10 department of veterans' affairs, died from service-connected disabilities, was a  
11 prisoner of war, or was declared missing in action, provided the child's other  
12 parent establishes residency in this state and maintains that residency for a  
13 period of five years immediately preceding the child's or stepchild's enrollment at  
14 an institution under the control of the state board of higher education.

15 **SECTION 2. AMENDMENT.** Subdivision j of subsection 2 of section 39-04-18 of the North  
16 Dakota Century Code is amended and reenacted as follows:

- 17 j. Motor vehicles not exceeding twenty-six thousand pounds [11793.40 kilograms]  
18 registered gross weight owned and operated by a disabled veteran under the  
19 provisions of Public Law 79-663 [38 U.S.C. 3901] ~~or, a disabled veteran~~ who has  
20 a one hundred percent service-connected disability as determined by the  
21 department of veterans' affairs, or a disabled veteran who has an extra-schedular  
22 rating to include individual unemployability that brings the veteran's total disability  
23 rating to one hundred percent as determined by the department of veterans'  
24 affairs is entitled to display a distinctive license plate issued by the department  
25 upon the payment of a fee of five dollars. This exemption applies to no more than  
26 two such motor vehicles owned by a disabled veteran at any one time.

27 **SECTION 3. AMENDMENT.** Subsection 1 of section 57-02-08.8 of the North Dakota  
28 Century Code is amended and reenacted as follows:

- 29 1. A disabled veteran of the United States armed forces with an armed forces  
30 service-connected disability of fifty percent or greater or a disabled veteran who has  
31 an extra-schedular rating to include individual unemployability that brings the veteran's

1 total disability rating to one hundred percent as determined by the department of  
2 veterans' affairs, who was discharged under honorable conditions or who has been  
3 retired from the armed forces of the United States, or the unremarried surviving  
4 spouse if the disabled veteran is deceased, is eligible for a credit applied against the  
5 ~~first one hundred twenty thousand dollars of true and full~~five thousand four hundred  
6 dollars of taxable valuation of the fixtures, buildings, and improvements of the person's  
7 homestead equal to the percentage of the disabled veteran's disability compensation  
8 rating for service-connected disabilities as certified by the department of  
9 ~~veterans~~veterans' affairs for the purpose of applying for a property tax exemption. An  
10 unremarried surviving spouse who is receiving department of veterans' affairs  
11 dependency and indemnity compensation receives a one hundred percent exemption  
12 as described in this subsection.

13 **SECTION 4. AMENDMENT.** Subsection 1 of section 57-40.3-04 of the North Dakota  
14 Century Code is amended and reenacted as follows:

- 15 1. Any motor vehicle acquired by, or leased and in the possession of, a resident disabled  
16 veteran under the provisions of Pub. L. 79-663 [38 U.S.C. 3901] ~~or, a resident~~  
17 disabled veteran who has a one hundred percent service-connected disability as  
18 determined by the department of ~~veterans~~veterans' affairs, or a resident disabled  
19 veteran who has an extra-schedular rating to include individual unemployability that  
20 brings the veteran's total disability rating to one hundred percent as determined by the  
21 department of veterans' affairs who registers, or is eligible to register, the vehicle with  
22 a distinctive license plate issued by the department of transportation under  
23 subdivision j of subsection 2 of section 39-04-18. An unremarried surviving spouse  
24 who is receiving department of veterans' affairs dependency and indemnity  
25 compensation retains the exemption of the deceased, qualifying veteran in this  
26 subsection.

27 **SECTION 5. EFFECTIVE DATE.** Section 3 of this Act is effective for taxable years  
28 beginning after December 31, 2010.