

**2019 HOUSE APPROPRIATIONS**

**HB 1177**

# 2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division  
Sakakawea Room, State Capitol

HB1177  
1/30/2019  
31770

- Subcommittee  
 Conference Committee

Committee Clerk: Caitlin Fleck

## Explanation or reason for introduction of bill/resolution:

Overview hearing.

### Minutes:

A

Opened hearing, read name and number of bill.

**Jim Nelson, Legislative Director for the ND Veterans Legislative Council: (see attachment A)**

**(3.07) Chairman Jon O. Nelson:** The position that was added in the budget, can you speak to the fact that that may fill this need?

**Mr. Nelson:** I am not familiar with that.

**Chairman Jon O. Nelson:** We can have someone else answer that then. But that does need to be addressed.

**Lonnie Wangen, Commissioner of Veteran's Affairs:** I'll answer questions. That is a funding pool for separate people. This is for the Veterans of Foreign War (VFW), American legion, Disabled American Veterans (DAV) have their own power of attorneys and they do similar work to us, but we are separate. They represent them to the VA. We are looking at what other states have done to get partial funding to make sure that their employees stay there. It is more economical to provide a grant for someone like the VFW or Legion.

**(5.44) Chairman Jon O. Nelson:** Your explanation of how this is being done is currently how it is being done?

**Mr. Wangen:** Yes.

**Chairman Jon O. Nelson:** The question of age arises then. There seems to be a gap of the membership of the older organizations and the newer younger organizations that are starting.

It seems to be an issue that the same groups aren't being active or why aren't they joining the traditional groups?

**Mr. Wangen:** That is very important. There are a few younger veterans that are enrolled in these organizations, but their involvement in these organizations isn't high because they are in college and getting families and starting careers. Their numbers are declining though.

NO FURTHER QUESTIONS OR TESTIMONY.

MEETING CLOSED.

# 2019 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee - Human Resources Division Sakakawea Room, State Capitol

HB1177  
1/30/2019  
31811

- Subcommittee  
 Conference Committee

Committee Clerk: Caitlin Fleck

### Explanation or reason for introduction of bill/resolution:

Voting on bill.

### Minutes:

Opened hearing.

**Chairman Jon O. Nelson:** This was a request that they made, and this is not in the budget. We have never supported that grant program with state money in the past. My understanding is that they do have the ability to use the postwar trust fund money to fund that.

**Vice Chairman Gary Kreidt:** The postwar trust fund has over 4 million, there would be earnings there to do this without any problem.

**Levi Kinnischtzke, Legislative Council:** As of June 2018, there was just short of 6 million. June 30, 2017 there was 5.7million.

**Chairman Jon O. Nelson:** The earnings are what they spend?

**Representative Randy A. Schobinger:** What are the earnings?

**Mr. Kinnischtzke:** The investment income was 435,000 in the 15-17 biennium and there was 525,000 estimated for the 17-19 biennium. In the account they can spend 220,000.

**Representative Randy A. Schobinger:** Do they need authority to spend this then or can they just decide to do that?

**Chairman Jon O. Nelson:** The Acova board has the authority to decide to spend the earnings.

**Vice Chairman Gary Kreidt:** There would be no problem funding this appropriation here that they are asking for. If we start this now, they will be back again asking for the same amount or more.

**Chairman Jon O. Nelson:** One of the issues is that we know that it is a struggle for the traditional veteran's groups to increase membership and they aren't going to rebound probably. There is a trend away from people being active in organizations like that and it is an aging group. I don't think this is a priority for us right now, but maybe in the future. In the budget that exists, we are restoring one of those positions that was removed last session so the workload should decrease in the department.

**Representative Randy A. Schobinger:** If this is something that could be funded by the trust fund and if the funds are there, then I would motion to do a do not pass.

**Representative Anderson:** Seconded.

**Roll Call Vote: 6 Yes, 0 No, 0 Absent. Motion passed.**

Floor assignment is **Representative Randy A. Schobinger.**

Meeting concluded.

# 2019 HOUSE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Roughrider Room, State Capitol

HB 1177  
1/31/2019  
31884

- Subcommittee  
 Conference Committee

Committee Clerk Risa Bergquist

**Explanation or reason for introduction of bill/resolution:**

**The department of veterans' affairs for a national service officer grant program.**

**Minutes:**

**Chairman Delzer:** Call the meeting to order for HB 1177

**Representative Schobinger:** This bill is intended to appropriate 150 thousand dollars for veteran's service officer. Currently that officer is funded through the Department of Veteran Affairs, through their fund raising. They are asking for the state to pick that up. That would be a new appropriation to the state, something that we have not handled in the past. They are mostly asking for it due to decline enrollments in their ranks. We did enquire about funding that out of the Veteran Post War Trust fund, that would have been the preferred method. So we recommend a Do Not Pass for this bill.

**Chairman Delzer:** Questions?

**Representative Schobinger:** I move a **Do Not Pass**

**Representative Kreidt:** **Second**

**Chairman Delzer:** Any discussion?

**Representative J. Nelson:** This is a grant that would go to like the American Legion of the VFW, they have employed service officers to help their members and we haven't been involved with that in the past and we did ask about the Post Was Trust Fund being able to cover this and they thought they could do that.

**Chairman Delzer:** I do believe this is something that we do not want to start.

**Representative J. Nelson:** In the Veteran Affairs budget there is a temporary position that was added by the executive recommendation so if we pass that through the work load should be decreased.

**Chairman Delzer:** Further discussion on the motion? Roll call vote will be taken.

**A Roll Call vote was taken. Yea: 18      Nay: 0      Absent: 3**

**Motion Carries**

**Representative Schobinger will carry the bill**

**Chairman Delzer closes the hearing.**

Date: 1/30/2019  
Roll Call Vote #: 1

2019 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. #B1177

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass  Do Not Pass  Without Committee Recommendation  
 As Amended  Rerefer to Appropriations  
 Place on Consent Calendar  
Other Actions:  Reconsider  \_\_\_\_\_

Motion Made By Rep Schobinger Seconded By Rep Anderson

Representatives	Yes	No	Representatives	Yes	No
Chairman Jon O. Nelson	X		Rep. Richard G. Holman	X	
Vice Chairman Gary Kreidt	X				
Representative Bert Anderson	X				
Representative Lisa Meier	X				
Rep. Randy A. Schobinger	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Rep. Schobinger

If the vote is on an amendment, briefly indicate intent:

Date: 1/31/2019  
 Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. HB 1177**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Representative Schobinger Seconded By Representative Kreidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	A				
Representative Anderson	X		Representative Schobinger	X	
Representative Beadle	A		Representative Vigesaa	X	
Representative Bellew	A				
Representative Brandenburg	X				
Representative Howe	X		Representative Boe	X	
Representative Kreidt	X		Representative Holman	X	
Representative Martinson	X		Representative Mock	X	
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 18 No 0

Absent 3

Floor Assignment Representative Schobinger

**Motion Carries**

**REPORT OF STANDING COMMITTEE**

**HB 1177: Appropriations Committee (Rep. Delzer, Chairman)** recommends **DO NOT PASS** (18 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). HB 1177 was placed on the Eleventh order on the calendar.

**2019 TESTIMONY**

**HB 1177**

HB 1177  
1/30/2019  
A

## HB 1177—NSO/SSO Funding

For decades Service Organizations have provided assistance and services to the veterans of North Dakota and their dependents at no cost. Along with other service organizations Veterans Organizations have seen a significant reduction in their ability to raise the necessary funds to maintain full time staff in North Dakota.

The American Legion and the VFW have indicated that they are longer financially situated to fund their Power of Attorney positions at the Fargo VA. The VFW has indicated that 60% of this past years' budget went to the POA's at the Fargo VA. A few years ago, the AMVETS pulled their POA. All these Service Organizations are reporting that their memberships are down and ageing out and the foreseeable future sees no change in this trend.

Currently the Department of Veterans Affairs acts as the Power of Attorney for the Blind Veterans Association, Military Order of the Purple Heart, NCO Association of the USA, Retired Enlisted Association, Vietnam Veterans of America, and the AMVETS to mention a few. The department will not be capable of funding these positions in the very new future.

In 2016 the Federal VA expended over \$375,000,000 in North Dakota with over \$182,000,000 being for Compensation. That equates to over \$750,000,000 in a single biennium. This can't happen without NSO's.

Over half of the states have contracts and/or working relationships to provide state funding to these organizations. For example; Montana represents the American Legion and Vietnam Veterans of America: South Dakota-SDVA represents all organizations with the DAV being the only organization not staffed by state employees; and finally, Minnesota represents the American Legion.

To ensure that these organizations can continue to fund their POA's and continue this vital service of helping veterans and their dependents we ask for your support on the bill