

**2019 HOUSE FINANCE AND TAXATION**

**HB 1248**

# 2019 HOUSE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1248  
1/15/2019  
30806

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk: Mary Brucker
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### Explanation or reason for introduction of bill/resolution:

A bill relating to the creation of the veterans' services fund and optional income tax contributions to the fund; and to provide a continuing appropriation.

### Minutes:

Attachment 1, 2, 3
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**Chairman Headland:** Opened hearing on HB 1248.

**Representative Hanson:** Introduced bill. Provided written testimony, see attachment #1. Ended testimony at 3:33.

**Representative Ertelt:** Do you know if individuals are able to contribute to ACOVA today without using this method? Are they able to just write a check to the Veteran's Services Fund?

**Representative Hanson:** I don't know but someone from ACOVA could answer that.

**Chairman Headland:** Is there further testimony in support of HB 1248?

**Jim Nelson, North Dakota Veterans Legislative Council:** Distributed written testimony, see attachment #2. Ended testimony at 5:32.

**Representative Ertelt:** Are individuals able to make donations to the Veterans Services Fund directly today?

**Jim Nelson:** I don't know but someone from ACOVA could better answer that.

**Chairman Headland:** Thank you for your service sir. Is there further testimony?

**Rick Olek, Vietnam combat wounded veteran awarded the purple heart:** Submitted his written testimony, see attachment #3. Ended testimony at 9:25.

**Chairman Headland:** Thank you for your presence. We honor you and your service today. Do you see this money being used as a grant program for things such as hearing aids,

dentures, and things of that order? Is that how this money would be distributed to the veterans in need?

**Rick Olek:** I can't answer that. I know they do a lot of good. When serving on the committee I know the money goes to gas cards so vets can get to appointments, getting eye glasses fixed, and things like that.

**Chairman Headland:** Further testimony in support?

**Lonny Wagen, Commissioner of Veterans Affairs:** In response to Representative Ertelt's question, the Department of Veterans Affairs can accept funds but we have to go to the emergency commission to expend those funds. There's no avenue right now for the ACOVA. The Administrative Committee on Veterans Affairs has used these funds for many different programs to include the unmet medical needs of our veterans, which is based on income and asset levels. In the past we've had plenty of funding through the Post War Trust Fund. In 2008 interest rates dropped and since we live off the interest rates and earnings from that we've lost a lot of the other programs that we could've funded such as helping out Job Service doing outreach, things for our veterans' homes, and other requests that come through ACOVA for some of those funds. We started looking for other ways to help our veterans. This is another great tool to put in our tool box for our veterans.

**Representative B. Koppelman:** Currently we have the Veterans Post War Trust Fund which the ACOVA receives earnings from. Is this Veterans Services Fund intended to be invested and used in a similar fashion?

**Lonny Wagen:** This fund was originally supposed to add to the Post War Trust Fund. It was felt that if this money was deposited into the fund that ACOVA could use it immediately. The principle and investment in CDs to get some interest earnings would help our veterans today. We look at it as filling in the gaps on quite a few different programs we have currently.

**Representative B. Koppelman:** You're suggesting that you would be able to spend the principle and the interest as opposed to just spending the interest on the deposited funds?

**Lonny Wagen:** That is correct.

**Chairman Headland:** Further testimony in support? Is there any opposition? Seeing none we will close the hearing on HB 1248.

# 2019 HOUSE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1248  
2/4/2019  
32089

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk: Mary Brucker
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### Explanation or reason for introduction of bill/resolution:

A bill relating to the creation of the veterans' services fund and optional income tax contributions to the fund; and to provide a continuing appropriation.

### Minutes:

No attachments
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**Chairman Headland:** We're open for discussion.

**Representative Dockter:** In preparing tax returns this is just another spot on the state income tax form that it's an option for people. It doesn't cost the Tax Department anything more to put it on the form. We've killed several veterans' bills and I think this is an opportunity for people to give money if they wish. **MADE A MOTION FOR A DO PASS**

**Representative Eidson:** **SECONDED**

**Chairman Headland:** Discussion.

**Representative Kading:** Do we have any risk of it coming back in a couple years asking to make it mandatory?

**Representative Dockter:** If it came back as a mandate I wouldn't support it. I don't support mandates for the most part. We have a risk every session. I'm for this because it's an option.

**Representative B. Koppelman:** In our GVA committee we hear a lot of bills asking to change things having to do with the Veterans Post War Trust Fund and people asking for money now. It's probably better policy if this money from the check off on your tax return went into the Post War Trust Fund. I'm probably going to resist the motion because it's going to make it worse rather than it going into the Trust Fund.

**Representative Steiner:** I'm going to resist too. In GVA we look at a lot of funding that goes through the Post War Trust Fund. I think when people do this check off they may think it's going to a young veteran while these funds are going to the older vets for hearing aids and things like that. This has the potential of being a slush fund. The Post War Trust Fund has a good and stable management system. How many more groups are going to come in then?

Where do you draw the line on the income tax for charitable giving? We're getting into something we probably shouldn't be getting in to so I'm going to resist the do pass.

**Chairman Headland:** Because of the last two arguments I'm going to resist as well. We could pull the motion back and amend it further if everyone is in agreement with that. Does it matter to you where the money would go? Argument indicates it would be better utilized going into the Post War Trust Fund.

**Representative Dockter:** I want people to have the option to go to a veterans' organization.  
**WITHDREW MOTION.**

**Representative Eidson: WITHDREW SECOND.**

**Representative Dockter:** I think there are two spots we'd need to change. On line 18 of the bill strike out "services" and add "Post War Trust Fund" and line 22 strike "services" and replace with "Post War Trust Fund."

**Chairman Headland:** We'd also have to take out all of section 1 because it creates a new fund.

**Representative Dockter:** Correct.

**Representative Ertelt:** I think you also need to strike "for use as provided in section 1 of this Act" on lines 22 and 23.

**Representative B. Koppelman:** Yes. We'd have to put a period after Post War Trust Fund then strike the rest of that sentence.

**Representative Trottier:** Should there be a max on this?

**Representative Dockter:** We're not giving a credit and we're not giving a tax deduction so if someone looks on there and wants to put money in then they can.

**Representative B. Koppelman:** Did Representative Dockter intend to add on line 3 to make the same change with the Post War Trust Fund and later on line 3 strike "and to provide a continuing appropriation" which then makes this a non-fiscal note bill.

**Chairman Headland:** I believe so.

**Representative Steiner:** We have a bill we're giving the Adjuvant General up to \$500,000 of money he can use for veterans. When you spread the veterans' bills out people don't understand the total of what they are getting. In this fund I prefer it goes into the Corpus, not that it has to be spent that year. It's a trust fund then every two years she gives them an amount they can spend. I prefer the principle and not the direct expenditure. Someone could donate \$5 million and it could be spent in one year.

**Representative B. Koppelman:** That's exactly how the Post War Trust Fund is set up. At the end of a biennium is when the gains are recognized and that becomes a portion of the

appropriation to the ACOVA. By us depositing into that fund but not putting any other strings on how it's spent all the money this bill would be adding would be treated the same way.

**Representative Steiner:** I'm not sure I'm just saying that's where I would like it to go. I don't know if the veterans meant for us to spend that this year. Every two years they get a check from the state for that.

**Representative Dockter:** That can be taken care of in the Senate if something comes up.

**Chairman Headland:** Could we ask Legislative Council how it's intended or how it would flow?

**Representative Ertelt:** The monies that are credited to the fund under other laws goes into the fund and is treated the same.

**Chairman Headland:** Do we have a motion to adopt the amendment?

**Representative Ertelt:** I don't know think we need specific language in the introduction of the bill but lines 1-4 needs further amending because we're not creating a new chapter.

**Representative Steiner:** I'm going to resist this. I feel the bill should have a do not pass. I don't feel this is good policy. I'm not going to support it.

**Representative B. Koppelman: MADE A MOTION TO ADOPT THE AMENDMENT**

**Representative Dockter: SECONDED**

**Chairman Headland:** Is there further discussion?

**VOICE VOTE: MOTION CARRIED**

**Chairman Headland:** We now have amended bill 1248 before us.

**Representative Eidson: MADE A MOTION FOR A DO PASS AS AMENDED**

**Representative B. Koppelman: SECONDED**

**Representative Steiner:** The veterans will often come in to GVA and tell us it is their collective ask but this is outside their collective ask. That's the reason ACOVA was formed. I think this is a nice thing to do but you're going to end up with the Humane Society and all other kinds of groups asking for the same opportunity on this form. We also have the \$500,000 for the Adjutant General to use for veterans' events and Lonny Wangen having authority over this money. This is starting to get spread out and I think we need to keep it better managed than that.

**Representative Ertelt:** I think the distinction to be made here is that there's already state funding of this fund so it's shifting in part to a voluntary taxation as opposed to a mandate. Although there may be other groups that come in asking for this same treatment, they are

not in the same class because they are not currently directly funded by state government.  
I'm voting in favor.

**Chairman Headland:** Is there anything further?

**ROLL CALL VOTE: 11 YES    3 NO    0 ABSENT**

**MOTION CARRIED**

**Representative Eidson will carry this bill.**

DFR 2/4/19

19.0341.02001  
Title.03000

Adopted by the Finance and Taxation  
Committee

February 4, 2019

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1248

Page 1, line 1, remove "a new section to chapter 37-14 and"

Page 1, line 2, remove "the creation of the veterans"

Page 1, line 3, remove "services fund and"

Page 1, line 3, after "the" insert "veterans' postwar trust"

Page 1, line 3, remove "; and to provide a continuing"

Page 1, line 4, remove "appropriation"

Page 1, remove lines 6 through 13

Page 1, line 18, replace "services" with "postwar trust"

Page 1, line 22, replace "services" with "postwar trust"

Page 1, line 22, remove "for use as provided in"

Page 1, line 23, remove "section 1 of this Act"

Renumber accordingly



2019 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1248

House Finance and Taxation Committee

☐ Subcommittee

Amendment LC# or Description: line 18 strike out services and replace it  
and 22 with Post War Trust Fund p. 22+23

Recommendation: ☒ Adopt Amendment - take out section 1  
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation p. 1 line 3  
☐ As Amended ☐ Rerefer to Appropriations Strike 'and to  
☐ Place on Consent Calendar provide continuing  
Other Actions: ☐ Reconsider ☐ appropriation

Motion Made By Rep. Koppelman Seconded By Rep. Dockter

Representatives	Yes	No	Representatives	Yes	No
Chairman Headland			Representative Eidson		
Vice Chairman Grueneich			Representative Mitskog		
Representative Blum					
Representative Dockter					
Representative Ertelt					
Representative Fisher					
Representative Hatlestad					
Representative Kading					
Representative Koppelman					
Representative Steiner					
Representative Toman					
Representative Trottier					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

Voice Vote = Motion carried

Date: 2-4-19  
Roll Call Vote #: 2

2019 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1248

House Finance and Taxation 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. Eidson Seconded By Rep. Koppelman

Representatives	Yes	No	Representatives	Yes	No
Chairman Headland		<input checked="" type="checkbox"/>	Representative Eidson	<input checked="" type="checkbox"/>	
Vice Chairman Grueneich	<input checked="" type="checkbox"/>		Representative Mitskog	<input checked="" type="checkbox"/>	
Representative Blum	<input checked="" type="checkbox"/>				
Representative Dockter	<input checked="" type="checkbox"/>				
Representative Ertelt	<input checked="" type="checkbox"/>				
Representative Fisher	<input checked="" type="checkbox"/>				
Representative Hatlestad	<input checked="" type="checkbox"/>				
Representative Kading		<input checked="" type="checkbox"/>			
Representative Koppelman	<input checked="" type="checkbox"/>				
Representative Steiner		<input checked="" type="checkbox"/>			
Representative Toman	<input checked="" type="checkbox"/>				
Representative Trottier	<input checked="" type="checkbox"/>				

Total (Yes) 11 No 3

Absent 0

Floor Assignment Rep. Eidson

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

**REPORT OF STANDING COMMITTEE**

**HB 1248: Finance and Taxation Committee (Rep. Headland, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1248 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "a new section to chapter 37-14 and"

Page 1, line 2, remove "the creation of the veterans"

Page 1, line 3, remove "services fund and"

Page 1, line 3, after "the" insert "veterans' postwar trust"

Page 1, line 3, remove "; and to provide a continuing"

Page 1, line 4, remove "appropriation"

Page 1, remove lines 6 through 13

Page 1, line 18, replace "services" with "postwar trust"

Page 1, line 22, replace "services" with "postwar trust"

Page 1, line 22, remove "for use as provided in"

Page 1, line 23, remove "section 1 of this Act"

Renumber accordingly

**2019 SENATE FINANCE AND TAXATION**

**HB 1248**

# 2019 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Lewis and Clark Room, State Capitol

HB 1248  
3/5/2019  
Job #33203

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk: Alicia Larsgaard
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### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new section to chapter 57-38 of the North Dakota Century Code, relating to optional income tax contributions to the veterans' postwar trust fund.

### Minutes:

Attachments: 2
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**Chairman Cook:** Called the hearing to order on HB 1248.

**Representative Karla Rose Hanson, District 44:** Introduced the bill. See attachment #1.

**Senator Unruh:** You have the bees and trees fund here. What are those funds and where do they get distributed?

**Representative Hanson:** I am not familiar with those funds.

**Lonnie Wangen, Commissioner of ND Department of Veterans Affairs:** Testified in favor of the bill. I am here to answer any questions you may have regarding the funding that would go into this program and anything about the post war trust fund. This funding would go into the post war trust fund which is currently about \$6 M. It would just go to the principle. It is invested for growth and for interest earnings which provide about \$200,000 per biennium for veteran's services of ND. This would add to that. I will stand for questions and I ask that you support this bill.

**Chairman Cook:** We would have to change the services fund to the post war trust fund, correct?

**Lonnie Wangen:** I believe it was services fund and they had switched it over to the post war trust fund in the billing.

**Representative Hanson:** I think the title needs to be amended. Refer to line 6 for that other possible change of the wording.

**Senator Unruh:** Does someone in your office manage this fund? What are the qualifications to qualify for something like this?

**Lonnie Wangen:** The Administrative Committee on Veteran's Affairs decides how the funding is used. Almost the full amount of this is used for our grant program. That is for low income veterans and their dependents. It is about \$1,100 per month in income and \$4,000 in assets. Anything under that is if you have lived in the state longer than a year and you are a veteran is what would make you qualify for that. The majority of those are fixed income retired veterans. To have that choice usually gets pushed off to the side. Right now you can get hearing aids and eye glass if you have a certain status at the VA. We would refer to them and let them have that. We are the last resort.

**Senator Dotzenrod:** The Veterans Post War Trust Fund; any of this money that was collected if this bill passed, cannot be spent directly. It has to go to that fund and be part of the principle. It is the earnings that can be used.

**Lonnie Wangen:** Whatever is earned in one biennium, is spent in the next biennium. Overall, a large portion is put back into the principle and about \$200,000 is spendable interest earnings. Whatever is earned by July 1 of this year will be calculated and transferred over for the next two biennia. If these funds were to go into effect, the money put in would be invested for two years and a portion of that would become spendable income.

**Senator Dotzenrod:** Is there any other income to the Post War Trust Fund?

**Lonnie Wangen:** There are the patriotic license plates where you can purchase a flag or an eagle. The first \$5 goes into the fund. The first year after that it goes up to \$15. That also goes in the same way. Other than that, it is just growth through investment.

**Senator Unruh:** What are the earnings off the license plates?

**Lonnie Wangen:** The first year we got about \$8,500.

**Chairman Cook:** We should probably consider an effective date for the taxable year beginning after December 31, 2018.

**Lonnie Wangen:** Yes, I believe it would be best to talk to the tax department on that. I would think by the next taxable year would be the soonest it could be put in.

**Jim Nelson, Legislative Director, ND Veteran's Legislative Council:** Testified in favor of the bill. See attachment #2. We stand behind this bill. Everything has said what I was going to say so I will just stand for questions.

**Chairman Cook:** Any further testimony in favor? Any opposed? Any neutral?

**Matt Peyerl, Tax Department:** Testified neutrally for the bill. The effective date is something we would welcome. Anything after 2018 would be what the intent was, so those starting in 2020. Regarding the two existing funds, there is information on the websites.

# 2019 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Lewis and Clark Room, State Capitol

HB 1248  
3/12/2019  
Job #33586

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk: Alicia Larsgaard
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### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new section to chapter 57-38 of the North Dakota Century Code, relating to optional income tax contributions to the veterans' postwar trust fund.

### Minutes:

Attachments: 0
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**Chairman Cook:** Called the committee to order on HB 1248. This gives state tax payers a third option on their income tax filing to make a contribution. I think we should put an amendment on this. I think on line 6 where it says "the Veteran's Service Fund" I think that should say to the "Veteran's Post War Fund". We also need to set an effective date for taxes filed after December 31, 2018.

**Senator Unruh:** Somebody had information on the other two funds that are already listed on the tax return. I think it was someone from the tax department. Does anyone remember who that was? My only concern is that we are going to keep adding these things onto the tax bills.

**Chairman Cook:** I have the same concern and I ask myself why I have that concern. The other two funds are the Non-Game Wildlife and Trees. There is testimony that was about fiscal year 2018 on game wildlife that got \$29,369. Trees receive \$34,189. That is a little over \$60,000 in contributions people made by this vehicle. I have a concern of expanding it but then I ask myself what is wrong if it was 10? I do not know.

**Senator Unruh:** Moved the adopt the amendment 19.0341.03001.

**Senator Meyer:** Seconded.

**Chairman Cook:** Any Discussion?

**A Voice Vote Was Taken.**

**Motion Carried.**

**Senator Meyer:** Moved a Do Pass on HB 1248 as Amended.

Senate Finance and Taxation Committee  
HB 1248  
March 12, 2019  
Page 2

**Senator Dotzenrod: Seconded.**

**Chairman Cook: Any Discussion?**

**A Roll Call Vote Was Taken. 6 yeas, 0 nays, 0 absent.**

**Motion Carried.**

**Senator Dotzenrod will carry the bill.**



# 2019 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Lewis and Clark Room, State Capitol

HB 1248  
3/18/2019  
Job #33854

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk: Alicia Larsgaard
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### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new section to chapter 57-38 of the North Dakota Century Code, relating to optional income tax contributions to the veterans' postwar trust fund; and to provide an effective date.

### Minutes:

Attachments: 0
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**Chairman Cook:** Called the committee to order on HB 1248.

**Chairman Cook:** Will you take a look at this bill, we have a problem with the effective date.

**Dan Rouse, Legal Counsel, Office of State Tax Commissioner:** I believe that was brought to my attention on Friday. We can certainly work on that.

**Chairman Cook:** Just give us the correct language.

**Dan Rouse:** Okay, I will visit with the intern on that.

# 2019 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Lewis and Clark Room, State Capitol

HB 1248  
3/18/2019  
Job #33874

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk: Alicia Larsgaard
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### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new section to chapter 57-38 of the North Dakota Century Code, relating to optional income tax contributions to the veterans' postwar trust fund; and to provide an effective date.

### Minutes:

Attachments: 0
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**Chairman Cook:** Called the committee to order on HB 1248.

**Chairman Cook:** The effective date was incorrect on this so we had this sent back to us. The correct amendment is written in red.

**Senator Patten:** Moved to reconsider the previous action by which we passed HB 1248.

**Senator Dotzenrod:** Seconded.

**Chairman Cook:** Any Discussion?

**A Voice Vote Was Taken**

**Motion Carried.**

**Senator Dotzenrod:** Moved to reconsider the previous action by which we amended HB 1248.

**Senator Meyer:** Seconded.

**Chairman Cook:** Any Discussion?

**A Voice Vote Was Taken**

**Motion Carried.**

**Senator Dotzenrod:** Moved to adopt amendment 19.0341.03002.

**Senator Unruh: Seconded.**

**Chairman Cook: Any Discussion?**

**A Voice Vote Was Taken**

**Motion Carried.**

**Senator Dotzenrod: Moved a Do Pass as Amended on HB 1248.**

**Senator Meyer: Seconded.**

**Chairman Cook: Any Discussion?**

**A Roll Call Vote Was Taken: 6 yeas, 0 nays, 0 absent**

**Motion Carried.**

**Senator Dotzenrod will carry the bill.**

March 12, 2019

3/12  
1581

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1248

Page 1, line 2, after "fund" insert "; and to provide an effective date"

Page 1, line 6, replace "services" with "postwar trust"

Page 1, after line 12, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act is effective for taxes filed after  
December 31, 2018."

Renumber accordingly

19.0341.03002  
Title.05000

Adopted by the Senate Finance and Taxation  
Committee

March 18, 2019

CR  
3/18  
181

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1248

In lieu of the amendments as printed on page 924 of the Senate Journal, Senate Bill No. 1248 is amended as follows:

Page 1, line 2, after fund insert "; and to provide an effective date"

Page 1, line 6, replace "services" with "postwar trust"

Page 1, after line 12, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after December 31, 2018."

Renumber accordingly

Date: 3-12-19  
Roll Call Vote #: 1

2019 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1248

Senate Finance and Taxation Committee

☐ Subcommittee

Amendment LC# or Description: 19.0341.03001

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 Unruh Seconded By Meyer

[illegible]

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

## Floor Assignment

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

Date: 3-12-19  
Roll Call Vote #: 2

2019 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1248

Senate Finance and Taxation 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 Meyer Seconded By Dotzenrod

Senators	Yes	No	Senators	Yes	No
Chairman Cook	<input checked="" type="checkbox"/>		Senator Dotzenrod	<input checked="" type="checkbox"/>	
Vice Chairman Kannianen	<input checked="" type="checkbox"/>				
Senator Meyer	<input checked="" type="checkbox"/>				
Senator Patten	<input checked="" type="checkbox"/>				
Senator Unruh	<input checked="" type="checkbox"/>				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Dotzenrod

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

Date: 3-18-19  
Roll Call Vote #: 1

2019 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 124

Senate	Finance and Taxation	Committee
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☐ 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 *Prior* ☐ \_\_\_\_\_

Motion Made By Patten Seconded By Dotzenrod

[illegible]

	(Yes)	No
Total		

Absent

## Floor Assignment

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



2

1248

Senate Finance and Taxation

☐ 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 Dorenwood Seconded By Meyer

[illegible]

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

### Floor Assignment

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

Date: 3-18-19  
Roll Call Vote #: 3

2019 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1248

Senate	Finance and Taxation	Committee
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☐ Subcommittee

Amendment LC# or Description: 19.0341.03002

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 Dotenrod Seconded By Unruh

[illegible]

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent

## Floor Assignment

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

Date: 3-18-19  
Roll Call Vote #: 4

2019 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1248

Senate Finance and Taxation 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 Dotzenrod Seconded By Meyer

Senators	Yes	No	Senators	Yes	No
Chairman Cook	<input checked="" type="checkbox"/>		Senator Dotzenrod	<input checked="" type="checkbox"/>	
Vice Chairman Kannianen	<input checked="" type="checkbox"/>				
Senator Meyer	<input checked="" type="checkbox"/>				
Senator Patten	<input checked="" type="checkbox"/>				
Senator Unruh	<input checked="" type="checkbox"/>				

Total (Yes) 10 No 0

Absent 0

Floor Assignment Dotzenrod

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

**REPORT OF STANDING COMMITTEE**

**HB 1248, as engrossed: Finance and Taxation Committee (Sen. Cook, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1248 was placed on the Sixth order on the calendar.

Page 1, line 2, after "fund" insert "; and to provide an effective date"

Page 1, line 6, replace "services" with "postwar trust"

Page 1, after line 12, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act is effective for taxes filed after December 31, 2018."

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1248, as engrossed: Finance and Taxation Committee (Sen. Cook, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1248 was placed on the Sixth order on the calendar.

In lieu of the amendments as printed on page 924 of the Senate Journal, Senate Bill No. 1248 is amended as follows:

Page 1, line 2, after fund insert "; and to provide an effective date"

Page 1, line 6, replace "services" with "postwar trust"

Page 1, after line 12, insert:

**"SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after December 31, 2018."

Renumber accordingly

**2019 TESTIMONY**

**HB 1248**

#1  
HB 1248  
1-15-19

## Testimony on House Bill 1248

Rep. Karla Rose Hanson, District 44

House Finance & Tax Committee

1/15/19

Mr. Chairman and members of the committee,

This bill creates a checkoff on our state income tax forms to allow North Dakotans to voluntarily contribute part of their tax refund, or an amount they choose to add to their tax liability, to a veterans' services fund.

Any donated funds would then be appropriated to the Administrative Committee on Veterans' Affairs - or ACOVA.

Funds would be used for the unmet needs of ND veterans and their eligible dependents. This would include dental and denture needs, hearing aids, eye glasses and transportation to medical appointments. The applicants have low income and asset limits set by the ACOVA. Other uses of the fund must be approved by the ACOVA.

Since this is voluntary and based on human behavior, it is difficult to predict the amount of funds this could generate for veterans' services. We do know that there are two other check-offs – for the Trees for North Dakota and the Nongame Wildlife programs (often called the “bees and trees” funds) – and they generate roughly \$30K each year through the check-off. Here's the break-down:

	Non-Game Wildlife	Trees
FY 2018	\$ 29,369	\$ 34,189
FY 2017	28,201	33,094
FY 2016	28,721	33,995
FY 2015	26,372	28,854
FY 2014	29,698	31,226

I'm eternally grateful for the service of our military veterans and the sacrifices that they and their families have made for our state and country. Because of this gratitude that you likely share, we as legislators have placed a priority on providing support to our veterans and their families. However, we know that there are still unmet medical needs.

This bill creates a vehicle to provide additional necessary services to veterans and their dependents - with no appropriations from the state's general fund.

I ask for your favorable consideration and a do-pass recommendation on HB 1248.

HB1248—Income tax check off

#2  
HB 1248  
1-15-19  
p.1

The monies received from this would greatly enhance the work of the ACOVA in their programs assisting eligible veterans and their dependents. The programs are currently being funded by the interest received from the Post War Trust Fund Investments. The monies from the check off would be deposited in a separate fund and ACOVA would determine where the monies would best be used. This method is currently being used for non-game wildlife and trees and since 1014, neither groups as received less than \$25,000 per year. The highest being over \$34000.

The extra monies that would be generated from this check off would greatly enhance the ACOVAs' ability to serve more veterans through various programs that they can longer offer due to the interest rate drop in 2008. Prior to this the ACOVA was able to assist veterans with home devices not covered other grants such as exercise equipment, defibrillators, bladder scanners and the list goes on.

In addition to resurrecting these programs it would allow ACOVA to help more veterans and dependents in these on-going grant programs: Dental, Denture, Hearing Aids and Eyeglasses, travel to medical appointments, housing deposits to mention a few.

	Non-Game		
	<u>Wildlife</u>		<u>Trees</u>
FY 2018	\$ 29,369	\$	34,189
FY 2017	28,201		33,094
FY 2016	28,721		33,995
FY 2015	26,372		28,854
FY 2014	29,698		31,226





The Administrative Committee on Veterans Affairs (ACOVA) is responsible for the organization, policy, and general administration of all veterans' affairs in North Dakota. The Administrative Committee is comprised of 15 voting members, each appointed by the Governor, representing the five major patriotic veteran organizations in the state.

Each year, the Governor is to appoint one member from a list of two names submitted by the following North Dakota veteran organizations: American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, and Vietnam Veterans of America. The ACOVA is also comprised of three nonvoting members who are to serve in an advisory capacity - the North Dakota Adjutant General, the Center Director of the Federal Veterans Affairs, and the Executive Director of Job Service of North Dakota. The Governor also appoints the ACOVA's Chairman and Secretary.

The ACOVA has several activities they monitor on behalf of the Governor and the state's veterans.

### North Dakota Veterans Home:

The ACOVA appoints a seven member governing board for administration of the North Dakota Veterans Home located in Lisbon, ND. It assists in creating the management and not in the day to day management of the Veterans Home.

### Post War Trust Fund:

The veterans' postwar trust fund (PWTF) is a permanent trust fund of the state of North Dakota and consists of moneys transferred or credited to the fund under NDCC 37-14-14 and other laws. All income received from investments is to be utilized only for programs of benefit and service to veterans or their dependents, and all income earned in a biennium is appropriated to the (ACOVA) on a continuing basis.

### ND Department of Veterans Affairs:

The committee shall appoint the commissioner of the department of veterans' affairs. The commissioner of veterans' affairs shall serve as the executive secretary for the subcommittee. The commissioner has no vote in the affairs of the sub-committee.



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1-15-19  
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*Who We Are  
and What We  
do for Veterans*



*FIVE ND Patriotic Organizations  
31,000 Members Statewide  
5,456,000 Members Nationwide*

What is the difference between the NDVLC and the ACOVA? The acronym NDVLC stands for the North Dakota Veterans Legislative Council and is a Non-Governmental Council comprised of the five principal veteran organizations in the state of North Dakota. Their purpose is to discuss and develop a unified consensus on veteran issues. ACOVA stands for the Administrative Committee on Veterans Affairs which is responsible for the organization, policy, and general administration of all veterans' affairs in North Dakota.

The ND Veterans Legislative Council is made up of three members from each of the following five ND Veterans' Patriotic Organizations; The American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, and the Vietnam Veterans of America.



*ND Disabled American Veterans  
5,000 North Dakota Members, 11 Local Chapters  
1.2 Million Members Nationwide*



*ND Veterans of Foreign Wars  
7,715 North Dakota Members, 54 Local Posts  
1.7 Million Members Nationwide*

The NDVLC was established to bring veterans organizations together in a united effort on behalf of all veterans and dependents. It is meant to provide a practical means through which the Veterans organizations throughout the state may effectively contribute to the betterment of all veterans.

The three major responsibilities of the Legislative Council are to sponsor and monitor legislation that affects veterans and their dependents, monitor all general programs for veterans including hospital benefits, employment programs, social programs and finally to establish a system of public relations for veterans.

No member of the Legislative Council may hold concurrent membership on the Administrative Committee on Veterans Affairs. The three representatives from each Veterans organization shall be the Department



*ND American Veterans  
2,800 North Dakota Members, 14 Local Posts  
290,000 Members Nationwide*



*ND Dept. of the American Legion  
15,050 North Dakota Members, 215 Local Posts  
2.2 Million Members Nationwide*

Commander, the Department Adjutant, and one other representative. Each member has one vote. The office of president, vice-president, and secretary/treasurer are elected from within these voting members.

The members are volunteers and do not receive salaries for performing their duties as outlined in the organizations by-laws. The third segment of the Council is the Legislative Committee. Two members are appointed from each of the veterans organizations and a committee chairman. They are appointed for two years. They should be from the Bismarck area so they may attend hearings on bills affecting the veterans.

The Legislative Council's main function is drafting, monitoring, and seeking sponsors for veterans legislation. It is not an administrative body. Administration and implementation of veterans laws is the function of the ACOVA.



*ND Vietnam Veterans of America  
435 North Dakota Members, 10 Local Chapters  
66,000 Members Nationwide*

#2  
HB 1248  
1-15-19  
p.3

## 2019 Veteran Legislation



#2  
HB 1248  
1-15-19  
p.4

### **ND Department of Veterans Affairs Budget**

- Return 2 of 3 Staff positions
- Remove Federal Funding Mandate
- Training & Outreach funding
- Grant database update

### **Stand Down Funding \$5,000**

- Serving vulnerable veterans

### **Service Dog Grants \$50,000**

- ND veterans with PTSD

### **DAV Transportation Van \$18,600**

- ½ cost to purchase 1 van

### **National Service Officer Grant \$150,0000**

- 3 grants at \$50,000

### **ND Department of Veterans Affairs**

- Accept and expend funds. FH Coin

### **ND Department of Veterans Affairs**

- Work with all entities

### **ACOVA & Post War Trust Fund**

- Set investment goals & objectives

### **ND Veterans Legislative Council**

- Name change in NDCC

### **Military Retirement Pay**

- Exempt from ND income tax

### **ND Income Tax Check off**

- Donate to Post War Trust Fund

### **ND Veterans Affairs File Access**

- Clean up verbiage

### **ND Assn. County & Tribal Service Officers**

- VA disabled qualify for ND Grant & Loan
- CVSO accreditation to include NDDVA
- Veterans Preference remove resident and wartime. Add Guard and Reserve.

# *Members of the North Dakota Veterans Legislative Council 2018*

#2  
HB 1248  
1-15-19

P. 5

<b>President:</b>	Karen Meier	ND AL
<b>Vice President</b>	Jim Nelson	AMVETS
<b>Secretary:</b>	Ronald Matthews	ND AL

## **Member Organizations:**

### **ND American Legion**

Karen Meier	701-595-3717	<a href="mailto:bgkjmeier@restel.com">bgkjmeier@restel.com</a>
Ronald Matthews	701-293-3120	<a href="mailto:adjutant@ndlegion.org">adjutant@ndlegion.org</a>
Glenn Wahus	701-842-2093	<a href="mailto:gwahus@gmail.com">gwahus@gmail.com</a>

### **ND AMVETS**

Wayne Krueger	701-793-6022	<a href="mailto:harleymillionaire@gmail.com">harleymillionaire@gmail.com</a>
Keith Peterson	701-871-0208	<a href="mailto:peteronkeith96@yahoo.com">peteronkeith96@yahoo.com</a>
James Nelson	701-400-5635	<a href="mailto:jimnelson73@yahoo.com">jimnelson73@yahoo.com</a>

### **ND DAV**

Joe Hall	701-328-5048	<a href="mailto:joehall.DAV@outlook.com">joehall.DAV@outlook.com</a>
Larry Holweger	218-779-048	<a href="mailto:cholweger@gra.midco.net">cholweger@gra.midco.net</a>
Steve Benson	218-991-2366	<a href="mailto:stephenjoehenson@hotmail.com">stephenjoehenson@hotmail.com</a>

### **ND VFW**

Bill Tuff	c701-261-2144	<a href="mailto:bltuf@aol.com">bltuf@aol.com</a>
Darcy Medicine Stone	701-880-217	<a href="mailto:darcywilfred1944@gmail.com">darcywilfred1944@gmail.com</a>
Wayne Paulson	701-838-8470	<a href="mailto:vfwnd@minot.com">vfwnd@minot.com</a>

### **ND VVA**

Dan Stenvold	701-284-6426	<a href="mailto:trov@polarcomm.com">trov@polarcomm.com</a>
Russ Stabler	701-306-2659	<a href="mailto:palkid@aol.com">palkid@aol.com</a>
Larry Young	701-786-3494	<a href="mailto:yohound50@yahoo.com">yohound50@yahoo.com</a>



#3  
HB 1248  
1-15-19

Here is my Testimony on HB 1248

Mr. Chairman and members of the committee

My name is Rick Olek; I am a Viet Nam combat wounded veteran awarded the purple heart 1971-1972

*I ask for your support in giving HB1248 a do-pass*

I live in District 44 North side of Fargo, I am a volunteer at the Fargo V.A. Hospital, I see and meet VETERANS from North Dakota everyday I volunteer that need and require assistance.

I am a very fortunate VETERAN that does not require or need assistance at this time but many are not so fortunate!

North Dakota and the Federal Government have many programs in place for VETERANS but there are always gaps in these programs that don't cover all the VETERANS needs. This bill will help fill the gaps!

HB 1248 will allow the citizens of North Dakota to feel good and donate some dollars to help VETERANS in need.

This is a WIN/WIN bill it engages our North Dakota taxpayers with our VETERANS. Most North Dakota families have VETERANS/Service members in their family.

NO TAX PAYER DOLLARS are needed for this bill

Our Administrative Committee on Veterans Affairs (ACOVA) already has a system in place to assist these needy VETERANS. We just need the funds!

I am a member of the VFW, American Legion, D.A.V., Viet Nam Veterans and AMVETS. I have also served on the ACOVA under Governor Ed Schaffer.

I have talked to many VETERANS and families of VETERANS who are supportive of this bill so I again ask for a do-pass on HB1248

Thank You;

Rick Olek



3/5 HB 1248 # 1 pg. 1

## Testimony on House Bill 1248

Rep. Karla Rose Hanson, District 44

Senate Finance & Tax Committee

3/5/19

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This bill creates a checkoff on our state income tax forms to allow North Dakotans to voluntarily contribute part of their tax refund, or an amount they choose to add to their tax liability, to the Veterans' Postwar Trust Fund.

The Veterans' Postwar Trust Fund is used for the unmet needs of ND veterans and their eligible dependents. This would include dental and denture needs, hearing aids, eye glasses and transportation to medical appointments. The applicants have low income and asset limits set by the Administrative Committee on Veterans' Affairs (ACOVA). Other uses of the fund must be approved by the ACOVA.

Since this is voluntary and based on human behavior, it is difficult to predict the amount of funds this could generate for veterans' services. We do know that there are two other check-offs – for the Trees for North Dakota and the Nongame Wildlife programs (often called the “bees and trees” funds) – and they generate roughly \$30K each year through the check-off. Here's the break-down:

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This bill creates a vehicle to provide additional necessary services to veterans and their dependents - with no appropriations from the state's general fund.

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This method is currently being used for non-game wildlife and trees and since 1014, neither groups as received less than \$25,000 per year. The highest being over \$34000.

The North Dakota Veterans Legislative Council urges a do pass