

MILITARY

CHAPTER 310

SENATE BILL NO. 2129

(Government and Veterans Affairs Committee)
(At the request of the Department of Veterans' Affairs)

VETERANS' AID FUND LOAN FEES

AN ACT to amend and reenact section 37-14-07 of the North Dakota Century Code, relating to collecting fees on loans from the veterans' aid fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 37-14-07 of the North Dakota Century Code is amended and reenacted as follows:

37-14-07. Repayment to be made to aid fund. Upon the granting of an application and at the time of disbursement, the applicant, or the applicant's legally appointed guardian, shall execute an agreement with the department of veterans' affairs that within a specified period of not to exceed four years from the date of the receipt of the last item of the advancement, the applicant will repay to the state for the use of the veterans' aid fund the full amount of all advancements made to the applicant with interest as provided in rules adopted under section 37-14-10, but not to exceed ten percent annually. One-half of the interest must be waived if timely repayment is made to the fund. The department may take necessary legal action to collect, compromise, or settle loans if in the opinion of the department the person has the financial means to repay, and the person deliberately refuses to do so. The department may release from financial liability any person it determines is financially unable to repay the loan through no fault of the person. The department may assess and collect a late payment penalty as provided in section 47-14-05.

Approved April 18, 2005
Filed April 20, 2005

CHAPTER 311

HOUSE BILL NO. 1128

(Government and Veterans Affairs Committee)
(At the request of the Department of Veterans' Affairs)

COUNTY VETERANS' SERVICE OFFICER APPOINTMENT

AN ACT to amend and reenact section 37-14-18 of the North Dakota Century Code, relating to appointment of a county veterans' service officer.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

¹⁵⁸ **SECTION 1. AMENDMENT.** Section 37-14-18 of the North Dakota Century Code is amended and reenacted as follows:

37-14-18. County veterans' service officer - Appointment - Duties. The board of county commissioners of each county of the state of North Dakota ~~may~~ shall appoint, employ, and pay, on a full-time or part-time basis, an officer to be known as a county veterans' service officer. ~~Such~~ An individual may serve as a county veterans' service officer in more than one county. The appointment must be made with the prior advice of the commissioner of veterans' affairs, and in accordance with veterans' preference as provided in section 37-19.1-02. It is the duty of ~~such~~ the county veterans' service officer to become acquainted with the laws, both state and federal, enacted for the benefit of returning servicemen and servicewomen to assist such returning members of the armed forces in the presentation, proof, and establishment of such claims, privileges, and rights as they have. It also is the duty of the county veterans' service officer, under the supervision of the state commissioner of veterans' affairs, to actively cooperate with and to coordinate the activities of the state and federal agencies within the county which the officer serves to facilitate their operation and ensure promptness in the solution of the problems concerned with the reestablishment of returning servicemen and servicewomen in civilian pursuits.

Approved March 7, 2005
Filed March 8, 2005

¹⁵⁸ Section 37-14-18 was also amended by section 1 of Senate Bill No. 2218, chapter 316.

CHAPTER 312

HOUSE BILL NO. 1355

(Representatives Metcalf, Amerman, Froseth, Mueller)
(Senators Andrist, Robinson)

VETERANS' HOME ADMINISTRATOR TITLE

AN ACT to amend and reenact sections 37-15-07, 37-15-08, 37-15-14.1, 37-15-16, 37-15-17, 37-15-18, 37-15-19, 37-15-21, and 37-18.1-04 of the North Dakota Century Code, relating to the title of the administrator of the veterans' home.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 37-15-07 of the North Dakota Century Code is amended and reenacted as follows:

37-15-07. Administrator of veterans' home - Appointment - Qualifications. The appointment, qualifications, term of office, and salary of the administrator of the veterans' home must be as prescribed in section 37-18.1-03. The administrative committee on veterans' affairs may designate the administrator as commandant of the veterans' home if the administrator is an honorably discharged veteran.

SECTION 2. AMENDMENT. Section 37-15-08 of the North Dakota Century Code is amended and reenacted as follows:

37-15-08. Subordinate officers - Appointment - Preference to veterans - Compensation - Removal. The ~~commandant~~ administrator of the veterans' home shall appoint all necessary subordinate officers of the home. In the appointment of ~~such~~ the officers, the preference afforded by chapter 37-19.1 must be given to those persons who qualify ~~therefor~~ for the preference. The ~~commandant~~ administrator shall fix the compensation of all subordinate officers, subject to legislative appropriation, and any ~~such~~ officer may be removed by the ~~commandant~~ administrator for inefficiency or misconduct.

SECTION 3. AMENDMENT. Section 37-15-14.1 of the North Dakota Century Code is amended and reenacted as follows:

37-15-14.1. Membership contribution for residents of veterans' home - Special fund.

1. The administrative committee on veterans' affairs may establish a membership contribution to be paid by members of the veterans' home. The fee must be based on the adjusted income of each member, but may not exceed forty-nine percent of the average daily per member cost. The membership contribution must be set under a formula determined by the administrative committee and designed to assure dignity and equity in the charge. The administrative committee may reconsider its action establishing a membership contribution, amend or rescind the contribution charge, or reinstate a contribution charge previously rescinded. The ~~commandant~~ administrator of the veterans' home shall collect monthly any membership contribution levied.

2. As used in subsection 1, "adjusted income" means all moneys received from any source, including social security benefits, less amounts received or expended as follows:
 - a. Moneys earned during authorized leaves or furloughs from the veterans' home.
 - b. Moneys expended by the member for hospitalization due to illness or injury.
 - c. Moneys expended by the member for other medical care or treatment, or for required medicines.
 - d. Such other receipts or expenditures as the administrative committee may permit to be deducted in individual cases.
3. All moneys received as a result of charging the membership contribution authorized by subsection 1 must be deposited in the veterans' home operating fund.

SECTION 4. AMENDMENT. Section 37-15-16 of the North Dakota Century Code is amended and reenacted as follows:

37-15-16. ~~Commandant~~ Administrator shall take charge of unclaimed estates of small value. If a member of the veterans' home dies leaving property of the value of three thousand dollars or less, the ~~commandant~~ administrator immediately shall take charge of ~~such~~ the property. If within forty-five days of the date of death ~~no~~ a valid claim of any heir or devisee is not made for the property and ~~no~~ an application or petition has not been filed for issuance of letters of administration, the ~~commandant~~ administrator shall convert the property into cash without probate or other proceedings and make payment ~~in the following order:~~

- 1- ~~Reasonable~~ first toward reasonable funeral expenses.
- 2- ~~Reasonable~~ and second toward reasonable and necessary medical and hospital expenses of the last illness of the decedent. If any cash remains, the ~~commandant~~ administrator shall deposit the cash with the state treasurer who shall credit it to the veterans' home operating fund. The ~~commandant~~ administrator shall make a report of the ~~commandant's~~ administrator's action to the administrative committee on veterans' affairs. The report must be audited by, and included in the records of, the committee.

SECTION 5. AMENDMENT. Section 37-15-17 of the North Dakota Century Code is amended and reenacted as follows:

37-15-17. Intestate members leaving estates valued in excess of three thousand dollars - ~~Commandant~~ Administrator to administer estate. If a member of the veterans' home dies leaving property in excess of three thousand dollars in value not disposed of by will, the ~~commandant~~ administrator is entitled to letters of administration ~~upon~~ such for the estate. The ~~commandant~~ administrator shall apply to the proper court for letters of administration, qualify as administrator, and distribute and dispose of such the estate as is provided by this code. If ~~no~~ a valid claim is not made to ~~such~~ the estate by the heirs or the next of kin of the deceased member for a period of one year after the granting of letters of

administration, the residue of the estate must be deposited with the state treasurer for the benefit of the veterans' home operating fund.

SECTION 6. AMENDMENT. Section 37-15-18 of the North Dakota Century Code is amended and reenacted as follows:

37-15-18. ~~Commandant as administrator~~ Administrator of estate - Bond not required - Fees - Allowance of fees by district court. Upon becoming administrator of any estate ~~as provided in~~ under section 37-15-17, the ~~commandant~~ administrator of the veterans' home is not required to give bond and ~~is not entitled to~~ may not charge or receive any compensation for the ~~commandant's~~ administrator's services as administrator of the estate. The district court serving the county where the administration proceedings are ~~had~~ shall ~~conducted~~ may not ~~make~~ nor allow any charge or fee in connection with the administration proceedings other than the actual disbursements of the administrator.

SECTION 7. AMENDMENT. Section 37-15-19 of the North Dakota Century Code is amended and reenacted as follows:

37-15-19. Biennial report. The ~~commandant~~ administrator of the veterans' home may submit a biennial report to the governor and the secretary of state in accordance with section 54-06-04.

SECTION 8. AMENDMENT. Section 37-15-21 of the North Dakota Century Code is amended and reenacted as follows:

37-15-21. ~~Commandant~~ Administrator may accept gifts, donations, or bequests. The ~~commandant~~ administrator for and in behalf of the veterans' home ~~is hereby authorized to~~ may accept and expend funds from any source, including federal or private sources and donations, gifts, or bequests offered or tendered to, or for the benefit of, the veterans' home to be used to benefit the veterans' home. All ~~such~~ moneys received or accepted must be used for the specific purposes for which they were given or donated. This authority ~~shall apply~~ applies and ~~be~~ is retroactive to any or all gifts, donations, or bequests ~~heretofore~~ already tendered, offered, or made. The veterans' home may establish and maintain its own local fund to administer moneys received under this section. All interest, rent, or income from moneys or property received under this section must be deposited in the veterans' home operating fund unless by the terms of acquisition the moneys are required to be maintained in a different manner.

SECTION 9. AMENDMENT. Section 37-18.1-04 of the North Dakota Century Code is amended and reenacted as follows:

37-18.1-04. Committee members not to receive compensation - Expenses permitted. Committee members may not receive any compensation for the performance of their official duties. Voting members may be reimbursed for travel expenses and meals and lodging expenses in connection with their official duties at the same rate and in the same manner as are elected officials and employees of the state, with payment to be made by the department of veterans' affairs and the veterans' home to each of their respective subcommittee members incurring ~~such~~ the expenses. ~~Such~~ The payment must be made by warrant-check

drawn by the office of management and budget upon the submission of a proper voucher to it, signed by the commissioner of veterans' affairs or the ~~commandant~~ administrator of the veterans' home, as the case may be.

Approved March 7, 2005

Filed March 8, 2005

CHAPTER 313

SENATE BILL NO. 2128

(Government and Veterans Affairs Committee)
(At the request of the Veterans' Home)

VETERANS' HOME ADMISSION REQUIREMENTS

AN ACT to amend and reenact section 37-15-10 of the North Dakota Century Code, relating to admission requirements for veterans at the veterans' home.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 37-15-10 of the North Dakota Century Code is amended and reenacted as follows:

37-15-10. Admittance to veterans' home - Requirements governing.

1. ~~No An~~ applicant may not be admitted to the veterans' home unless the applicant ~~has been~~ is a bona fide resident of this state ~~for at least one year next~~ preceding the applicant's application for admission ~~thereto~~. The ~~one-year~~ residency ~~immediately preceding application~~ requirement may be waived if the applicant served in a North Dakota regiment or was accredited to this state.
2. The spouse or surviving spouse of those mentioned in subsection 1 of section 37-15-02 may be admitted upon the same footing as the veteran; ~~provided, however, that such spouse or surviving spouse has entered into the contract of marriage to the veteran at least five years prior to date of application and has attained the age of forty-five years at date of application.~~
3. ~~No person~~ An individual may not be admitted to the home until that ~~person~~ individual has made formal application and furnished such proof as may be required by the administrative committee on veterans' affairs and the application has been approved by the board of admissions of the institution that the committee has designated.
4. When a member of the home who is not eligible for veterans' administration hospitalization and care becomes unable from any cause to care for oneself under ~~the rules prescribed~~ adopted by the administrative committee on veterans' affairs for the admission and care of members in the home, the member ~~shall become~~ becomes a charge of the county of residence at the time of admission. ~~No An~~ individual may not gain or lose legal residence by reason of residence in or being a member of the veterans' home.

Approved March 7, 2005
Filed March 8, 2005

CHAPTER 314

HOUSE BILL NO. 1186 (Representatives Mueller, DeKrey) (Senator Mathern)

BURNING BAN VIOLATIONS

AN ACT to amend and reenact section 37-17.1-10 of the North Dakota Century Code, relating to violation of a local burning ban; and to provide a penalty.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 37-17.1-10 of the North Dakota Century Code is amended and reenacted as follows:

37-17.1-10. Local disasters or emergencies - Penalty.

1. Unless so declared in accordance with the provisions of subsection 4 of section 37-17.1-05, a local disaster or emergency may be declared only by the principal executive officer of the county or city. It may not be continued or renewed for a period in excess of seven days except by or with the consent of the governing board of the county or city. Any order or proclamation declaring a local disaster or emergency must be given prompt and general publicity and must be filed promptly with the county or city auditor.
2. The effect of a declaration of a local disaster or emergency is to activate the response and recovery aspects of any and all applicable local disaster or emergency operational plans and to authorize the furnishing of aid and assistance thereunder.
3. An order or proclamation issued under this section which includes a ban on open burning may provide for a penalty for a violation of the ban through a citation, a criminal complaint, or an information through the district court in the county in which the offense occurred. An individual who willfully violates a burning ban established by a local order or proclamation under this section is guilty of an infraction.

Approved March 31, 2005
Filed March 31, 2005

CHAPTER 315

SENATE BILL NO. 2151

(Senator Bowman)
(Representative Porter)

EMERGENCY RESPONSE UNIT INTRASTATE AID

AN ACT to create and enact two new sections to chapter 37-17.1 of the North Dakota Century Code, relating to intrastate mutual aid by emergency response units; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 37-17.1 of the North Dakota Century Code is created and enacted as follows:

Definitions. In this Act, unless the context otherwise requires:

1. "Assisting unit" means an emergency response unit that renders mutual aid assistance to a requesting unit.
2. "Emergency response unit" includes a fire department, law enforcement agency, emergency medical services operation, and any other public, tribal, and private group that responds to a request for assistance at the scene of an incident.
3. "Incident" means any situation that requires actions to immediately protect lives and property, to provide for public health and safety, or to avert or lessen the threat of a disaster.
4. "Incident command system" means a recognized system adopted by the United States department of homeland security and the division of emergency management for the command, control, and coordination of resources and personnel at the scene of an incident.
5. "Requesting unit" means the emergency response unit with responsibility for responding to an incident which seeks mutual aid assistance from another emergency response unit.

SECTION 2. A new section to chapter 37-17.1 of the North Dakota Century Code is created and enacted as follows:

Intrastate mutual aid. A system of intrastate mutual aid between emergency response units in North Dakota is created by this Act in order to provide a framework for coordinated response and to ensure, to the fullest extent possible, eligibility for emergency grant funds or other reimbursement assistance. Unless other terms have been specifically agreed upon, an emergency response unit may render mutual aid to another emergency response unit in the state under the following terms and conditions:

1. An incident command system must be designated by the requesting unit, and the incident command system must be used. The incident

commander may request mutual aid and is responsible for all resources assigned to or responding to an incident.

2. The individual in charge of an emergency response unit may determine whether personnel or equipment is sent beyond the area of responsibility of the unit to respond to a call by a requesting unit. An emergency response unit declining to provide assistance outside its area of responsibility is not liable for damage to a requesting unit.
3. All resources assigned to an incident are under the command of the incident commander. The individual in charge of an assisting unit may retain the ability to withdraw personnel or resources upon notification to the incident commander. An assisting unit withdrawing from an emergency response operation is not liable for damage to the requesting unit.
4. With the exception of volunteers, each assisting unit shall continue to provide the same salaries and benefits to its personnel assigned to render assistance to a requesting unit as the personnel would receive if on duty within their area of responsibility. If emergency grant funds or other assistance becomes available to the requesting unit, the requesting unit shall reimburse any assisting units, whether paid or volunteer within their own area of responsibility, on an equitable basis at rates consistent with the policies of the agencies or entities providing emergency grant funds or other reimbursement assistance, for costs incurred by the assisting units for salaries and benefits. The cost of repair and maintenance of equipment used or expended while rendering assistance must be borne by the emergency response unit owning the equipment unless emergency grant funds or other assistance becomes available to cover the costs. An emergency response unit taking independent action outside a mutual aid request by the requesting unit is not eligible for reimbursement or compensation of costs.
5. Personnel of an assisting unit who sustain injury or death in the course of their employment are entitled to all applicable benefits normally available to personnel while performing duties for their unit.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Approved March 16, 2005
Filed March 17, 2005

CHAPTER 316

SENATE BILL NO. 2218

(Senators Syverson, Dever, G. Lee)
(Representatives Belter, Bernstein, S. Kelsh)

VETERANS' FUNDING AND RECORDS

AN ACT to create and enact two new sections to chapter 37-18 of the North Dakota Century Code, relating to funding and veterans' records; to amend and reenact sections 37-14-18 and 37-18-04 of the North Dakota Century Code, relating to supervision of county veterans' service officers and duties of the commissioner of veterans' affairs; and to provide a continuing appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

¹⁵⁹ **SECTION 1. AMENDMENT.** Section 37-14-18 of the North Dakota Century Code is amended and reenacted as follows:

37-14-18. County veterans' service officer - Appointment - Duties. The board of county commissioners of each county of the state of North Dakota may appoint, employ, and pay, on a full-time or part-time basis, an officer to be known as a county veterans' service officer. Such appointment must be made with the prior advice of the commissioner of veterans' affairs, and in accordance with veterans' preference as provided in section 37-19.1-02. It is the duty of such county veterans' service officer to become acquainted with the laws, both state and federal, enacted for the benefit of returning servicemen and servicewomen to assist such returning members of the armed forces in the presentation, proof, and establishment of such claims, privileges, and rights as they have. It also is the duty of the county veterans' service officer, ~~under the supervision of the state commissioner of veterans' affairs,~~ to actively cooperate with and to coordinate the activities of the state and federal agencies within the county which the officer serves to facilitate their operation and ensure promptness in the solution of the problems concerned with the reestablishment of returning servicemen and servicewomen in civilian pursuits.

SECTION 2. A new section to chapter 37-18 of the North Dakota Century Code is created and enacted as follows:

Funding authority - Continuing appropriation. The department of veterans' affairs may accept and expend funds from any source, including federal or private sources, to be used to assist veterans or qualified veterans' spouses in obtaining assistance and to pay other expenses authorized by law incurred in carrying out programs of benefit and service for resident North Dakota veterans as authorized by the administrative committee on veterans' affairs with the approval of the emergency commission. However, all interest earnings from the veterans' postwar trust fund received by the department of veterans' affairs from the administrative committee on veterans' affairs are appropriated to the department on a continuing basis.

¹⁵⁹ Section 37-14-18 was also amended by section 1 of House Bill No. 1128, chapter 311.

SECTION 3. A new section to chapter 37-18 of the North Dakota Century Code is created and enacted as follows:

Records. The department of veterans' affairs may receive from the United States such records of veterans as the United States may wish to turn over to the department of veterans' affairs and same shall keep and maintain the records as provided in this chapter.

SECTION 4. AMENDMENT. Section 37-18-04 of the North Dakota Century Code is amended and reenacted as follows:

37-18-04. Duties of commissioner. It is the duty of the commissioner to coordinate agencies or instrumentalities of the state set up to render service and benefits to returning veterans; to have charge of and implement programs and benefits authorized by statute; to assist or represent veterans or their widows, administrators, executors, guardians, or heirs, in processing claims; to advise and assist veterans in taking advantage of the provisions of the Servicemen's Readjustment Act of 1944 [Pub. L. 78-346; 58 Stat. 291], or any similar or related measures afforded by the federal government; to ~~assist, supervise, advise, and direct the work of county service officers~~ provide counties with recommended qualifications and standards for county veterans' service officers; to assist counties with training of county veterans' service officers; to provide county veterans' service officers with educational materials; to assist county veterans' service officers in the formation of county service to veterans' committees and to outline, assist, and direct the activities of such committees performance of their duties; to disseminate information; and to do any and all things necessary and proper for the purpose of carrying out the intent and purposes of this chapter.

~~The department of veterans' affairs may accept and expend funds from any source, including federal or private sources and interest earnings from the veterans' postwar trust fund, to be used to assist veterans or qualified veterans' spouses in obtaining assistance and to pay other expenses authorized by law, incurred pursuant to hearings covered in section 37-19.1-04 or incurred in carrying out programs of benefit and service for resident North Dakota veterans as authorized by the administrative committee on veterans' affairs with the approval of the emergency commission.~~

~~The department of veterans' affairs may receive from the United States government such records of veterans as the United States government may wish to turn over to the department of veterans' affairs and same shall keep and maintain such records as hereafter provided by this chapter.~~

Approved March 7, 2005

Filed March 8, 2005

CHAPTER 317

SENATE BILL NO. 2146

(Senators Lyson, Syverson, Tallackson)
(Representatives Martinson, Maragos, Aarsvold)
(At the request of the Adjutant General)

VETERANS' ADJUSTED COMPENSATION

AN ACT to provide adjusted compensation for eligible resident veterans and for the filing and payment of claims, duties of the adjutant general, and exemption from taxation and execution for such payments; to create and enact a new subdivision to subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to individual income tax deductions; to provide a penalty; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Statement of public purpose. In order to ease the financial hardships and personal and family sacrifice sustained by those North Dakota members of the national guard, reserve, and active duty component who were mobilized after December 5, 1992, in support of military operations around the world it is the intent of the legislative assembly that additional compensation be provided to those resident veterans of North Dakota and payment of that compensation is declared to be a public purpose. It is the further intent of the legislative assembly to encourage those North Dakota resident veterans to continue their voluntary membership in the national guard, reserve component, and active military force.

SECTION 2. Definitions. As used in sections 1 through 9 of this Act:

1. "Adjutant general" means the adjutant general of North Dakota.
2. "Beneficiary" in relation to a deceased veteran, means, in the order named:
 - a. The surviving unremarried husband or wife as of the date of signing the application;
 - b. The surviving child or children and the lawful issue of a deceased child or children by right of representation;
 - c. The surviving person standing in loco parentis; or
 - d. The surviving parent or parents.
3. "Domestic service" means service by a veteran during the period of service which is not foreign service.
4. "Foreign service" means service by a veteran after December 5, 1992, for which the veteran received an armed forces expeditionary medal or campaign badge.
5. "Honorable and faithful" means service evidenced by:

- a. An honorable discharge, or its equivalent;
 - b. In the case of an officer, a certificate of service; and
 - c. In the case of a veteran who has not been discharged, a certificate from the appropriate service authority that the veteran's service was honorable and faithful.
6. "Period of service" means the period of time beginning December 5, 1992, and ending June 30, 2007.
7. "Resident" means a person who has filed a North Dakota income tax return for the year prior to making application for benefits under this section and who:
- a. Was born in and lived in the state of North Dakota until entrance into the armed forces of the United States;
 - b. Was born in, but was temporarily living outside the state of North Dakota, not having abandoned North Dakota residence at the time of entrance into the armed forces of the United States; or
 - c. Was born elsewhere but had resided within the state of North Dakota for the last six months before entrance into military service and had prior to or during that six-month period:
 - (1) Voted in the state of North Dakota;
 - (2) Was an emancipated minor during such period of residence or had lived with a parent or person standing in loco parentis who was a resident; or
 - (3) Was not registered for voting in another state after being a resident.
 - d. "Resident" also means a veteran who was a bona fide resident of the state of North Dakota at the time of entering the armed forces, as determined under the rules of the adjutant general and the laws of this state.
8. "Veteran" means a member of the national guard or reserve component who was activated under 10 U.S.C 12302 and who completed honorable and faithful service of more than thirty days on active duty in the armed forces of the United States at any time during the period of service, or active component member awarded the expeditionary medal or campaign badge for service after December 5, 1992, who was a resident of the state of North Dakota, and who has not received bonus or adjusted compensation from another state for the period of service.

SECTION 3. Payment of adjusted compensation for domestic and foreign service. Each national guard or reserve component resident veteran mobilized stateside is entitled to fifty dollars for each month or major fraction thereof for domestic service, not to exceed nine hundred dollars. Each national guard, reserve, or active component resident veteran of foreign service who received the expeditionary medal or campaign badge is entitled to one hundred dollars for each month or major fraction thereof, not to exceed one thousand eight hundred dollars.

Combined totals for stateside and foreign service may not exceed one thousand eight hundred dollars. If the veteran received a purple heart for foreign service, the veteran is entitled to a payment of two thousand five hundred dollars in lieu of monthly payments for adjusted compensation. If the veteran is deceased, the veteran's beneficiary is entitled to any payments under sections 1 through 9 of this Act to which the veteran would have been entitled. Applications for adjusted compensation may be filed with the adjutant general through June 30, 2007, or in the case of a soldier mobilized on June 30, 2007, not later than six months after the end of the mobilization period of service.

SECTION 4. Payment to beneficiary of veteran who died in active service. In the case of a veteran who died as a result of active service during the period of service, the beneficiary of such veteran is entitled to a payment of two thousand five hundred dollars in lieu of any other compensation under sections 1 through 9 of this Act.

SECTION 5. Application. Each veteran or veteran's beneficiary entitled to payment under sections 1 through 9 of this Act shall make application to the adjutant general of the state of North Dakota upon a form prescribed by the adjutant general. If the veteran is incompetent or the veteran's beneficiary is incompetent or a minor, application may be made by the guardian of the veteran or beneficiary, and if there is no guardian, the person determined by the adjutant general to have assumed the major responsibility for the care of the veteran or beneficiary and to be a proper person to receive payment for the veteran or beneficiary may make the application. If a veteran is hospitalized in a state, county, or federal institution and no application has otherwise been approved by the adjutant general, the person in charge of such institution may make the application with the approval of the adjutant general. For purposes of this section, the word "minor" does not include the unmarried spouse of a veteran. Each application must be accompanied by a certified copy of honorable discharge or other evidence of honorable and faithful service. Each application must be subscribed and sworn to by the applicant in such manner as may be prescribed by the adjutant general. The adjutant general shall provide by rule for an endorsement of the evidence of honorable and faithful service if application for payment has been made.

SECTION 6. Method of payment - Deduction of sums due veterans' aid fund. Upon submission of satisfactory proof that the applicant is entitled to payment under sections 1 through 9 of this Act, the adjutant general shall compute the amount of payment due the applicant, make a record thereof, and forward a voucher for the payment to the office of management and budget, which shall cause the warrant-check to be issued for the amount of the claim. Payment must be made from funds appropriated by the legislative assembly. If the veteran or the applicant for payment under sections 1 through 9 of this Act is indebted to the veterans' aid fund of the state of North Dakota, the adjutant general shall determine the amount of such indebtedness and certify such determination to the office of management and budget together with the record of payment due. Within the limits of the payment due, the amount of such indebtedness must be paid to the veterans' aid fund and the applicant must be paid any remainder to which the veteran is entitled.

SECTION 7. Payments exempt from taxation and from execution - Assignments void - Debts to state and political subdivisions not deducted. Payments under sections 1 through 9 of this Act are exempt from all state and local taxes, including taxes determined under section 57-38-29 or 57-38-30.3, and from levy, garnishment, attachment, and sale on execution. Any pledge, mortgage, sale, assignment, or transfer of any right, claim, or interest in any claim or payment under sections 1 through 9 of this Act is void and payment to the veteran may not be denied

because of any sums owed to the state or any political subdivisions, except as provided in section 37-26-05.

SECTION 8. Duty of adjutant general - Finality of decisions - Questions of residence subject to court review. The adjutant general shall administer sections 1 through 9 of this Act. The adjutant general shall prepare and distribute application blanks and investigate all claims and applications filed. If the adjutant general is satisfied of the proof of a claim and application, the adjutant general shall approve and direct payment of the claim. The adjutant general may adopt any rules necessary to the efficient administration of sections 1 through 9 of this Act. The necessary books, papers, records, cases, and equipment used in the administration of sections 1 through 9 of this Act become a part of the permanent records of the office of the adjutant general. The adjutant general may determine any claim in any case if doubt arises as to the eligibility of an applicant to receive payment and the decision of the adjutant general in such case is final, except on questions of residence which are subject to review by a court of competent jurisdiction. The adjutant general shall authorize payment for prisoners of war upon their release and return.

SECTION 9. Penalty for false statement. Any person who willfully makes a false statement in the application for benefits under section 5 of this Act is guilty of a class A misdemeanor.

¹⁶⁰ **SECTION 10.** A new subdivision to subsection 2 of section 57-38-30.3 of the North Dakota Century Code is created and enacted as follows:

Reduced by the amount of any payment received by a veteran or beneficiary of a veteran under section 3 or 4 of this Act.

SECTION 11. EFFECTIVE DATE. Section 10 of this Act is effective for taxable years beginning after December 31, 2004.

SECTION 12. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 18, 2005
Filed April 20, 2005

¹⁶⁰ Section 57-38-30.3 was also amended by section 1 of House Bill No. 1052, chapter 562, section 1 of House Bill No. 1145, chapter 561, section 2 of House Bill No. 1474, chapter 558, section 4 of Senate Bill No. 2217, chapter 94, section 2 of Senate Bill No. 2362, chapter 557, section 3 of Senate Bill No. 2391, chapter 560, and section 4 of Senate Bill No. 2391, chapter 560.