

**House Judiciary Committee
 68th Legislative Session
 Representative Klemin -Chair**

Chairman Klemin and House Judiciary Committee,

Please accept this testimony in support of HB 1426.

Intent of this bill...

- Provide additional revenue to increase principal of Veterans Post War Trust Fund (PWTF)

Need for bill...

- Administrative Committee on Veterans Affairs (ACOVA) receives interest income from PWTF for use on programs of benefit to ND Veterans and their dependent.
 - Grants for unmet medical: Hearing Aids, Dental, Denture, Glasses, Housing, Transportation to medical appointments, and others. **Income and asset based.**
- Interest income is not enough to cover needs
- Interest rates are low, and inflation is high
- Legislative action required to add to PWTF principal

History of PWTF

- 1969-1971 Issuance of Bonds and Surtax for Adjusted Compensation to ND Veterans of Vietnam War
- 1988 PWTF established as Permanent Trust Fund with interest income appropriated to ACOVA on continuing basis. Invested by the State Treasurer.
- The principal balance of PWTF was held at \$4.1 Million dollars until 2014
- 2013 Legislative action. **\$250,000** added to principal of PWTF
- 2015 Created Patriotic License Plates. Proceeds to principal. **\$59,990**
- 2019 Created Income Tax Check Off. Proceeds to principal. **\$78,875**
- Income to ACOVA

	<u>Beginning of Biennium balance</u>
○ 2013-2015: \$262,371.92	\$4.5 million
○ 2015-2017: \$274,545.96	\$5.6 million
○ 2017-2019: 218,369.06	\$6.2 million
○ 2019-2021: \$281,474.87	\$6.6 million
○ 2021-2023: \$232,369.67	\$7.9 million
- 2023.1 balance of PWTF: \$7,055.91

Outcome of Bill:

Increased ability for ACOVA and NDDVA to provide grants and services for most vulnerable of ND Veterans and Dependents.

Thank you for your consideration.

Lonnie Wangen Commissioner-NDDVA

North Dakota Constitution: [Article X Section 25](#):

The veterans' postwar trust fund shall be a permanent trust fund of the state of North Dakota and shall consist of moneys transferred or credited to the fund as authorized by legislative enactment. Investment of the fund shall be the responsibility of the state treasurer who shall have full authority to invest the fund only in the same manner as the state investment board is authorized to make investments. All income received from investments is to be utilized for programs which must be of benefit and service to veterans, who are defined by legislative enactment, or their dependents, and such income is hereby appropriated to the administrative committee on veterans' affairs on a continuing basis for expenditure upon those programs selected at the discretion of the [administrative committee on veterans' affairs](#).

NDCC 37-14-14 Veterans' postwar trust fund

The veterans' postwar trust fund is a permanent trust fund of the state of North Dakota and consists of moneys transferred or credited to the fund under this chapter and other laws. Investment of the fund is the responsibility of the state treasurer who shall have full authority to invest the fund only in accordance with chapter 21-10. 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 administrative committee on veterans' affairs on a continuing basis in the following biennium and not in the biennium the income is earned for expenditure on these programs as authorized by law. Investment of all income received from investments is the responsibility of the state treasurer who has full authority to invest the income received only in accordance with chapter 21-10.