

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
SECOND ENGROSSMENT**

REENGROSSED HOUSE BILL NO. 1504

Introduced by

Representatives Schneider, Karls, Klemin, J. Olson, Pyle, Warrey, Marschall

Senators Boschee, Dever, Marcellais, Meyer, Paulson

1 A BILL for an Act to amend and reenact section 37-14-14 of the North Dakota Century Code,
2 relating to the veterans' postwar trust fund; to provide an appropriation; and to provide for a
3 transfer.

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

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

7 **37-14-14. Veterans' postwar trust fund.**

8 1. The veterans' postwar trust fund is a permanent trust fund of the state of North Dakota
9 and consists of moneys transferred or credited to the fund under this chapter and
10 other laws. Investment of the fund is the responsibility of the state treasurer who shall
11 have full authority to invest the fund only in accordance with chapter 21-10. All income
12 received from investments is to be utilized only for programs of benefit and service to
13 veterans or their dependents, and all income earned in a biennium is appropriated to
14 the administrative committee on veterans' affairs on a continuing basis in the following
15 biennium and not in the biennium the income is earned for expenditure on these
16 programs as authorized by law. Investment of all income received from investments is
17 the responsibility of the state treasurer who has full authority to invest the income
18 received only in accordance with chapter 21-10.

- 1 2. A veterans organization as defined under section 53-06.1-01 may donate funds to the
2 veterans' postwar trust fund for homeless veterans' services to prevent and eliminate
3 veteran homelessness.

4 **SECTION 2. APPROPRIATION - TRANSFER TO VETERANS' POSTWAR TRUST FUND.**

5 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise
6 appropriated, the sum of \$1,180,090, which the office of management and budget shall transfer
7 to the veterans' postwar trust fund, for the biennium beginning July 1, 2025, and ending
8 June 30, 2027.

9 **SECTION 3. APPROPRIATION - DEPARTMENT OF VETERANS' AFFAIRS - VETERANS'**

10 **HOMELESSNESS PREVENTION AND ELIMINATION - ONE-TIME FUNDING.** There is
11 appropriated out of any moneys in the general fund in the state treasury, not otherwise
12 appropriated, the sum of \$1,180,090, or so much of the sum as may be necessary, to the
13 department of veterans' affairs for homeless veterans' services to prevent and eliminate veteran
14 homelessness, for the biennium beginning July 1, 2025, and ending June 30, 2027. This
15 funding is considered a one-time funding item.

Senate Agriculture and Veterans Affairs Committee
69th Legislative Session
Senator Luick-Chair

Chairman Luick and Senate Agriculture and Veterans Affairs Committee,

Please accept this testimony in support of HB 1504.

Intent of this bill...

- Increase the principal of Veterans Post War Trust Fund (PWTF)
- Address North Dakota's homeless veteran unmet needs

Background/History

Fund 410: Post War Trust Fund PWTF and clearing account.

Article X Section 25 of ND Constitution and NDCC 37-14-14

- 1969-1971 Issuance of Bonds and Surtax for Adjusted Compensation to ND Veterans of Vietnam War
- Funds remaining (\$41 million) after services for Vietnam Veterans were used for many projects such as ND State Veterans Cemetery, Veterans home, etc.
- 1988 PWTF established as Permanent Trust Fund (\$4.1 million)
 - The PWTF principal consist of money transferred *as authorized by legislation*
 - Principal of PWTF not available for programs-only the interest income available.
 - Investment of the PWTF is entrusted to the ND State Treasurer
 - Interest from investments is used for;
 - Investment expenses
 - Principal growth
 - Spendable interest income appropriated to the Administrative Committee on Veterans Affairs (ACOVA) on continuing basis
 - What is earned in a biennium is made available in next biennium
 - Placed in Fund 410 clearing account.
- Legislative action to grow PWTF principal
 - 2013 Legislative action. **\$250,000** added to principal of PWTF
 - 2015 Created Patriotic License Plates. Proceeds to principal. **\$105,710**
 - 2019 Created Income Tax Check Off. Proceeds to principal. **\$136,614**
- Income to Veteran Programs

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
- 2024.11 Principal balance of PWTF: \$8,634,098

- Interest rates are low, and inflation is high
 - Dental / Denture grant costs:
 - 2013: \$1,700 plate with Dental/Denture limit: \$4,000
 - 2025: Dental/Denture limit: \$5,000 x 2yrs \$10,000
 - Hearing aids: (4-year limit)
 - 2013: \$1,500 ear
 - 2025: \$2,500 ear
 - Housing:
 - 2013: \$500
 - 2025: \$2,500 (Deposit and 1 month rent)
 - Growing affordable housing needs in ND
- Legislative action is required to add to PWTF principal
- Programs no longer being funded:
 - Grants for outreach
 - Homeless veteran programs
 - Training grants
 - Veteran employment services grants
 - Transportation: DAV vans now in NDDVA budget
 - PTSD service animals: NDDVA budget
 - Legal services
 - Grants to uncovered needs at ND Veterans Home
 - County and Veteran service officer assistance

Outcome of Bill:

Stable PWTF. Sustainable interest earning capability. Increased ability for ACOVA and NDDVA to provide grants and services for the most vulnerable of ND Veterans and Dependents.

Immediate ability to address and prevent ND Veteran Homelessness with funds in the 410-clearing account.

Thank you for your consideration.

Lonnie Wangen Commissioner-NDDVA

attorney general shall allocate remaining moneys in the charitable gaming operating fund on a quarterly basis as follows:

- a. Ten thousand dollars to the gambling disorder prevention and treatment fund.
 - b. Subject to legislative appropriations, five percent of the total moneys deposited in the charitable gaming operating fund to cities and counties in proportion to the taxes collected under section 53-06.1-12 from licensed organizations conducting games within each city, for sites within city limits, or within each county, for sites outside city limits. If a city or county allocation is less than two hundred dollars, that city or county is not entitled to receive a payment for the quarter and the undistributed amount must be included in the total amount to be distributed to other cities and counties for the quarter.
3. On or before June thirtieth of each odd-numbered year, the attorney general shall certify to the state treasurer the amount of accumulated funds in the charitable gaming operating fund which exceed the amount appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming for the subsequent biennium. The state treasurer shall transfer the certified amount from the charitable gaming operating fund to the general fund prior to the end of each biennium.

53-06.1-12. Gaming tax - Deposits. (Retroactive application - See note)

1. Except as provided in subsection 2, a gaming tax is imposed on the total adjusted gross proceeds received by a licensed organization in a quarter and the tax must be computed and paid to the attorney general on a quarterly basis on the tax return. This tax must be paid from adjusted gross proceeds and is not part of the allowable expenses. For a licensed organization with adjusted gross proceeds:
 - a. Not exceeding fifty thousand dollars the tax is one percent of adjusted gross proceeds.
 - b. Exceeding fifty thousand dollars the tax is five hundred dollars plus twelve percent of adjusted gross proceeds exceeding fifty thousand dollars.
2. For a licensed organization permitted to conduct raffles in this state with adjusted gross proceeds exceeding fifty thousand dollars, a gaming tax of one percent of gross proceeds is imposed on the total gross proceeds received by the licensed organization from raffles in a quarter. The tax must be computed and paid to the attorney general on a quarterly basis on the tax return. The tax must be paid from adjusted gross proceeds and is not part of the allowable expenses.
3. The tax must be paid to the attorney general at the time tax returns are filed.
4. The attorney general shall deposit gaming taxes, monetary fines, and interest and penalties collected in the charitable gaming operating fund.