

House Joint Resolution 30: Benefits for Military Personnel and Veterans



Montana Air National Guard



Montana Army National Guard

A Report to the 64th Legislature
October 2014



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Benefits at a Glance

<i>Total State Benefits at a Glance (in \$)</i>		<i>Total Federal USDVA Benefits at a Glance (in \$)</i>	
Commerce	13,953,340	Compensation	243,520,536
Revenue	9,323,195		
Justice	5,618,581		
Public Health & Human Services	2,175,204	Pension	16,223,389
Office of the Commissioner of Higher Education	1,312,351		
Fish, Wildlife & Parks	75,968		
Military Affairs	0		
Office of Public Instruction	0	Education and Vocational Rehabilitation & Employment	38,237,000
Labor & Industry	0		
State	0	Insurance	46,794,063
Agriculture	0		
Livestock	0		
Corrections	0		
Transportation	0	Home Loan Guaranty	622,489,166
Environmental Quality	0		
Natural Resources & Conservation	0		
Administration	0		
State Fund	0		
Attorney General	0		
Office of the Governor	0		
	Subtotal: 32,458,639		
All of the above: Paid military leave	264,335		
	Total: 32,722,974		Total: 967,264,154

(1) The sources of data in the State of Montana section of this report are the individual departments or offices cited.

(2) Several departments and offices show \$0. They all meet the statutory requirement for paid military leave, which is recorded separately above. Some of these departments and offices work with veterans and military personnel, provide cost-free benefits (i.e., conveniences and privileges), and act as a conduit for federal benefits to veterans and military personnel in Montana, **but do not show expenses or revenue losses** (i.e., exemptions and waivers) that impact the state treasury.

House Joint Resolution 30

House Joint Resolution No. 30 (HJR No. 30) was sponsored by Representative Kris Hansen, (R) HD 33, during the 63rd Legislature. It required the compilation of information on state and federal benefits offered to active-duty or reserve military personnel, members of the Montana National Guard, and veterans of each. Testimony on HJR No. 30 was very brief. It expressed a concern that with each new legislative session there is a spate of bills related to benefits for such personnel but not a strong sense among legislators of the range and value of benefits that already exist.

The average number of introduced and un-introduced bills dealing with these issues over the past five legislative sessions has been 41 per session. Although they all refer to military personnel, these bills are directed to different committees depending on their subject matter and the Executive Branch agency involved. There is no single standing committee in the Montana Legislature specializing in military affairs. The sentiment expressed both in the testimony and in the preamble portion of HJR No. 30 was that it would help to have a baseline of “what’s already out there” when considering bills that are introduced in future legislative sessions.

According to the Department of Veterans Affairs, Montana was home to 103,000 veterans in 2011—the second-highest number of veterans per capita in the nation, second only to Alaska.¹ About three-fifths of them are wartime veterans, having served during World War II, the Korean conflict, the Vietnam era, or the Gulf War.² The last decade has brought many new veterans into the system. By one report, as many as 8,000 new veterans will be entering the system in Montana in the near future.³

The bulk of data in this report pertains to benefits provided by departments and offices of the State of Montana to active-duty or reserve military personnel, members of the Montana National Guard, and veterans of each. HJR No. 30 also requested that local governments be queried for any benefits they might provide to these personnel. Requests for information were sent to local government associations asking that they canvass their membership about any such benefits provided. The members’ limited responses focused on the optional construction, maintenance, and administration of veterans’ cemeteries (as provided in 7-35-2205, MCA) and veterans’ interment allowance (per 10-2-501, MCA). The annual dollar figures provided by the counties that did reply to the query were in the low hundreds of dollars. Given the limited response rate, these figures are nominal and statistically inconclusive and are not included in this report.

House Joint Resolution No. 30 also asked that “information also be compiled, to the extent possible, on federal benefits received.” This report provides current data on all the benefits provided by the U.S. Department of Veterans Affairs to these personnel residing in Montana. As would be expected, the federal benefits reported here for 2013 (\$967,264,154) are vastly larger than those provided by the State of Montana (\$32,722,974).

¹ *Congress Passes Cost-of-Living Increase for Veterans*, Billings Gazette, October 20, 2011. Found at http://billingsgazette.com/news/state-and-regional/montana/congress-passes-cost-of-living-increase-for-veterans/article_3a5e55ce-4e1a-5be6-b6b4-bf53fce545dd.html.

² Retrieved from http://www.va.gov/vetdata/Veteran_Population.asp.

³ Terence Corrigan, *Veterans Tell VA What Works and What Doesn’t*, Independent Record, September 10, 2014. Found at http://helenair.com/news/local/veterans-tell-va-what-works-and-what-doesn-t/article_180afd3b-1210-5dfd-bdae-463d2d2dbd97.html.

STATE GOVERNMENT BENEFITS

All Departments

Benefit Description	Authority / Guidance	Beneficiary Type	Hours	Value in \$	Comment
Paid military leave: Leave of up to 120 hours in a CY for public employees with 6 or more months of tenure	10-1-1009, MCA	“Member of the organized militia of this state or of the organized or unorganized reserve corps or military forces of the US.”	2,812	55,821	Military Affairs
			1,330	31,065	Justice
			631	11,360	Public Health & Human Services
			160	4,018	Revenue
			278	4,846	Administration
			120	3,390	Administration - Public Defender
			336	8,424	Natural Resources & Conservation
			120	3,155	Commerce
			355	10,346	Environmental Quality
			57	834	Livestock
			946	19,333	Transportation
			132	4,340	State Fund
			3,985	74,386	Corrections
			653	12,172	Labor & Industry
			168	3,628	Legislative Branch
			611	17,217	MT University System
				Total: 264,335	

All Departments

Benefit Description	Authority / Guidance	Beneficiary Type	#	Value in \$	Comment
Hiring preference	Title 39, chapter 29, part 1, MCA; MT ARM 2.21.36 et. seq.	Veterans and disabled veterans	3,977 out of 52,035 applicants (or 7%) requested a preference.	N/A	No dollar value available. The Department of Administration has data on the number of times applicants requested the preference—but cannot determine how often that preference was the determining factor in a hiring decision.

Department of Military Affairs

Benefit Description	Authority / Guidance	Beneficiary Type	#	Value in \$	Comment
<p>Department functions:</p> <ul style="list-style-type: none"> • Operate 10 statewide service offices: Belgrade, Billings, Butte, Great Falls, Havre, Helena, Kalispell, Lewistown, Miles City, and Missoula. • Prepare and file benefit claims for veterans and their families. • Represent veterans and their families in the claims and appeals process of the federal Department of Veterans Affairs. • Provide regularly scheduled veterans outreach services throughout the state. • Advise veterans and their families on veterans benefits, and assist in obtaining legal and medical documentation to support claims. • Obtain military service records and awards. • Coordinate assistance with other veterans service organizations and government agencies. • Educate, advise, and assist the general public and government agencies on veterans affairs and issues. • Administer, operate, and maintain State Veterans Cemeteries in accordance with the National Cemetery Administration's National Shrine Standards. • Receive donations for State Veterans Cemeteries. • Represent the State of Montana as a member of the National Association of State Directors of Veterans Affairs. 	<p>2-15-1201 through 2-15-1205, MCA</p>	<p>Montana veterans</p>	<p>2,313[†]</p>	<p style="text-align: center;">163,596,310 (federal dollars)</p>	<p><i>All federal money</i></p> <p>[†] Number of claims the DMA helped prepare and file with the USDVA on behalf of Montana veterans who were then paid directly by the USDVA</p>

Department of Justice / Division of Motor Vehicles

Benefit Description	Authority / Guidance	Beneficiary Type	#	Value in \$	Comment
(a) Waives veterans' cemetery fee for special veteran license plates and vehicle registration fees.	61-3-460(2)(a), MCA	Ex-POW	—	9,800	FY 2014 waivers of registration, MHP, or cemetery fees, or of the county option tax or gross vehicle weight tax. Surviving spouses of (a)-(c), if not remarried, are eligible for the same benefit.
(b) Waives veterans' cemetery fee for special veteran license plates and vehicle registration fees.	61-3-460(2)(b), MCA	Veteran (disabled)	—	1,982,635	
(c) Waives veterans' cemetery fee for special veteran license plates and vehicle registration fees.	61-3-460(2)(c), MCA	Purple Heart	—	135,781	
(d) Special plates for military personnel, veterans, spouses, and Gold Star families.	61-3-458 and 61-3-459(1), MCA	Member of military	—	1,534,609	
(e) Registration of a motor vehicle owned and operated by a Montana resident on active military duty stationed <i>outside</i> Montana exempted.	61-3-456(3), MCA	Montana military	—	1,955,756	
				Total: 5,618,581	

Department of Public Health and Human Services

Benefit Description	Authority / Guidance	Beneficiary Type	#	Value in \$	Comment
Montana Veterans' Homes (2) (a) Glendive (b) Columbia Falls	10-2-401 et. seq., MCA; ARM 37.45.102, et. seq.; 38 CFR Part 51, Subpart C; Cigarette Tax: 16-11-119(1)(a), MCA	Veterans and veterans' spouses	(a) 80 [†] (b) 117	(a) 142,526 (b) 1,972,072 (Gen. admin.) 60,606 Total: 2,175,204	All figures: May 2014 [†] Number of beds. The average daily population was: (a) 111.23 and (b) 69.18

Department of Revenue

Benefit Description	Authority / Guidance	Beneficiary Type	#	Value in \$	Comment
Exemption of resident's active duty military salary	15-30-2117(2), MCA	Active duty military	4,763	7,473,937	
Exemption of National Guard life insurance reimbursement	10-1-1112(5), 10-1-1114, and 15-30-2117(3), MCA	National Guard members	44	601	Exempted \$17,874 for a revenue loss to the state of \$601.
Nonresident military salary taxed to home state	15-30-2101(18) (b)(i), MCA, and the federal Servicemembers Civil Relief Act: P.L. 108-189; 50 U.S.C. App. §§501-597b	Nonresident military	940	757,364	Exempted \$34,863,185 for a revenue loss of \$757,364.28.
Exemption of death benefits for National Guard members	15-30-2117(4), MCA	National Guard members	—	—	Data unavailable: this has no separate line on the tax return.
Partial pension exemption of military retirees' pensions	15-30-2110(2)(c), MCA	Veterans	3,500	666,000	In 2012, the Department estimated that there were 3,500 military retirees and survivors in Montana, exempting about \$13.5 million with a revenue loss of \$666,000. The pension received by veterans with full retirement almost always exceeds the threshold for eligibility for the exemption. Virtually

					all taxpayers receiving some type of military pension who are eligible for current partial pension exemption are either survivors or retired reservists who received a lower pension amount.
Exemption of combat pay	15-30-2110, MCA	Active duty	—	—	The exclusion of combat zone pay from gross income occurs on federal tax forms and is not reported to the state.
Exclusion of National Guard member travel expenses	15-30-2110(1) and 15-30-2131(1)(a), MCA	National Guard members	758	—	Because this reporting line combines the member's travel expenses with other expenses, this figure cannot be determined.
Property tax exemption for disabled veterans	15-30-211, MCA	Disabled veterans	2,095	\$425,293	
				Total: 9,323,195	

Office of Public Instruction

Benefit Description	Authority / Guidance	Beneficiary Type	#	Value in \$	Comment
GI Bill:		No breakout by beneficiary type of recipients of the benefits	537 [†]	26,555,257 (federal dollars)	<p><i>All federal money</i></p> <p>[†] There were 537 direct payments of GI Bill benefits paid out in FY 2013.</p> <p>Not broken out per benefit.</p>
Montgomery GI Bill Active Duty	Chapter 30 (Title 38, U.S. Code)				
Montgomery GI Bill Selected Reserve	Chapter 1606 (Title 10, U.S. Code)				
Dependents', Educational Assistance Program	Chapter 35 (Title 10, U.S. Code)				
Post-9/11 GI Bill	Chapter 33 (Title 38, U.S. Code)				

Office of the Commissioner of Higher Education

Benefit Description	Authority / Guidance	Beneficiary Type	#	Value in \$	Comment
<p>Tuition waivers: The Board of Regents directs all campuses to grant waivers of undergraduate tuition for Honorably Discharged Veterans.</p>	20-25-421, MCA; BoR policy 940.13 (F)(6)	Veterans		169,521	FY 2013
<p>Tuition assistance: The Board of Regents allows tuition to be waived for qualified veterans in accordance with an authorized Yellow Ribbon Program. (This program covers tuition costs that the normal Post-Montgomery or Post-9/11 GI Bill would not normally cover.)</p>	BoR policy 940.13 (G)(5); Chapter 33 (Title 38, U.S. Code)	Veterans		<u>1,142,830</u>	This figure represents the state match requirement for the federal funds.
				Total: 1,312,351	

Department of Commerce

Benefit Description	Authority / Guidance	Beneficiary Type	# of Loans Purchased	Value in \$	Comment
MT Veterans' Home Loan Mortgage Program	90-6-601 through 90-6-605, MCA	Montana residents who are National Guard members, reservists, or veterans	76 [†]	Total: 13,953,340 (state)	[†] CY 2013 The program is funded by \$30 million of principal from the <i>Montana Coal Tax Trust Fund</i> . It is a permanent revolving loan fund. First mortgage loans are administered by the MT Board of Housing and purchased by the MT Board of Investments.
Veterans Affairs Supportive Housing (VASH) Program	CFDA #14.871, 24 CFR 982	Veterans	# months leased	706,859 (federal)	CY 2013. <i>All federal money</i>
			Avg. 136		

Department of Fish, Wildlife and Parks

Benefit Description	Authority / Guidance	Beneficiary Type	# of Licenses	Value	Comment: License Year 2013
Resident hunting and fishing fees for active duty members and their families who are stationed in Montana	87-2-102(1), MCA			Unknown	No data collected as to the number of military personnel who use this option since they are input into the Automated Licensing Service as a resident.
Military Recognition Licenses for Montana residents who served on active duty in a contingency operation outside of the state for at least 2 months	87-2-803(12), MCA		904	63,280	The General Fund reimburses FWP yearly for the loss of revenue because the recognition comes from the state.
Legion of Valor free fishing	87-2-801(3), MCA	Legion of Valor recipients	~5	300	
Resident Purple Heart recipient free fishing and free upland game bird hunting	87-2-801(4), MCA	Resident Purple Heart recipients	130	2,340	
Nonresident Purple Heart recipient free fishing and free upland game bird hunting	87-2-801(5), MCA	Nonresident Purple Heart recipients	~15	652	Recipients may fish or upland game bird hunt for free while on an expedition by nonprofit organizations who use hunting and fishing for rehabilitation.
Veterans in VA hospitals free fishing	87-2-802(1), MCA	Veterans in VA hospitals	Unknown	Unknown	
Combat disabled Purple Heart recipient 50% fee on deer and antelope licenses	87-2-803(5), MCA	Disabled Purple Heart recipients	19	1,724	
Donation of hunting licenses to disabled veterans	87-2-815, MCA	Disabled veterans with 70% or greater VA disability rating	8	7,672	113 hunting licenses were donated by sportsmen in 2013 for use by veterans.
				Total: 75,968	

Department of Labor and Industry

Benefit Description	Authority / Guidance	Beneficiary Type	#	Value	Comment
<p>The Work Opportunity Tax Credit (WOTC) offers a <i>federal</i> credit to employers of certain veterans.</p>	<p>26 USC 45P</p>	<p>Employers of certain categories if qualified or disabled or unemployed veterans</p>	<p>328[†]</p>	<p>Unknown</p>	<p>10/1/12 - 09/30/13</p> <p>This is a credit available on <i>federal</i> income tax.</p> <p>[†] This is the number certified eligible. The number of those ultimately coded under a veteran category is lower, and the number employed the minimum of hours required to claim the credit is lower.</p> <p>WOTC credits employers who hire individuals from a number of targeted groups facing employment barriers. The credit is up to \$9,600 per qualifying new hire during the hire's first year of employment.</p>

Secretary of State

Benefit Description	Authority / Guidance	Beneficiary Type	#	Value	Comment
Online registration	13-21-104(2), 13-21-106(3), and 13-21-221, MCA	Military and their dependents who are absent from their place of registration	N/A	None attributed	
Online application for absentee ballot	13-21-106(3) and 13-21-222, MCA				
Online ballot delivery and voting	13-21-106(3) and 13-21-224, MCA				
Online tracking of absentee ballot	13-21-227, MCA				
Exemption from late registration requirement to appear in the county election office	13-21-104(2)(c), MCA				
Absentee ballots sent 45 days before a federal election	13-13-205(2) and 13-21-224, MCA				
Use of a Federal Write-in Absentee Ballot as a back-up ballot	13-21-225, MCA				

FEDERAL GOVERNMENT BENEFITS

Department of Veterans Affairs: Benefits Directed to Montana Veterans⁴

Compensation: Veterans on the rolls at the end of FY 2013

Number of veterans	Estimated total amount paid monthly	Estimated total amount paid annually	
20,293	\$20,293,378	\$243,520,536	
Under age 34	Ages 35 through 54	Ages 55 through 74	Age 75 and over
2,479	5,296	9,785	2,728

Note: The compensation program provides monthly benefits to veterans in recognition of the effects of disabilities, diseases, or injuries incurred or aggravated during active military service.

Pension: Veterans on the rolls at the end of FY 2013

Number of veterans	Estimated total amount paid monthly	Estimated total amount paid annually	
1,510	\$1,351,949	\$16,223,389	
Under age 34	Ages 35 through 54	Ages 55 through 74	Age 75 and over
3	49	911	547

Note: Disability pension is payable to certain wartime veterans who are permanently and totally disabled or who are age 65 or older.

⁴ *Annual Benefits Report: Fiscal Year 2013*, Veterans Benefits Administration, U.S. Department of Veterans Affairs. Found at http://www.benefits.va.gov/reports/annual_performance_reports.asp.

Education:
Participants by program during FY 2013

Post-9/11	MGIB-AD	MGIB-SR	DEA	VEAP	REAP	VRAP	Total
2,311	213	309	346	0	70	113	3,362
\$25,866,711 ⁵	*	*	*	*	*	*	\$25,866,711*

Note: Education programs provide veterans, servicemembers, reservists, and certain family members of veterans with educational resources to supplement opportunities missed because of military service. There are seven active education programs.

POST- 9/11 is the Post-9/11 GI Bill. **MGIB-AD** is the Montgomery GI Bill Active Duty. **MGIB-SR** is the Montgomery GI Bill Selected Reserve. **DEA** is the Survivors' and Dependents' Educational Assistance Program. **VEAP** is the Post-Vietnam Era Veterans Educational Assistance Program. **REAP** is the Reserve Educational Assistance Program. **VRAP** is the Veterans Retraining Assistance Program.

* At the time of this report, only the dollar value of the Post-9/11 program—the largest of all veteran education programs—was disaggregated for the public. However, the total value of these seven education programs together with the vocational rehabilitation and employment programs **below** was **\$38,237,000**.⁶ These are reported together by USDVA documents as “Education and Vocational Rehabilitation/Employment.”

Vocational Rehabilitation & Employment:
Participants during FY 2013

Total applicants	Number of new plans of service (enrollments)	Number of entitled applicants	Number of program participants	Number of veterans rehabilitated through independent living	Number of veterans rehabilitated by obtaining suitable employment
349	262	359	900	1	92

Note: The VR&E Program provides a wide range of vocational and employment services to veterans, active-duty servicemembers, and eligible dependents. These services are designed to help servicemembers and veterans choose a career path and to assist them in achieving their employment goals.

⁵ Office of U.S. Senator Jon Tester. Inquiry date August 6, 2014.

⁶ *FY13 Geographic Distribution of VA Expenditures (GDX)*. Found at <http://www.va.gov/vetdata/expenditures.asp>.

Insurance

Life insurance payments during FY 2013	Total face value of insurance at the end of FY 2013	Total number of policies at the end of FY 2013
\$6,540,371	\$46,794,063	3,785

Note: The life insurance programs provide servicemembers and their families with universally available life insurance (available to all servicemembers and their families without underwriting), as well as traumatic injury protection insurance for servicemembers.

Home Loan Guaranty: Loans guaranteed during FY 2013

Number of loans	Total amount of loans
3,071	\$622,489,166

Note: The objective of the VA Home Loan Guaranty program is to help eligible veterans, active-duty personnel, surviving spouses, and members of the Reserves and National Guard purchase, retain, and adapt homes in recognition of their service to the nation.

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