



Minnesota Association of County Veterans Service Officers

Testimony on HF 3505 House Veterans and Military Affairs Finance and Committee Jason Marquardt, Preston Greg Peterson, New Ulm

My name is Greg Peterson; with me is Jason Marquardt. We are County Veterans Service Officers and are here to present testimony for HF3505 on behalf of the Minnesota Association of County Veterans Service Officers.

As County Veterans Service Officers (CVSOs), Jason and I aid Minnesota's Veterans and their survivors in obtaining the Veterans Administration (VA) benefits due to them. We also promote all state benefits for those who are eligible. In 2008, a working group of MDVA, CVSOs, and MDOR staff converged to aid the State's Assessors understand the VA's vernacular to distinguish who is eligible for this homestead exclusion.

Historically, CVSOs and the Commanders Task Force have guided every modification to this Statute's language, and we request that House File 3505 and its Senate companion (SF3742) strike the word "honorably" found on line 1.13 of this bill. While removing honorable service to receive this State tax exclusion might seem abhorrent, some County Assessors prohibit Veterans with a general discharge because the Statute specifies "honorably discharged." The Department of Defense has five characters of discharge, and the VA determines if service is honorable regarding disability compensation, which drives eligibility for this tax exclusion. There is no need for counties to revisit character of discharge when it has already been determined by the VA.

Our Association supports the increases to the amounts of property tax exclusion in this bill. However, we would like to see these amounts indexed to inflation to avoid revisiting this issue a few years later as property values continue to increase. We would also want the \$400,000 benefit applied to all veterans with a 100% rating, not just those with a "Total and Permanent" rating. I am working with a Vietnam Veteran who was rated 100% five years ago for cancer. His rating is not Total and Permanent, but he receives all the Total and Permanent benefits except the dependent education, which is granted ancillary to the Permanent ratings. We also support language inclusive of the "Total Disability due to Individual Unemployability," or I.U.. This rating resembles Social Security Disability, where veterans' disabilities prevent gainful employment. They, too, receive all the benefits of a 100% disabled veteran but are excluded from this Statute. Under this Statute, paragraph (m) (line 3.21), CVSOs must certify the disability rating for County Assessors. In my veteran's case, if the rating falls below 100%, I will certify that to the Assessor, and they will aptly adjust any entitlement to this exclusion; it should not be an issue.

Finally, our Association would support any amount of state offset to help counties administer this benefit. In a recent meeting with the Governor, he suggested an offset. The offset amount could be a negotiating point as we understand the fiscal realities of balancing the general budget for this session. We encourage the authors and cosponsors to consider the modifications suggested so that all Veterans and their Survivors receive their rightful benefits as provided by this Statute.

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