

The Military - Veterans Coalition Of Indiana

2015 Legislative GOALS V10

1. The Indiana Veteran Recovery Program (IVRP)

IC 10-17-14; IC 27-1-43; IC 34-13-3-2. Synopsis: Indiana veteran recovery program and fund. Establishes, for five years, the Indiana veteran recovery program and fund to provide treatment and funding for veterans with traumatic brain injury or posttraumatic stress disorder and to obtain reimbursement from third parties. Requires coordination with various state agencies. Establishes an oversight entity requirement for the program. Requires annual reporting. Makes an appropriation.

Rationale: *One of the most important missions facing all of us at this time in history is caring for our combat wounded returning home from their deployments, and fighting another battle, the battle to regain their quality of life sacrificed in service to our country. This battle is the support and resources to treat the Iraq and Afghan Signature Wound—Traumatic Brain Injury / Post Traumatic Stress Disorder, also known as the silent wound of the War on Terror. The Oklahoma model for providing Hyperbaric Oxygen Treatment (focusing on TBI), and reimbursing for the costs for treatment is calculated to save ONE BILLION DOLLARS a year! Indiana can, and will benefit from the OK's trail blazing efforts by adopting the mission, and see it through. The resources and patriotic commitment exist to see it through to completion. The most important outcome will be our Guardians of Freedom will get their lives back, and their families will get them back. See original SB180 from 2014 General Assembly. <http://iga.in.gov/legislative/2014/bills/senate/180/#>*

2. Securing full State Income tax exempt status for all military income.

SECTION 1. IC 6-3-2-4. Synopsis: Military Service deduction; retirement income or survivors benefits; age limit of 60. Provides a deduction from adjusted gross income (AGI) of military income.

Rationale: *Military service members are a major economic force bringing to the State over one billion dollars per year in disposable income. Every effort should be made and incentives developed to attract military personnel to Indiana. Indiana continues to lose qualified veterans because of the greatly enhanced benefits available in adjacent and other states. Indiana ranks in the bottom 10% is support of military service members. One needs to recognize that several Indiana residents leave our great state each year because their income is reduced by Indiana State Income taxes. **Indiana lost 8,564 veterans, most between 30 and 50 years old, between September 2012 and September 2013 according to the Veterans Administration. Also 2019 Active Duty strength was lost between January 2013 and June of 2014. The trend will continue as we downsize our military. Retirees are leaving the state in large number now also. Between April 2013 and April 2014, 2,966 retirees left Indiana.***

States are generally free from federal control in deciding how to tax pensions, but some limits apply. State tax policy cannot discriminate against federal civil service pensions, according to the U.S. Supreme Court decision in Davis v. Michigan (1989), which ended the once common practice of more favorable state tax treatment for state pensions than for federal civil service pensions. In 1992 the U.S. Supreme Court further ruled, in Barker v. Kansas, that states cannot tax U.S. military pensions if they exempt state pensions from taxation. Over time these rulings have produced substantial conformity in the way each state taxes the three kinds of pensions,

although differential treatment persists in Indiana and New Jersey.

Of the 50 states, seven – Alaska, Florida, Nevada, South Dakota, Texas, Washington and Wyoming – do not levy a personal income tax. New Hampshire and Tennessee collect income tax only on interest and dividend income. The District of Columbia and 41 states levy a broad-based personal income tax. Among the 41 states with a broad-based income tax, 37 offer exclusions for some amount of specifically identified type of state or federal pension income or both, a broad income exclusion or a tax credit targeted at the elderly. The District of Columbia provides a public pension exclusion. The four states that do not do so are California, Indiana, Rhode Island and Vermont. Some of those four states partially or fully exclude Social Security income from state taxation, and no state collects income taxes on Railroad Retirement income. (Source: NCSL Ronald Snell and Bert Waisanen article Jul 07)

Looking at the economics surrounding this proposed amendment also support this change. The loss in income tax revenue is less than the gain from other taxes like sales, gasoline, car plates, property, and other taxes and fees the state would collect off the revenue spent that would have gone to income taxes. When you add the “saved” Indiana citizens and their families who will return to living in Indiana the tax revenue grows substantially. We believe that between 500 and 1000 people would be added to the tax rolls annually.

Additionally, this will help the brain drain in Indiana and will stimulate growth in business, services, and industry as these new residents and current residents will spend the Indiana income tax savings in Indiana. This is a win – win opportunity! Indiana lost 8564 veterans between September 30, 2012 and September 30, 2013. The majority of these losses were veterans in their 30s or 40s—a prime earning time of life!

Lastly, and certainly most importantly, Indiana residents enjoy the many blessings being part of this great republic thanks to Hoosiers who will serve, are serving, and have served in the military. For this, state representatives of your districts in Indiana should support the wishes of your citizens as amended by this proposal.

3. Active Duty, National Guard and Reserve support matters.

SECTION 1. IC 22-4.1-4-3. Synopsis: Employment or training priority for all military and their spouse. A member of the armed forces of the United States, Reserves, or National Guard priority for placement in any federal or state employment or training program administered by the department. (Current law provides that this priority be given only to members of the National Guard or their spouses.)

Providing a Veterans, Active and Reserve Component hiring preference for state employment (exemption from this for positions that require registration with job service).

Rationale: *Veterans, Active Duty and Reservists have sacrificed by serving in our military and deserve special consideration when state government seeks to fill vacancies. See Georgia law.*

<https://www.careers.ga.gov/careersVeterans.asp> **Extract of GA law--- Veteran's Preference**

*Some veterans may be eligible to receive either 5 or 10 points added to their passing score on a pre-employment. Below are the types of veteran's preference granted by the State of Georgia. In order to receive credit for Veteran's Preference, you must submit copies of the appropriate documentation to the appropriate Hiring Agency HR Department. **Please note:***

Veteran's Preference cannot be awarded until copies of the appropriate documentation have been received. Also, copies of documentation may not be returned.

Providing Job Training Priority for all Active Component and Reserve Component Service Members who have served for at least 30 days.

Rationale: IC22-4. 1-4-3 only provides priority for National Guard. This discriminates against the thousands of Reservists who serve in the Army Reserve, Navy Reserve, Marine Reserve, Air Force Reserve, and Coast Guard Reserve. Hoosiers who are on Active Duty and transitioning to civilian or reserve should also be afforded this.

SECTION 2. IC 21-13-4. Synopsis: Amendment to Fix the National Guard Tuition Supplement Program, fully fund the program and expand to include Indiana Reservists. Also require service members receiving these funds to maintain a "C" average. Also require state universities to consider state benefits for all veterans seeking financial assistance. Add eligibility restrictions to make funds available only after all GI Bill benefits are exhausted if member is a veteran.

Amendment to Fix the National Guard Tuition Supplement Program, fully fund the program and expand to include Indiana Reservists. Also require service members receiving these funds to maintain a "C" average. As a separate chapter require state universities to consider state benefits for all veterans seeking financial assistance. As a separate chapter, add eligibility restricted to be available only after all GI Bill benefits are exhausted. Requested appropriation is \$6 Million for NG and \$2 Million for Reserve.

Rationale: IC21-13-4. The State of Indiana has a generous Tuition Supplement Program for our Indiana National Guard members, but that system is subject to abuse. Currently there are no requirements for course completion or minimum acceptable standards for payment of the supplement or continuation in the program. We propose a fix to the State Program to mirror Federal requirements for qualification / reimbursement of State dollars in support of the State program. Funding shortfalls continue and inequity exists between Indiana National Guard members and other Reservists from Indiana. The Army Reserve has reduced its presence in Indiana from over 7,000 in 1990 to just 3,569 as of July 2014. The Army Reserve will close three more Reserve Centers in 2015(7 in the last 16 years). Similar losses have occurred in the Navy/Marine Reserve and the Air Force Reserve. These losses have had a measurable financial impact on Indiana. The main reason for the reduction of units from the Army Reserve is unit strength. Today the Army Reserve is at 23 facilities throughout the state, 111 Army Reserve Units/ Detachments, 122 Army reserve civilians, and authorized 3,529 Army Reserve Positions. **The total economic impact of the Army Reserve is \$139,968,868 annually.** Non-DOD Wages are \$40,245,380; Total military payroll is \$64,180,518 annually and civilian payroll is \$12,694,479. The Army Reserve provides 1,465 non-DOD jobs in Indiana.

State Universities do **NOT** currently consider state benefits are supporting veterans and their needs. Funds are only available if all GI Bill benefits are exhausted.

SECTION 3. deleted.

SECTION 4. IC 6-1.1-20. Synopsis: Allows active duty military personnel who own Indiana homes to continue to receive homestead deductions and the 1% tax cap after they are ordered to leave Indiana without requiring their home to set empty.

Allow active duty military personnel who own Indiana homes to continue to receive homestead deductions and the 1% tax cap after they are ordered to leave Indiana.

Rationale: *Active duty service members do NOT choose to leave Indiana of their own accord. They may want to return and continue to live in the homestead they establish in Indiana. However, they should not be expected to leave the homestead vacant while they are on assignment. They should be entitled to the homestead deduction and 1% tax cap as long as they remain citizens of Indiana. "Citizenship" would be demonstrated by paying Indiana income tax using the current Indiana Department of Revenue code. Eligibility is available for single family dwelling or single unit within a multi-unit dwelling.*

SECTION 5. IC 22-5. Synopsis: Eliminates immunity from suit by any governmental entity, or any agency, authority, board, branch, commission, division, entity, subdivision, or department of state government, or any autonomous state agency, authority, board, commission, council, department, office, or institution of higher education, is removed for the purpose of claims against and relief from a governmental entity under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), 38 U.S.C. 4301-4334." It applies to every conceivable state and local government entity in the State of Indiana. The waiver of sovereign immunity is stated in unmistakably clear language—that "immunity from suit ... is removed." Makes it unlawful for an employer to ask a job applicant about Reserve Component membership. Makes federal agencies in the state, as employers, subject to the same remedies, including liquidated damages for willful violations that are imposed on private employers. Expands the federal USERRA's definition of "service in the uniformed services" to include an employee's need to be absent from work for purposes of medical treatment for a wound, injury, or illness incurred or aggravated during a period of service in the uniformed services. Amends Title 38, U.S.C. 4323 (d)(1)(C)—the "liquidated damages" provision to require employers who have violated USERRA to remunerate to the service member an amount of \$20,000 or the amount equal to the actual damages, whichever is greater. Amends Title 38, U.S.C. 4323 (e) to mandate (rather than simply permit) injunctive relief to prevent or correct a USERRA violation. Amends Title 38, U.S.C. 4302 (b) to make clear that USERRA overrides an agreement to submit future USERRA disputes to binding arbitration. Amends Title 38, U.S.C. 4323 and 4324 to authorize "treble" damages for willful and egregious USERRA violations. Protects recalled Reserve Component members from expiration of required occupation licenses during active duty. Provides lending and contract protection to service members activated or deployed.

Indiana USERRA enforcement enhancements.

Rationale:

- *Eliminates immunity from suit any governmental entity, or any agency, authority, board, branch, commission, division, entity, subdivision, or department of state government, or any autonomous state agency, authority, board, commission, council, department, office, or institution of higher education, is removed for the purpose of claims against and relief from a governmental entity under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), 38 U.S.C. 4301-4334." It applies to every conceivable state and local government entity in the State of Indiana. The waiver of sovereign immunity is stated in unmistakably clear language—that "immunity from suit ... is removed."*
- *Making it unlawful for an employer to ask a job applicant about Reserve Component membership.*
- *Making federal agencies in the state, as employers, subject to the same remedies, including liquidated damages for willful violations that are imposed on private employers.*
- *Expanding USERRA's definition of "service in the uniformed services" to include an employee's need to be absent from work for purposes of medical treatment for a wound, injury, or illness incurred or aggravated during a period of service in the uniformed services.*

- *Amending Title 38, U.S.C. 4323 (d)(1)(C)—the “liquidated damages” provision to require employers who have violated USERRA to remunerate to the service member an amount of \$20,000 or the amount equal to the actual damages, whichever is greater.*
- *Amending Title 38, U.S.C. 4323 (e) to mandate (rather than simply permit) injunctive relief to prevent or correct a USERRA violation.*
- *Amending Title 38, U.S.C. 4302 (b) to make clear that USERRA overrides an agreement to submit future USERRA disputes to binding arbitration.*
- *Amending Title 38, U.S.C. 4323 and 4324 to authorize “treble” damages for willful and egregious USERRA violations.*
- *Protecting recalled Reserve Component members from expiration of required occupation licenses during active duty.*

¹ Political subdivisions include counties, cities, school districts, etc.

SECTION 6. IC 10-16-7-4. Synopsis: Current Indiana law does not provide for out of state residents serving in the Indiana Air or Army National Guard any protections or reemployment rights even though they may work in Indiana. We request the word “Indiana” be removed from the code cited above to address this.

Modify Indiana Code to protect ALL National Guard serving on state duty in Indiana regardless of home of residence.

Rationale: *State active duty does not fit within USERRA’s definition of “service in the uniformed services” and this federal law does not protect an individual’s civilian job when you are on state active duty. If you are to have the right to reinstatement in your civilian job after state active duty, it would have to be by state law.*

Indiana law provides as follows concerning reemployment rights for members of the Indiana Army and Air National Guard who leave civilian jobs for state active duty:

Sec. 23.

(a) As used in this section, “active duty” means:

(1) training or duty under federal law; or

(2) state active duty under section 7 of this chapter; performed under an order of the governor

(b) The rights, benefits, and protections of the federal Soldiers' and Sailors' Civil Relief Act, 50 U.S.C. App. 501 et seq., as amended and in effect on January 1, 2003, apply to a member of the Indiana national guard ordered to active duty for at least thirty (30) consecutive days.

(c) The rights, benefits, and protections of the federal Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301 et seq., as amended and in effect on January 1, 2003, apply to a member of the Indiana national guard ordered to active duty.

(d) Nothing in this section shall be construed as a restriction or limitation on any of the rights, benefits, and protections granted to a member of the Indiana national guard under federal law.

Indiana Code Annotated section 10-16-7-23 (emphasis supplied).

Sec. 6. A member of the Indiana national guard is entitled to receive from the member's employer a leave of absence from the member's respective duties in addition to the member's regular vacation period for the total number of days that the member is on state active duty under section 7 of this chapter. The leave of absence may be with or without loss of time or pay at the discretion of the member's employer.

Indiana Code Annotated section 10-16-7-6 (emphasis supplied).

*Sec. 4. An employer who knowingly or intentionally refuses to allow a **member of the Indiana national guard** to attend any assembly at which the member has a duty to perform under this chapter commits a Class B misdemeanor.*

Indiana Code Annotated section 10-16-7-4.

It is clear that members of the Indiana Army or Air National Guard who are called to state active duty by the Governor of Indiana and who leave civilian jobs with private employers in Indiana have the right to reemployment in those jobs upon completion of their state active duty periods. It is unclear whether this right also applies to employees of the State of Indiana and its political subdivisions¹ who are called to state active duty as members of the Indiana National Guard.

We request the Indiana Legislature to enact legislation creating a private right of action—permitting an individual member of the Army National Guard or Air National Guard to sue a private employer or the state or a political subdivision if such employer refuses to reemploy the individual when he or she is returning from a period of state active duty. I think that it is unrealistic to expect a state prosecutor to file a criminal case against an employer in this scenario.

The Indiana Legislature lacks the authority to regulate the activities of employers in Illinois or another state. If a Hoosier is to have reemployment rights, it must be by Illinois law. Current Indiana law as written does not provide for out of state residents serving in the Indiana Air or Army National Guard any protections or reemployment rights even though they may work in Indiana. We request the word “Indiana” be removed from the code cited above to address this. We want all the states to amend their laws to protect National Guard members of this or any other state who are called to state active duty. Especially in multi-state metropolitan areas (Chicago, Louisville, Evansville, Terre Haute, Richmond, South Bend, etc.), a significant number of National Guard members have civilian jobs in other states.

SECTION 7. IC 24-5 Synopsis: Permitting an individual member of the Armed Forces (all services) and their spouse or dependents to seek protection and “treble” damages against an individual or business for illegal or malicious business practices. In addition, this bill would provide civil relief to members of the Indiana National Guard who are called into active military service for the State of Indiana for a period of more than 30 consecutive days, which constitutes a group of servicemembers not currently covered under the federal SCRA.

Active Duty, Reservist, and National Guard lending and contract protection.

***Rationale:** Indiana residents serving in the military are activated and/or deployed away from their normal support structure and surroundings. They and their families left behind are preyed upon by unwanted lenders and salespeople. They should be given additional protections in these circumstances as the activation and/or deployment are not of their choosing. Contracts between these service members and lenders/businesses should be adjusted to be as though they remained at the pre-deployment or pre-activation terms.*

Servicemembers have been afforded civil relief at the federal level under the Servicemembers Civil Relief Act, 50 U.S.C. App. §§ 501 et seq. (the “SCRA”), or one of its predecessor statutes, since the Civil War. Similar to the purpose of the SCRA, this bill would provide for, strengthen, and expedite the national defense through protection extended to servicemembers of the United States to enable such persons to

devote their entire energy to the defense needs of the Nation. However, this bill would significantly enhance the protections extended to those servicemembers who are residents of this State or stationed in this State by enacting certain SCRA protections as Indiana law and providing the Attorney General with enforcement authority over such protections. Nothing in this bill would change the requirements that already exist under the federal SCRA with respect to procedures required to be followed in civil actions in INDIANA state courts involving those servicemembers. Thus, this bill would keep Indiana current with the many other states that have extended SCRA protections to members of their National Guard called to state active duty.

SECTION 8. IC 6-3-2-4. Synopsis: Remove age limit on military service tax deduction. Eliminates the age requirement for deducting the first \$5,000 of military service income received by an individual for retirement or survivor's benefits. Further increases the deduction to \$15,000 of military service income.

Rationale: *Military service members are a major economic force bringing to the State over one billion dollars per year in disposable income. Every effort should be made and incentives developed to attract military personnel to Indiana. Indiana continues to lose qualified veterans because of the greatly enhanced benefits available in adjacent and other states. Indiana ranks in the bottom 10% in support of military service members. One needs to recognize that several Indiana residents leave our great state each year because their income is reduced by Indiana State Income taxes. **Indiana lost 8,564 veterans, most between 30 and 50 years old, between September 2012 and September 2013 according to the Veterans Administration.***

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Looking at the economics surrounding this proposed amendment also support this change. The loss in income tax revenue is less than the gain from other taxes like sales, gasoline, car plates, property, and other taxes and fees the state would collect off the revenue spent that would have gone to income taxes. When you add the “saved” Indiana citizens and their families who will return to living in Indiana the tax revenue grows substantially. We believe that between 500 and 1000 people would be added to the tax rolls annually.

Additionally, this will help the brain drain in Indiana and will stimulate growth in business, services, and industry as these new residents and current residents will spend the Indiana income tax savings in Indiana. This is a win – win opportunity! Indiana lost 8564 veterans between September 30, 2012 and September 30, 2013. The majority of these losses were veterans in their 30s or 40s—a prime earning time of life!

Lastly, and certainly most importantly, Indiana residents enjoy the many blessings being part of this great republic thanks to Hoosiers who will serve, are serving, and have served in the military. For this, state representatives of your districts in Indiana should support the wishes of your citizens as amended by this proposal.

4. Veterans matters

SECTION 1. IC 10-17. Synopsis: Military family relief fund. Removes the provision that limits to 2001 the time during which an Indiana qualified service member is eligible to receive assistance from the military family relief fund. Current documentation of a qualifying need to be aided by the Fund would remain the same.

Expanding the eligibility to access the Military Family Relief Fund to all Indiana qualified veterans from all periods. Current documentation of a qualifying need to be aided by the Fund would remain the same.

Rationale: Existing qualified Veterans are eligible after 9-11-2001. Many veterans serving prior to 2001 have needs. No time period should be required; only documentation of a qualifying need.

SECTION 2. IC 9-13-2-196.5; IC 9-18; IC 9-29-5-38.6. Synopsis: Gulf Wars veterans license plates. Requires the bureau of motor vehicles to design and issue a Gulf Wars veterans license plate beginning January 1, 2016. Establishes criteria for a veteran to be issued a Gulf Wars veterans license plate. Makes conforming amendments. Requires funding and disbursement of income to match “Support the Troops” plate.

SECTION 3. IC 4-30; IC 10-17-12-9. Synopsis: Lottery games to benefit veterans. Requires the state lottery commission to adopt rules to establish a scratch-off game to benefit Indiana veterans. Deposits revenue from sales of tickets for the scratch-off game into the veteran’s trust fund.

SECTION 4. IC6-3-3-1. Synopsis: State Income Tax. Provides a check block and space to list an amount on State Income Tax forms to enable taxpayers to donate all or part of tax refunds. Provides a check block to contribute \$1.00 to the veteran’s trust fund.

Increasing funding for the Veterans’ Affairs Trust Fund (VATF) by adding:

- **A check block and space to list an amount on State Income Tax forms to enable taxpayers to donate all or part of tax refunds.**
- **A check block to contribute \$1.00 to the VATF.**
- **A unique Lottery scratch off ticket with proceeds to benefit Indiana Veterans via the Trust Fund.**

- **Create a Gulf Wars license plate with rules similar to the “Support the Troops” plate.**

***Rationale:** More funds in the fund will enable more eligible military families to be assisted at a larger amount. These funds would be generated by voluntary contributions and purchases by Indiana residents or others.*

SECTION 5. IC 10-17 new chapter. Synopsis: Veterans cremains honorable disposition. Provides a statute to require Indiana funeral homes to comply with the “Missing in America Project” that insures respectful and honorable disposition of veteran cremated remains abandon in Indiana funeral homes.

Enact a statute to require Indiana funeral homes to comply with the “Missing in America Project” that insures respectful and honorable disposition of Veteran cremated remains abandon in Indiana funeral homes.

***Rationale:** Several Indiana Funeral Homes currently do not recognize the “Missing In America Project” and thus refusing to turn over Veteran cremated remains. This statute is intended to reinforce the legitimacy of the “Missing In America Project” and promote respectful and honorable action to give proper burial to these fallen men and women..*

SECTION 6. IC 10-17 new code. Synopsis: Provides a state Resettlement/Service Bonus and/or Combat duty pay of up to \$1,000 for military members who are residents of Indiana and have served in a combat zone during the Gulf Wars.

Securing legislative approval for an Indiana State Resettlement/Service Bonus and/or Combat duty pay of up to \$1,000 for military members who are residents of Indiana and have served in a combat zone during the Gulf Wars.

Rationale:** Indiana service members deserve recognition and compensation for their personal sacrifice and economic hardships caused by unit activation and family separation. This would be a continuation of the recognition granted by the State for previous wars. Similar recognition was provided to combat veterans of the Vietnam conflict, Korea, and WWII. **See Ohio Law.

https://veteransbonus.ohio.gov/odvs_web/Bonus_Facts.aspx

SECTION 7. IC 6-3.1-34. Synopsis: Tax credit for hiring veterans. Provides a nonrefundable tax credit to a business for employing an individual who is receiving unemployment benefits or returning from military service (qualified new employee). Provides that the business must employ a greater number of full-time employees in Indiana in the taxable year than the business employed in Indiana, on average, in the business's base employment period (generally January 1, 2014, through June 30, 2014). Provides that the employee must be hired full time. Provides that the credit applies only to taxable years beginning in 2015 through 2017. Provides that the credit is \$2,000 per qualified new employee, not to exceed \$12,000 per business. Provides that the small business may carry any excess credit over to not more than three subsequent taxable years. Provides that the business forfeits 50% of the amount of the tax credits attributable to the employment of a qualified new employee, if within 18 months after the qualified new employee was initially hired: (1) the qualified new employee is terminated, laid off, or otherwise reclassified to a position that is not a full-time employment position with the small business; or (2) the position created for the qualified new employee is eliminated. Business must comply with Federal Tax Credit Guidelines to qualify.

Instituting a \$2000 Private Enterprise Indiana Tax Credit for each documented veteran hired as a fulltime employee during their tax year. Business must comply with Federal Tax Credit Guidelines to qualify.

Rationale: *To encourage Indiana businesses to hire Veterans, this credit will be an incentive to put veterans to work in the State. The Federal Government currently offers a \$2000 Federal Tax Credit for this action. Indiana veteran and Reserve Forces unemployment is much higher than the national unemployment rate.*

SECTION 8. IC 9-24, 9-29 new sections. Synopsis: Veterans Driver's License, Honorary Surviving Spouse of Veterans Driver's License, or Veteran ID Cards. Requires Bureau of Motor Vehicles to issue without charge a standard drivers license or Veteran ID Card.

Provide Veterans Driver's License, Honorary Surviving Spouse of Veterans Driver's License, or Veteran ID Cards issued without charge.

Rationale: *Driver's license issued without charge to: (1) Veterans who were residents of Indiana at the time of enlistment or commissioning and are residents at time of application for the license or who have been resident of Indiana for at least two years immediately preceding the date of application for the license. Individuals must have served on active duty in the armed Forces of the United States or on active duty in a reserve component, including the National Guard, during wartime or any conflict when personnel were committed by the President, except for periodic transfer from reserve status to active duty status for training purposes, and who were discharged or separated under honorable conditions. The individual need not have been assigned to a unit or division which directly participated in such war or conflict. (2) any member or former member of the national Guard or Reserve Forces who has served 20 or more years creditable service.*

Issues without charge to: (1) any Indiana resident who is the surviving spouse of a Veteran who was eligible for a Veteran's License, so long as the surviving spouse does not remarry; or (2) any resident of Indiana who is the spouse of a Veteran who qualify for a Veteran's license were to not for the Veteran's permanent disabilities which preclude the operation of a motor vehicle.

Personal identification cards are available to Veterans who do not have a motor vehicle driver's license and who would otherwise, be entitled to issuance of a Veteran's driver's license.

SECTION 9. IC 10-17 new chapter. Synopsis: Definition of a Hoosier Veteran. Adjusts definition of a Hoosier Veteran to include Reservists and National Guard Members who have served faithfully but were never required to serve on active duty for the minimum of 91 days yet received a retirement for service from the military. The supersedes all other references in Indiana Code.

Establish the definition of a Hoosier Veteran.

Rationale: *Military service members do NOT choose to leave Indiana of their one accord when they sign their oath to serve and defend the Constitution of the United States and, in the case of National Guard, the State of Indiana. The federal government defines veteran too narrowly and does not include military service members who faithfully performed their duties but were not required to be on active duty over 90 days as the federal definition requires. This narrow definition needs to be adjusted for Reservists and National Guard Members who have served faithfully but were never required to serve on active duty for the minimum of 91 days yet eligible or have received a retirement for service from the military.*

PROPOSED DEFINITION: *A member of the United States Armed Forces or as a commissioned officer of the Public Health Service, the Environmental Science Services Administration or the National Oceanic and Atmospheric Administration, or its predecessor, the Coast and Geodetic Survey who has active service and who was discharged or released therefrom under conditions other than dishonorable; and Reservists and National Guard Members who have served faithfully but were never required to serve on active duty for the minimum of 91 days yet eligible or have received a retirement for service from the military.*

Active service is defined by federal law Title 38 U.S.C. Retirement for Reservist and National Guard is defined in Title 10, U.S.C., Sections 12731-1273.

SECTION 10. IC10-17-4 (2). Synopsis: Clarifies responsibilities of Commission. Commission is to advise Governor and Legislative Council in matters concerning welfare of veterans.

Clarifies responsibilities of Commission.

Rationale: IC10-17-4 (2). *Today the Veterans Affairs Commission does not have a direct link to the Governor and Legislative Council. This link is very important to report and advise the Governor and Legislative Council in matters concerning welfare of veterans. This change in Indiana Code would formalize and codify this link.*

SECTION 11. IC10-17-1-9. Synopsis: County service officers, city service officers, and assistants requirement. Removes appointment of up to 4 years and requires the designation and duties of county service officers.

County service officers, city service officers, and assistants' requirement.

Rationale: IC10-17-1-9. *County service officers, city service officers, and assistants today can be appointed for 4 years. We propose removing the appointment of up to 4 years and requiring the designation and duties of county service officers. Some counties have county service officers in name only and their duties very dramatically with other counties. In some instances counties have not gotten their service officers trained or accredited, there needs to be consequences of not doing so.*

SECTION 12. IC10-17-12. Synopsis: Funding Service Officer training and renewal. Repeals HEA 1387. Directs annual appropriation from General Fund in amount of up to \$100,000.

Fund the Veteran Service Officer Accreditation and Renewal from IDVA operating budget or establish a separate appropriation from the general fund. As a separate chapter, fund the women's veterans coordinator directed in 2014.

Rationale: IC 10-17-12. *In the final version of the bill, House Enrolled Act 1387, there is an annual appropriation of \$180,000 from the Veterans' Affairs Trust Fund to the Military Family Relief Fund for the purpose of providing grants to veteran service officers and local governments to provide financial assistance for veteran service officer accreditation. It is clear from the bill, and also confirmed with one of the Ways and Means Fiscal Analysts that it is definitely an annual appropriation. Per Karen Howe the Legislative Assistant to Chairman Tim Brown, House Ways and Means Committee. Direct: [317-232-9651](tel:317-232-9651). Identifying a separate funding source tied to the 2014 IC insures this position and funding remain as a key position within the IDVA.*

5. Disabled Veterans matters

SECTION 1. IC 6-6-5-5.2. Synopsis: Vehicle excise tax credit for certain veterans. Changes the amount of the veteran's credit against the annual motor vehicle excise tax from \$70 per vehicle to 2% of the amount of the property tax deduction that the veteran would qualify for if the veteran owned tangible property.

Removing the excise tax credit limit of \$70.00 for a disabled veteran or qualified surviving spouse, and WWI veterans.

Rationale: IN 6-1.1-12-13(3)(c)(2). Allows veterans with qualifying disabilities who do not own certain types of taxable property to claim credits against the motor vehicle excise tax. Allows the surviving spouses of qualified veterans and World War I veterans who do not own those types of taxable property to claim the credits. Specifies that the amount of the credit is the lesser of the claimant's excise tax liability or \$70. Provides that the maximum number of vehicles for which credits may be claimed is two. (Current law allows such veterans to apply any excess property tax deduction amount to the motor vehicle excise tax as a credit, but owning property is a requirement for claiming the property tax deduction and applying its excess to the excise tax.) This amount continues to diminish in value with time as inflation and other economic pressures increase the value of real property. This change would eliminate revisiting this law and insure deserving disabled veterans would remain whole as was the case prior to 2012.

SECTION 2. IC 6-1.1-12-14(c). Synopsis: Veteran's property tax deductions. Provides that after 2015, the assessed value of an individual's tangible property may not be considered when determining whether the individual is eligible for the property tax deduction for: (1) totally disabled veterans; or (2) veterans who are at least 62 years of age and have a disability of at least 10%. Provides exemption from ad valorem taxation (property tax) of part of the market value of the residence homestead of a partially disabled veteran by a charitable organization. Provides 100% Property Tax Exemption for Surviving Spouse of Service Member killed in Action, Dies While On Active Duty, or receives Dependency Income Compensation (DIC).

Removing the property value limitation for a disabled vet to receive a property tax reduction.

Rationale: IN 6-1.1-12-14(c). Provides disabled veterans relief from property tax based having 90 days of service and being totally disabled or being 62 yrs of age and being at least 10% disabled. The current amount is limited to \$143,160. This amount continues to diminish in value with time as inflation and other economic pressures increase the value of real property. This change would eliminate revisiting this law and insure deserving disabled veterans would remain whole as we believe the General Assembly intended that this tax relief apply.

SECTION 3. IC21-14-4-2.5 Synopsis: Tuition and fee exemption for children of disabled veterans. Provides dependents of all service connected disabled veterans full remission of fees at any State supported post secondary school or university in the State of Indiana. Funds are only available if all GI Bill benefits are exhausted. Provides a requirement to maintain a "C" GPA to continue to receive remission. Provides remission of accrued debt to the VA disability decision start date. This is necessary as the VA medical claims processing system does not provide timely decisions for veteran's disability claims. Dependents of these disabled veterans continue to accrue thousands of dollars in higher education debt. Limit duration of remission to 4 years.

Provide remission of fees for dependents of disabled veterans. As a separate chapter include maintaining a “C” GPA. As a separate chapter make refunds to dependents back to the date VA makes effective the disability decision in favor of the veteran. As a separate chapter, add eligibility restricted to be available only after all GI Bill benefits are exhausted.

Rationale: *Repeal IC21-14-4-2.5 Return to pre-2011 criteria when dependents of all service connected disabled veterans received full remission of fees at any State supported post secondary school or university in the State of Indiana. Present remission is based upon the percentage of disability, thus creating impartial treatment of those who served since July 2011. Currently there are no requirements for course completion or minimum acceptable standards for payment of the supplement or continuation in the program. Currently the VA medical claims processing system does not provide timely decisions for veteran’s disability claims. Dependents of these disabled veterans continue to accrue thousands of dollars in higher education debt. Funds are only available if all GI Bill benefits are exhausted.*

SECTION 4. IC 14-22-11-9,10. Synopsis: Special license. Provides a free Lifetime Fishing & Hunting License for Veterans. Extends to “out-of-state” disabled veterans in-state rates and seeks reciprocal agreements with other states to do the same.

Provide Free Lifetime Fishing & Hunting License for Veterans. Extending to “out-of-state” disabled veterans in-state rates and seek reciprocal agreements with other states to do the same.

Rationale: *Any honorably discharged resident veteran may take fish, live bait, clams, mussels, turtles and frogs without permit (except trout permit or daily tag in areas where prescribed), and may take wildlife with permit (except deer and turkey hunting permits and the Migratory Bird Hunting Permit as prescribed); provided, while hunting or fishing s/he carries a Lifetime Fishing & Hunting License to be issued based upon certified statement of eligibility from the Veterans Administration, Federal DD Form 214, NG Form 22 or similar Reserve form. A disabled veteran from another state would be considered an “IN-STATE” person when seeking a limited (specified time) Fishing and Hunting Licenses.*

SECTION 5. IC 6-1.1-12-14. Synopsis: Veteran's property tax deductions. Provides that after 2015, the assessed value of an individual's tangible property may be considered exempt from property taxes if the property is (1.) primary homestead of a partially disabled veteran and (2.) the property was provided by state recognized charitable organization.

Provide exemption from ad valorem taxation (property tax) of part of the market value of the residence homestead of a partially disabled veteran by a charitable organization.

Rationale: *To receive a residence homestead by a charitable organization (i.e. Habit For Humanity) a partially disabled veteran will be financially challenged. The State or any other Municipality should not undertake actions that will further create a hardship for this veteran and their family. Taxation is such a burden. Veteran must be an Indiana resident.*

SECTION 6. IC 6-1.1-12-14. Synopsis: Veteran's property tax deductions. Provides that after 2015, the assessed value of an individual's tangible property may be considered exempt from property taxes if the property is primary homestead of a Surviving Spouse of Service Member killed in Action, Dies While On Active Duty, or receives Dependency Income Compensation (DIC).

Allow 100% Property Tax Exemption for Surviving Spouse of Service Member killed in Action, Dies

While On Active Duty, or receives Dependency Income Compensation (DIC).

Rationale: *Surviving spouses could have financial hardships and should be granted this exemption as a measure of gratitude from the State Of Indiana for their loss. Individual and spouse must be Indiana residents.*

SECTION 7. IC 10-17-12.5. Appropriates money in the veteran's disability clinic fund to provide \$15,000 funding for grants to each Indiana law school that establish or maintain a clinical program that provides law students the opportunity to represent veterans in claims for veteran's disability compensation.

Fund the Veterans Disability Clinic Fund

Rationale: *In 2014 the legislature established the Veterans Disability Clinic Fund as part of establishing Veterans Disability Law Clinics at four universities who have law schools in Indiana (IU-Bloomington, IUPUI, Notre Dame, and Valparaiso [Indiana Tech is developing a new program and not yet completed]. Funds from the General assembly should be appropriated to support this establishment and ongoing operation.*

SECTION 8. IC 10-17 new chapter. Veteran Service Organization funding. Provides supplemental funding to Veteran Service Organizations with accredited Service Officers to assist Indiana veterans secure federal benefits as a result of their military service. Funding limited to 1% of preceding 5 year average of entitlements for veterans.

Provide supplemental funding to Veteran Service Organizations with accredited Service Officers to assist Indiana Veterans secure Federal benefits earned as a result of their military service. Funding limited to 1% of preceding 5 year average of entitlements gained for veterans.

Rationale: *The VFW, Am Vets, Am. Legion, DAV, Military Order of Purple Heart and Vietnam Veterans of America all assist vets submit and process claims. This does NOT negate the need for the Counties to have their own accredited County Service Officers. However, as county employees they often are not trained or equipped to complete the claim process or handle any appeals for denied claims. This is when the VSO Service Officer steps in to assist the County SO. Indiana ranks 48th out of 50 states in VA benefits paid. Am Legion, VFW, and others continue to lose accredited veteran service officers due to lack of funds. Every Veteran who Indiana helps will increase income from outside the state (called NEW MONEY). If this were a business selecting a location to set up business-- we would be doing everything possible to get this additional revenue for this State. Currently the annual contribution is over \$350 million. It should be at least double that. This is NET INCOME used by Veterans within the State to purchase commodities which are in-turn taxed by the State. When you also consider the reduction in State and County costs for such things as welfare, food stamps, school lunch programs, medical support-- the savings could be 3 or 4 times more than that.*

6. Expand Veterans Treatment Courts throughout the state through regionalization across county lines. Allow a state judge to take PTSD and traumatic brain injuries into account as a possibility of a reduced sentence. Sentencing reductions would be on condition of treatment.

SECTION 1. IC33-23-16-10. Veterans Court Organization and funding. Provides direction to establish at least one veterans court within Judicial Districts. Provides Board of Directors of the Indiana Judicial Conference to develop by rule governance, rules, and provisions for inter-county court operation. Provides funding for establishment of these courts to include training and state certification. Funding limited to \$20,000 per Judicial District composed of multiple counties. Directs Indiana Justice Center in coordination with Criminal Justice Institute, and other agencies as appropriate to seek federal grants from Department of Justice, Department of Veterans Affairs and Department of Health and Human services. Allows a state judge to take PTSD, TBI and post concussive brain insults into account as a possibility for reducing a sentence. Sentencing reductions would require offender to receive treatment.

Rationale: *A few counties have established these Courts and the results are positive. Further funding and staffing is needed to expand this Court system across county boundaries throughout the state. Many of our military personnel seem fine when they come back, but there are scars that are hidden. The reason for limiting PTSD to combat-related veterans was a fear that if the category was widened, there may be a wide range of individuals claiming to have PTSD, but do not. PTSD and other traumatic brain injuries are not a mental disease or defect, which is already covered by statute as a mitigating factor. Military personnel don't see PTSD as a disease or a defect. They don't want to be labeled as having a mental defect. Many counties will never establish Veterans Treatment Courts because the county veterans census does not warrant such action. These veterans deserve the same treatment. To accomplish this multiple counties will need to join together to support this effort. Funding becomes complicated; membership on the VTC team becomes cumbersome and difficult especially when counties are short funding for other priorities. The state must step in and organize counties and direct/assist the grouped counties to be successful.*

7. Reorganize Indiana Department of Veterans Affairs to meet the needs of veterans.

SECTION 1. IC 10-17. Synopsis: Expand IDVA. Provides establishing six regional offices throughout the state and adequately staff every location. Add staff as legal support, grant support, and outreach to prisoners, veteran organizations and county veteran service officers. Provides funding from IDVA operating budget or establish a separate appropriation from the general fund for all Veteran Service Officer Accreditation and Renewal. As a separate chapter, create a permanent position and fund the woman's veterans coordinator directed in 2014.

Expanding IDVA by establishing regional offices throughout the state and adequately staff every location. Fund County Veterans' Service Officers based upon veteran census in the county.

Rationale: *IDVA has remained the same since created in 1943. Compared to top veterans' agencies in other states, Indiana is grossly under serving our military and veterans. Today's staff of six has little or no time to be proactive, timely, and to be where the veterans are located. If you look at Oklahoma for example they have fewer veterans and are staffed over 4 times that of Indiana. Ohio has 25 full time employees plus 4 approving authority staff. Ohio funds all 88 counties based upon property tax revenue. See Ohio Title 59 and Ohio Title 55 for tax formula. County Veterans' Service Officers are required to transport veteran to medical facilities if needed and assist in claims and benefits.*

Creating 6 additional districts outside Marion County and staff them with 6 personal moves state support closer to the counties and facilitates marketing to veterans in their geographic area of responsibility for programs such as veterans administration benefits, state veteran benefits, and support

to veterans treatment courts. Coupled with the driver's license initiative identified in a previous goal, Indiana would be able to identify veterans and where they live so that they can be "marketed to" and educated/ assisted with receiving the earned benefits they earned through their service.

Indiana misses out on grants and endowments that would be helpful to veterans and veteran programs in the state such as federal funding for veterans treatment courts, drug abuse and veterans jobs assistance. A support staff person should be focused on these areas and coordinate with other agencies to insure Indiana does everything possible to support our military and veterans. This would include far more inclusion of Reserve Component Units and Reservists in Indiana in addition to the Indiana National Guard.

Many Veterans are imprisoned and Indiana should have a specialist who can work with these veterans and the corrections department to help veterans as they procedure toward post-imprisonment life. Most veterans don't know what help is available and end up committing crimes again unless mentors, veterans service organizations, and government agencies get involved.

Veterans have legal problems both civil and criminal. A specialist to identify these issues, develop programs and processes is needed to address trends and evolving directions regarding veterans.