

ADMINISTRATIVE COMMITTEE ON VETERANS AFFAIRS  
COMFORT INN, BISMARCK ND

May 6, 2011  
1:00pm

Meeting called to order by Chairman Schuchard. Pledge of Allegiance and Moment of Silence for POW/MIAs and those serving overseas.

Roll Call:

Present:

John Adolf	Ken Hasby	Dean Overby
Lee Finstad	Dave Hilleren	Carroll Quam
Mike Fisher	Orletta Kilen	Lyle Schuchard
Jeff Hall	Mark Landis	Jim Verwey
John Hanson	Ron Otto	

Absent:

Ron Braaten

Guests:

Jim Hilzendeger, President NDACVSO, Logan County VSO  
John Jacobson  
Kristin Lunneborg, CFO ND Veterans Home  
Jerry Balzer  
Joe Hall, ND Job Service

***Motion by Carroll Quam to approve the minutes of the January 14, 2011, January 31, 2011 and February 15, 2011 meetings, second by John Hanson passed. Motion passed***

**Speakers:**

Dick Dever, Senator, ND State Legislator

Thanked Chairman Schuchard for the open invitation to attend the meetings. He expressed Representative Bette Grande's regrets in not being able to attend the meeting. Senator Dever represents District 32 which is south of Bismarck, In the Senate he chairs the Government & Veterans Affairs Committee . The following bills came through his committee:

► SB 2060 – provides leave for state employees to serve on funeral Honor Guards

- ▶ SB 2279 - provides greater clarification for the Veterans Preference law
- ▶ Provided \$20,000 for Stand Down events in the State
- ▶ Expanded property tax relief benefits in HB1217
- ▶ Loan and grant program appeals – those hearings can be closed at the request of the applicant.
- ▶ H.B. 1468 – Veterans Postwar Trust Fund; Provides \$210,000 for programs and \$50,000 for vans. These are general fund dollars and will allow the PWTF to grow over the next biennium. The interest earnings generated during the 2011-2013 biennium will be used in the 2013-2015 biennium. This allows for better budgeting of the funds available for veterans programs.
- ▶ Military Overseas Voters Act – allows active military serving overseas better access through electronic voting. ND Legislature was the first in the country to pass this legislation.
- ▶ Passed bills concerning the National Guard: SB2071 – allows Adjutant General to call former enlisted Guard members back into service in cases of emergencies and SB 2069 – allows Guard to cover medical expenses to those that are called up for service.
- ▶ Studies being considered: HB 1007 – demolition of administrator's home and delivery of services to veterans; HB 1375 – benefits offered to guard members; SB 2042 – eligibility requirements for the veterans', charitable, educational, religious, fraternal, civic and service, public safety, and public-spirited organizations that conduct charitable gaming; 2279 – study veterans preference laws

Chairman Schuchard asked who decides about the studies offered in the legislative bills. Senator Dever explained that Legislative Management determines which studies to adopt and Representative Al Carlson, Fargo, chairs the committee

Jack Barrows, Chief of Voluntary Program Manager, Fargo VA Medical Center

- ▶ In February, the name changed to Fargo VA Healthcare System to better reflect the services they provide and to include the outpatient clinics.
- ▶ There is no budget in place yet for 2012, they anticipate working with a flat-line operating budget comparable to 2011.
- ▶ Staffing level is at 877; the cap for Fargo is 892
- ▶ Construction projects going on
  - Bldg 41: - \$1.9 million building which will house Human Resources;
  - Bldg 52 - will house Administrative services;
  - 4<sup>th</sup> Floor addition of \$3.4 million for renovations;
  - West side of Hospital - \$7.9 million for new building: basement first and second floor – surgical suite;
  - New signs throughout hospital
- ▶ Didn't have any issue with flooding this year.

BG Dorman, ND National Guard

► The third and probably final Honor Flight took off from Bismarck this morning. It's quite moving to visit with the veterans and the volunteers who accompany them.

► Appreciates the support the National Guard receives during the legislation session. Going forward we need to continue to work together and speak in one voice when it comes to veterans issues.

► Legislative Issues:

Governor's Executive Budget for the National Guard passed basically intact

Ability to call up retirees – such as for flood fighting events

Guard is now able to reimburse medical expenses not covered under workers comp for those members called up

Ensures a standard and consistent way of dealing with remains of fallen soldiers

► Attended event in Washington DC – North Dakota events are well attended by high powered military people due to our state's commitment toward the military.

► UND is first school in the nation to have an unmanned aerial vehicle program.

► Flood Ops are done as of today. The Guard is there to support the communities with their flood efforts. Its impressive to see how communities come together to take on these disasters.

When questioned about the situation at Devils Lake, BG Dorman stated he gets updates weekly on the rise of the lake. Next week there is a meeting with the Corps and Governor's Task Force to look at the options available.

Kelly Schmidt, State Treasurer

► HB 1468 allows general funding in lieu of the Postwar Trust Fund for the 2011-2013 biennium for the grant program and for vans.

► HB 1007 created the Melvin Norgaard Memorial Fund. Mr. Norgard bequeathed mineral rights to the Veterans Home which resulted in \$200,000+ dollars. The legislature used some of these monies to pay for items at the Veterans Home. The remainder will be put into a memorial fund.

► Fees paid on PWTF are less than 1 basis point or less than 1%.

Veterans Home Update - Mark Johnson Administrator

► HB 1007 – includes funding for the repair of the oxbow (tributary out of Sheyenne river); additional match for FEMA dollars for sprinkler system; street lighting; and landscaping & pavement work came out of Norgard gift.

► Staff is getting educated in the household neighborhood concept. There have been close to 50 people hired due to the increase in residents that will live at the Home.

► Staff are moving over to the new building in shifts. Pharmacy moved over this week. An Open House to the community will be held on the 12<sup>th</sup>. Mark is asking for people and pick up trucks to help with moving 42 residents on the 17<sup>th</sup>. The following week will be the VA survey and when they certify the building, the remaining residents will be moved.

Mark Landis spoke on the tremendous amount of work the staff and Governing Board has done in getting the new Veterans Home to be a reality. Mark said he is extremely proud of the staff; it couldn't have been done without everyone working together. No other State has a building like North Dakota's new veterans' home. A grand opening is being planned for August 6, 2011.

Discussion took place on the bill regarding the Norgard Memorial Fund and the spending authority mechanism. Mark Johnson would like to see a strategic plan to use those dollars.

#### ND Job Service – Marlys Morgenstern

► Staffing update: Wyman Roeder retired from the Bismarck office and Kelly Bergland will be taking his position.

► There has been a lot of media coverage regarding the high national unemployment rate of younger veterans, in particular the Gulf War era II veterans. Possible reasons for the higher unemployment are: many are coming off their second or third deployment so they are taking time off before returning to work or school; drawing unemployment while exploring their options; researching schools or waiting for classes to start; or facing a tough job market upon return.

We do not see high unemployment rates for our Veterans in North Dakota – the BLS Annual Average in 2010 for unemployed veterans in ND was 2.3% as compared to an annual average of 3.7% for the non-veteran population.

#### Break for Subcommittee Meetings

Legislative  
Budget

Department of Veterans Affairs Report – Lonnie Wangen, Commissioner (power point presentation)

► Tom attended American Legion training in Washington DC; Gene and Brenda received training on VetraSpec given by Peggy.

- ▶ Staff Outreach/presentations done by Gene, Tom and Brenda from January thru May 3rd
- ▶ Commissioner is a member of the Supreme Court subcommittee to set-up a Veterans Court. They will meet with the Supreme Court Full Committee on April 8 to give results of their meetings. They are hoping to have a program implemented by this summer. Commissioner Wangen gave an overview of the program.
- ▶ CVSOs from Williams County, Mercer County and Golden Valley County attended training given by Gene and Brenda. Training on VetraSpec given by Tom to CVSOs from Barnes, Benson, Nelson, Ransom/Sargent and Walsh Counties.
- ▶ 48 CVSOs will require NACVSO accreditation training; 30 are accredited so far.
- ▶ Four veterans preferences requests have come in. There are no hearings scheduled due to issues with the requests.
- ▶ Information given on loan and grant programs.
- ▶ The Commissioner and Chairman checking on the ND Department of Transportation program which has vans throughout the state. At this time, it is very cost prohibitive.
- ▶ Strategic plan has been updated through March 2011
- ▶ HB 1468, Section 3 has \$50,000 for the 2011-2013 biennium to purchase vans. The Commissioner and Chairman Schuchard visited with ND DOT on the possibility of utilizing the 240+ vans they have in their transportation program. Some of the concerns are the cost and scheduling.
- ▶ The Department is continuing to update the website.

Chairman Schuchard thanked John Jacobson for all his work during the legislative session. John sent out weekly updates on the legislative bills and attended many hearings.

#### **Chairman's Report – Lyle Schuchard**

When he took over as Chairperson there were two things he asked for: take your organization hats off as we're all here to help veterans and to treat each other civilly and in a professional manner. If we don't do that we end up hurting our organization.

He will be preparing his yearly report to the service organizations on ACOVA's activities and it should be mailed out to the Commanders and Adjutants in the following week.

The performance of ACOVA during the past legislative session was not very good in regards to getting additional monies. The bills that did pass easily didn't have any fiscal notes attached to them. Legislators would say how veterans were falling through the cracks but wouldn't be specific as to needed the help. Again, it was disappointing to have to deal with HB 1379 when the specific reasons behind it weren't discussed with the Committee. StandDowns are the most basic help you can give to veterans but the bill that passed requires matching funds. Coming up with matching funds may be a problem for some entities. Its important to start working on legislation for the next session right now.

He feels ACOVA didn't fare too well this session. One of the problems during the session was not knowing when committees were meeting to discuss the bills. At times, it seemed they met on the spur of the moment. One of the meetings he attended dealt mainly with the Administrator's Home on the Veterans' Home grounds. This was the biggest problem for the legislators. They spend quite a bit of time deciding whether to give the Administrator a stipend to rent or to appropriate money to purchase a new home. Legislators did promise to fund a workshop out of general funds so that will need to be watched in the next session.

Bismarck StandDown is scheduled for September 1, 2011.

Mike Fisher commented that he would have liked to ask Senator Dever and the State Treasurer about HB 1379 but it's time to let it go. The bill was very poorly written and not well received in the legislature. Veterans worked to defeat HB 1057 and HB 1379 so hopefully, this issue will be finally put to rest.

Dean Overby spoke that during the legislative session, anyone could see it was a conflict of interest having county veterans service officers serve on this committee. When we vote as a committee to support a bill and the Commissioner testifies on it; then to have committee members testify against shows a conflict of interest.

***Motion by Dean Overby for the Committee to go to the Attorney General for an opinion if there is a conflict of interest for a County Veterans Service Officer to serve on the Committee, second by Lee Finstad.***

There is no Attorney General's Opinion, there is only an expression of an opinion from the Governor's Office.

Lee Finstad: As chairman of the Legislative Committee, it was his understanding that except for one bill, all the bills voted on the by Committee and Coordinating Council were to be supported. If individual members of the county veterans service officers are against it, it's hard for the legislators to see which hat the service officer is wearing. Lee has been told that there members of the committee being critical of the Commissioner and undercutting his authority. If its happening, it needs to stop. He feels the Committee is dysfunctional. It seems the Committee is working against itself. If the Commissioner reports to the Committee and the Commissioner is responsible for the CVSO training, what happens if there is a individual veteran who complains to the Commissioner about a service officer.

Mark Landis: Occasionally we have a conflict of ideas but don't confuse that with a conflict of interest. Veterans don't go to the Commissioner's office with complaints about a Service Officer, they go to the county commissioners.

Ron Otto: Service Officers are totally funded by the counties. He doesn't see a conflict. The three service officers on the committee are the only ones on the committee that actually work in the delivery of veterans services. The training provided at the state level is at the lowest common denominator of the service officer sitting in the audience. Lonnie has done a good job in bringing the training up to speed and getting people into the 21<sup>st</sup> century. There are a lot more challenges down the road. As far as myself testifying at a bill that was not brought through the normal channels or through a resolution process through the organizations; he introduced himself as President of the Professional Veterans Advocates of the State of North Dakota and testified against the bill. Lowering the standard of training as outlined in that bill was not in the best interest of veterans. That bill could have been developed by all the stakeholders involved but the Commissioner chose not to do that. He brought it through a different avenue.

Commissioner Wangen stated he did not bring that legislation forward and would like to know where Ron got his information. Ron assumed he did it since the Commissioner was prepared to present it.

Dean Overby pointed out that NACVSO training was included in that bill. Ron conceded that it was included and he's hoping the veterans get something out of the cvso's receiving accreditation training.

Lee Finstad said the bill contained language that the Commissioner would decide accreditation status which the committee voted for and you (Ron) voted against as an individual not as an ACOVA member. To say that the offering out of the Commissioner's office is less than your national organization has is a conclusionary statement, there are no facts to back it up. And to say that there is no one else who is involved in the delivery of veterans' services is wrong. Lee stated he is one of two attorney's in North Dakota who is licensed to practice before the Veterans Court.

Chairman Schuchard interjected that the bill failed. If the committee wants to bring it back for the next session, they certainly can.

Mark Landis spoke that his only interest in doing the best for veterans. If anyone has a conflict with that then maybe they shouldn't be here. If we're dysfunctional it's not because of the service officers.

Commissioner Wangen reiterated again he was not responsible for HB 1429. That legislation was from last session's HB 1057. They can talk to Representative Boehning about it. There was a sunset clause on the NACVSO accreditation and it needed to be addressed. The Commissioner was contacted about an amendment for a bill that was

already submitted. He gave input on the amendment that included additional training besides the NACVSO accreditation. He wants everyone accredited with all the organizations in North Dakota.

Mike Mullen pointed out a lot of work goes into getting an Attorney General's Opinion and might take months to obtain.

***Motion passed unanimously.*** [MOTION #1]

Mike Mullen, Attorney General's Office, stopped in to announce his retirement as of June 30, 2011.

**Legislative Subcommittee Report - Lee Finstad**  
Legislative bills review.

He would like to see a subcommittee created that deals with public affairs. He feels a lot of the legislative problems come from the public's perception of ACOVA. Chairman Schuchard would like the Chairman, Secretary and subcommittee chairmen be a part of that committee.

***Motion by Lee Finstad to create a public affairs subcommittee, second by John Hanson. Motion passed unanimously.***

***Motion by Carroll Quam to accept the legislative subcommittee report , second by Orletta to accept legislative subcommittee report. Motion passed unanimously***

**Budget Subcommittee Report – Ken Hasby.**

They reviewed current budget that will end June 30, 2011. The Commissioner will be monitoring the remaining monies and how to spend them before the end of the biennium.

***Motion by Ken Hasby to approve the budget subcommittee report, second by Orletta Kilen. Motion passed unanimously.***

**Appeals Subcommittee Report– John Hanson**

An appeal was heard that morning in the Bismarck Office. The decision by Commissioner was upheld.

***Motion by Mike Fisher to approved the appeals subcommittee report, second by Carroll Quam. Motion passed unanimously.***



**PWTF Subcommittee – Orletta Kilen**

Commissioner Wangen projected an \$8,000 - \$10,000 deficit by the end of June 2011. There may be additional interest earnings available at the end of the biennium depending on investment results.

***Motion by Dave Hilleren to approve the PWTF subcommittee report, second by Dean Overby. Motion passed unanimously.***

**Veterans Affairs Subcommittee Report – Dave Hilleren**

Report given by Commissioner

The subcommittee recommends Commissioner Wangen receive the legislative pay raise.

***Motion by Dave Hilleren to approve the Veterans Affairs subcommittee report, second by Ken Hasby. Motion passed unanimously.***

Commissioner Wangen contacted Laura Bearfield, Attorney General's Office, requesting opinion on HB 1007 pertaining to Memorial Fund.

Commissioner Wangen asked for the Committee's approval in requesting additional funds for the grant program. We would like to get any monies available before the end of the biennium. We can use these going into the next biennium.

***Motion by Dean Overby that the Commissioner request from the State Treasurer all interest earnings available before June 30, 2011, second by Jim Verwey. [MOTION #2]***

Lee Finstad suggested the Public Affairs subcommittee should meet before the next full committee meeting.

The Dedication of the new Veterans Home is scheduled for August 6, 2011. August 5 & 6, 2011 next meeting dates.

***Motion to adjourn, seconded, passed.***

Respectfully submitted

Ron Otto  
Secretary