



**JOINT LEADERSHIP COUNCIL OF
VETERANS SERVICE ORGANIZATIONS**

CHAIRMAN'S 2007 ANNUAL REPORT

TO

COMMISSIONER VINCENT M. BURGESS

AND

THE BOARD OF VETERANS SERVICES

November 21, 2007

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Chairman's Message

I. VETERAN'S ISSUES

The Joint Leadership Council of Veterans Service Organizations (JLC) has become **The Voice of the Veterans of Virginia**. Representing a combined membership of over 250,000 members, the 23 veterans service organizations (VSOs) have joined together to let our policy makers know what issues are of most concern to the veteran and military communities of the commonwealth. The JLC is organized by Virginia statute to represent the concerns of all 786,000 veterans in Virginia. However, we have found that some policy makers are still not aware of who we are or what we do (Please see below for our mission, vision, etc.). We believe that **the JLC best represents “veterans’ issues”** for our Virginia veterans.

II. LEGISLATIVE OBJECTIVES PRIORITIZED

The JLC receives grass-roots inputs from its member organizations. Then council members carefully research the issues, debate them, and after much discussion, vote on whether or not to adopt them as “priority” legislative objectives. The JLC is very mindful that requests of the Governor and the General Assembly must be reasonable, justified, and well articulated. Furthermore, they must be prioritized! The JLC has done that! We are also very aware that we are dealing with limited resources, and so we carefully distinguish between those items that are “must haves” for our veterans and those that are “nice to have.” Our list of legislative objectives is published in priority order. Additionally, this year for the first time in our history, the JLC was able to not only decide on our prioritized list of legislative objectives, but also to develop detailed position papers for each objective by the end of August 2007 (Please see below for the prioritized list of the JLC’s **2008 LEGISLATIVE OBJECTIVES** and the accompanying position papers).

III. A MOST EFFECTIVE ADVOCATE

Armed with our prioritized legislative agenda with accompanying position papers, members of JLC’s veteran organizations began in September to contact their own delegates and senators to begin to advocate for the JLC agenda. All members of the different veteran service organizations (e.g. American Legion, VFW, MOAA, etc.) have been meeting with their legislators and all have been advocating for the same priority objectives. **ALL JLC VETERANS ORGANIZATIONS ARE SPEAKING WITH ONE VOICE!** While the JLC “supports” all legislation beneficial to veterans and the military community, it advocates most strongly for the prioritized legislative agenda that has been agreed to by all of its members.

IV. ADVICE TO THE GOVERNOR

In addition to advocating with the General Assembly, the JLC has coordinated and worked with all other governmental boards to advise on veteran/military issues. In fact, the JLC has been the leader in promoting a legislative agenda with agencies such as: The Board of Veterans Services (BVS), The Citizen Soldier Support Council (CSSC), The Virginia Military Advisory Council (VMAC), the Veteran Services Foundation (VSF) and the JLC also provides

vital input to the Key Military/Veterans Groups meeting which combines all recommendations and provides direct input to the Governor.

Respectfully,

Sam Wilder
Col (Ret) US Army
Chairman, JLC

The Joint Leadership Council of Veterans Service Organizations

The members of the Joint Leadership Council of Veterans Service Organizations (the JLC) represent 23 veterans service organizations (VSOs) in Virginia, and, combined, have more than 250,000 members. The JLC was created by Virginia statute in 2003 to be a voice for Virginia's veterans. JLC members are appointed by the Governor for three-year terms. The JLC meets at least four times a year and meetings are open to the public.

Member Organizations

As of November 30, 2007, twenty-three VSOs were represented on the JLC:

- Air Force Association
- American Ex-Prisoners of War
- American Legion
- AMVETS
- AUSA
- Disabled American Veterans
- Fleet Reserve Association
- Homeless & Disabled Veterans
- Korean War Veterans Association
- Legion of Valor of the US, Inc.
- Marine Corps League
- Military Order of the Purple Heart
- MOAA
- NAUS
- Navy Seabee Veterans of America
- Non Commissioned Officers Association
- Paralyzed Veterans of America
- Reserve Officers Association of the United States
- Roanoke Valley Veterans Council
- Veterans of Foreign Wars
- Virginia National Guard Association
- WAVES
- Women Marines Association

Mission Statement

The Council provides advice and assistance to the Governor and the Department of Veterans Services on matters of concern to the veterans community, and provides a conduit of information to and from the veterans service organizations on policy and legislation, pending and enacted, as well as information on existing services.

Vision

The Council will:

- *Give the Department of Veterans Services a broader understanding of the services needed by veterans.*
- *Give veterans a broader understanding of the services available to them as citizens of Virginia.*
- *Help veterans and veterans' organizations achieve legislation or policy changes needed to improve veterans' services.*
- *Enhance communications between the public, the state government, and the state's veterans.*
- *Help the Governor and the Department of Veterans Services develop policies that improve services for Virginia's veterans.*
- *Help the General Assembly develop and pass laws that more clearly respond to veterans' needs.*

Issue Identification, Development, and Advocacy

As the voice of Virginia's veterans, the JLC identifies issues of concern to veterans, their spouses, orphans, and dependents, and serves in an advisory capacity to the Virginia Department of Veterans Services. Each year, the JLC presents a list of prioritized key legislative objectives for the Governor's consideration. So, when you ask, "what are Virginia's veterans' issues," these are the top issues.

In 2007, the Governor and General Assembly acted on five of the JLC's seven legislative objectives.

Communication

The JLC supports DVS by communicating information to veterans about their benefits, events, and issues. JLC members promptly relay information to the members of their respective organizations, amplifying the effectiveness of DVS' communications and initiatives. Additionally, cross-sharing of information has resulted in partnerships and cooperative efforts among the various veterans service organizations.

For More Information

Contact:

Colonel Samuel D. Wilder, Jr., USA (Ret)

(804) 840-3024 (c)

sdwilder1@comcast.net

2008 Legislative Objectives

The following legislative objectives for 2008 were adopted by the Joint Leadership Council of Veterans Service Organizations (the JLC) on August 8, 2007. These are the top legislative objectives of the 23 Veterans Service Organizations represented on the JLC, and are listed in priority order.

- 1. Fully fund the Department of Veterans Services Budget and Strategic Plan as outlined in Executive Order 19:** The JLC requests that the Governor and General Assembly provide the Department of Veterans Services with the resources required to accomplish the specific recommended objectives (e.g. Turbo-vet, additional personnel, etc.).
- 2. Support the Virginia National Guard:** The JLC requests that the Governor and General Assembly approve the requested biennial budget and legislative initiatives of the Virginia National Guard without decrement, despite any shortfall in anticipated state revenue, and that the General Assembly pass legislation to protect the custodial rights of mobilized service members.
- 3. Wounded Warrior Mental Health Care:** The JLC requests that the Governor and General Assembly establish a state wide program to provide our Virginia resident Wounded Warriors and their families with first class treatment for mental health/PTSD/TBI injuries, and that the Governor and General Assembly also provide competent oversight of a program to efficiently utilize federal/state/private funding for these initiatives.
- 4. Virginia War Memorial Education Wing:** The JLC requests that the Governor and General Assembly release the \$3.5 million appropriated by the 2007 General Assembly for the construction of the Virginia War Memorial Education Wing, and that the Governor and General Assembly appropriate an additional \$2 million in General Funds for the construction of the Virginia War Memorial Education Wing.
- 5. Tax relief for 100% disabled veterans:** The JLC requests that Governor and General Assembly pass legislation to amend the Virginia Constitution that would require local governments to grant real estate tax exemptions for 100% disabled veterans without regard to means testing.
- 6. Provide Tax Relief for Virginia Citizen Soldiers called to Active Duty:** The JLC requests that the Governor and General Assembly provide an income tax exemption to Virginia citizens who serve in the National Guard or Reserve and who are activated into full-time service outside the Continental United States in excess of 90 days.
- 7. Permit Virginia Resident Service Members to place a “Freeze: on their Credit Files:** The JLC requests that the Governor and General Assembly provide the authority for Virginia domiciled service members and their spouses to prevent either the unauthorized release of credit information or the creation of unauthorized credit accounts. This is a major help to prevent identity theft.

JLC Position Paper – Objective 1

Fully Fund the Department of Veterans Services Budget and Strategic Plan as Outlined in Executive Order 19

1. **ISSUE:** To provide the Department of Veterans Services (DVS) with the resources required to accomplish the specific recommended objectives (e.g. Turbo-vet, additional personnel, etc.) of Executive Order 19
2. **BACKGROUND:**
 - On June 16, 2006, Governor Kaine issued Executive Order 19 (EO19) – Serving Virginia’s Veterans
 - Among other initiatives, EO19 directed:
 - “All state agencies to identify opportunities to partner with the Department of Veterans Services on ways to offer new, expanded, or customized services that meet the educational, health care, and social service needs of Virginia’s veterans.”
 - “The Department of Veterans Services, working with all appropriate state agencies, to give special attention to opportunities for improving services to disabled veterans, including all aspects of the continuum of care and service delivery.”
 - “All state agency heads to renew their commitment to veterans’ preference in hiring.”
 - The EO19 report was delivered to Governor Kaine on April 30, 2007. The report identified 28 specific opportunities for the Commonwealth of Virginia to offer new, expanded, or customized services for veterans
3. **DISCUSSION:**
 - The specific opportunities identified in EO19 include:
 - The TurboVet System: DVS is developing a TurboTax®-type software application that will assist in preparing and submitting compensation and pension claims to the U.S. Department of Veterans Affairs. Such a software application will improve the accuracy of applications and ensure that supporting information is presented in a clear and consistent manner, making disability claims “ready to rate.” Additionally, as the application matures, it will pave the way for electronic submission of claims, thus expediting claims processing and receipt of benefits
 - The Provision of Behavioral Health Care Services by State Resources: From all accounts the U.S. Department of Veterans Affairs (VA) is overwhelmed with the demand for short-term and long-term health care for veterans of previous wars and those returning from the Global War on Terror in Iraq and Afghanistan. DVS has entered into discussions with the VA, the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRAS) and the Virginia Association of Community Services Boards (CSBs) to develop an on-going contractual relationship for referral of veterans to the CSB services system for treatment for mental health and substance use disorders
4. **RECOMMENDATION:** That the Governor and General Assembly provide the Department of Veterans Services with the resources required to accomplish the specific recommended objectives (e.g. Turbo-vet, additional personnel, etc.).

JLC Position Paper – Objective 2

Support the Virginia National Guard

1. **ISSUE:** To protect the Virginia National Guard (VaNG) requested budget, to keep the Guard tuition assistance program fully funded, to fund needed O&M projects, and to protect the custodial rights of mobilized service members.
2. **BACKGROUND:**
 - The state faces an estimated revenue shortfall of \$300 million
 - A common practice is for every state agency to take its proportional share of the shortfall (i.e. a “salami-slice” approach)
 - The tuition assistance program is a vital component of VaNG recruiting/retention efforts. In 2006 there was a shortfall requiring the Governor to use emergency funds
 - The VaNG biennial budget request will include needed O & M projects
 - Recent news reports have highlighted the plight of Guardsmen and Reservists who lost permanent custody of their children after being called into active federal service. In these cases, the service member’s ex-spouse used the occasion of the service member’s mobilization to seek permanent modification of the child custody arrangement. Active duty service members are also dealing with this issue, especially when deployed overseas
3. **DISCUSSION:**
 - **VaNG Budget:** All items requested are vitally needed to ensure that the VaNG remains fully prepared to meet statewide emergencies, both natural and man-made, to include prevention/response to terrorist attacks within the Commonwealth. Also, it must remain prepared to meet its national responsibilities when called to active Federal service. Its budget must not be decremented
 - **Tuition Assistance:** This program has proven to be a key initiative for recruiting/retention. Fully funding this program is imperative to keep our Guard strong and effective
 - **Capital - Maintenance Reserve:** The armories have not been funded at a level to meet minimum maintenance standards for a decade. Adequate funds must be provided to maintain and improve the armories such as submitting Capital Maintenance Reserve projects into the Virginia Public Building Authority.
 - **Custodial Rights of Mobilized Service Members:** Guardsmen and Reservists called into the service of their country should have the assurance that their military service will not cause them to lose permanent custody of their children. Similar protection should be extended to members of the Active Duty military
4. **RECOMMENDATION:** That the Governor and General Assembly approve the requested biennium budget of the Virginia National Guard, and that the Governor and General Assembly pass legislation to protect the custodial rights of mobilized service members

JLC Position Paper – Objective 3

Wounded Warrior Mental Health Care

1. **ISSUE:** To provide first class mental health care for Virginia's Wounded Warriors and their families.

2. **BACKGROUND:**

- The “problem” of understanding that large numbers of combat veterans are mentally “wounded” is just now starting to be recognized by the medical/military communities as well as the general public.
- Some funding increases have been recently authorized by Congress; however, DOD and VA remain overwhelmed and will be for the foreseeable future as 100 – 300 are wounded overseas each week.
- The magnitude of the problem is huge! There is a need for many types of mental health care providers and assistance such as psychiatrists, psychologists, social workers, anger management counselors, marriage counselors, substance abuse counselors, spiritual guidance counselors, speech pathologists, vocational training, employment assistance, etc. etc.
- The Presidential Commission on Care for America's Returning Wounded Warriors reported symptoms of PTSD (post-traumatic stress disorder) and TBI (traumatic brain injury) or other mental health problems in more than 40% of our returning soldiers.
- Veterans from our past wars (Vietnam and Korea) have long ago “fallen through the cracks.” They must be included in any veteran mental health care program.
- The “problem” is immediate and urgent!

3. **DISCUSSION:**

- In order to begin to solve this problem we must first recognize how important it is.
- We must accept that the “solution” is not so much medical/psychiatric as it is managerial and organizational. There are many diverse agencies (Federal & state) as well as private organizations that can and must work together to provide the first class care that our Wounded Warriors deserve.
- Federal, state, and private resources must be brought to bear on this problem.
- The problem is too big, too urgent, and too important to be left to some small organization to attempt to do a “pilot project” that is limited in scope and focused on only one small segment of veterans.
- We do not need another research project or another study. We need action to get as many wounded warriors treated for mental health problems as possible as quickly as possible.
- Specifically, we recommend that the Governor appoint a state agency to coordinate and oversee this program. It must have the authority and resources to get the job done. As much as legally possible it should be done by executive order.
- We further recommend that state agency be the DVS (with appropriate resourcing) because: 1) The DVS is totally focused on veterans. 2) The DVS has a state-wide reach with 22 claims offices around the state to help locate, identify, and get the help needed for veterans. 3) The DVS has a large resource of veterans’ organizations and knowledge

of other non-profit groups that can assist. 4) The DVS has already worked well with other agencies in the state government to foster awareness of veterans' needs.

- Federal/state/private funding will be required. For the first year we recommend that \$1million of Federal funds be requested and that \$1million of state funds be approved. Additionally, \$500k of private funds should be raised. All funds to be controlled by DVS and used for personnel increases, marketing/administrative costs, and to pay for services to veterans and families as needed.
4. **RECOMMENDATION:** That the Governor and General Assembly establish a state-wide program to provide first class mental health treatment for PTSD/TBI injuries to our Wounded Warriors and their families. This program must have competent oversight to oversee the efficient utilization of federal/state/private resources.

JLC Position Paper – Objective 4

Virginia War Memorial Education Wing

1. **Issue:** To provide funds to ensure that the Education Wing design process continues without delay and to cover the cost escalation for the project.
2. **Background:**
 - Original War Memorial construction did not foresee the need for an Education Center to provide space for patriotic programs, student seminars, exhibits, and teacher institute.
 - Over the past several years, the ceremonies, events, and programs developed by the Foundation have resulted in the Memorial becoming a major education center.
 - The growth of these programs and the dramatic increase (300%) in public visitation has resulted in participants and visitors being turned away.
 - A plan has been developed to build an Education Center to accommodate all visitors and ensure that everyone who so desires can take advantage of the award-winning programs.
3. **Discussion:**
 - Three years ago, the state appropriated \$50,000, matched by \$50,000 from the Foundation, to start master planning for the Education Center.
 - Two years ago, the state appropriated \$500,000 to fund continued planning and initial design of this addition to the Memorial.
 - Last year, the Commonwealth confirmed its commitment to the project by offering a no interest loan of \$3.5 million if matched by \$2 million raised by the Foundation for construction.
 - The Foundation has started its fund-raising campaign and expects to reach the \$2 million goal by early 2008.
 - The architectural firm of Glave and Holmes has been hired, a Memorandum of Understanding has been signed, and final design work is in progress.
 - Completion of design is expected by mid-2008 and a general contractor will be hired at that time to construct the Education Center. Substantial completion of the Center is estimated to be the end of 2008.
 - The construction industry remains volatile and cost escalation for the Education Center project increases by approximately \$1 million annually.
 - Early release of the \$3.5 million no interest loan would be helpful to ensure that the design and construction process continues without delay.
 - Deposit in an interest bearing account would provide additional funds to cushion the design and construction process.
 - Construction industry cost escalation has resulted in an estimated total cost increase of \$2 million (total cost--\$8.1 million).
4. **Recommendation:** That the Governor and the General Assembly approve early release of the \$3.5 million loan and an additional \$2 million in state funds to complete the Education Center project.

JLC Position Paper – Objective 5

Tax Relief for 100% Disabled Veterans

1. **ISSUE:** To provide relief from local government real estate tax for veterans who are 100% disabled without regard to any form of means testing.

2. **BACKGROUND:**

- The Virginia Code provides that the “*governing body of any county, city or town may by ordinance provide for the exemption from...taxation of real estate*” for persons “*at least sixty five years of age or if provided in the ordinance anyone found to be permanently and totally disabled*”.
- The Code further sets restrictions and conditions on any exemption provided by the localities which include 1) Income restrictions and 2) financial worth restrictions. Income restrictions apply to the owner and any relatives living in the dwelling. Financial worth restrictions apply to the owner and his/her spouse.
- Localities may set income/net worth caps lower than those mandated by the state but may not set caps higher than those set by the state even if they desired to do so.
- As of Sept. 2006, the VA reported that there are 6,401 Virginia veterans who are 100% disabled.

3. **DISCUSSION:**

- To provide this tax relief requires an amendment to the Virginia Constitution.
- This tax relief would have no impact on state revenues.
- From town hall meetings conducted by the DVS, members of the veterans’ community feel that veterans with a 100% service-connected disability (i.e. those who are totally disabled) have earned, through their service and sacrifice, the right to a real estate tax exemption, regardless of income or financial worth.
- In their report on Executive Order 19, “*Serving Virginia’s Veterans*,” dated April 30, 2007, the Department of Veterans Services recommended that the Code of Virginia be amended to provide a real estate tax exemption for these veterans, regardless of income or financial worth.
- Re EO 19, Governor Kaine’s guidance was to pay particular attention to the needs of our disabled veterans.
- Del. Scott Lingamfelter’s office has contacted the JLC asking for its support for this issue as the Delegate intends to patron this effort.

4. **RECOMMENDATION:** That the Governor and the General Assembly pass legislation to amend the Virginia Constitution that would require local governments to grant real estate tax exemptions for 100% disabled veterans without regard to means testing.

JLC Position Paper – Objective 6

Tax Relief for Virginia Citizen-Soldiers called to Active Duty

1. ISSUE: Provide income tax exemption to Virginia citizens who serve in the National Guard or Reserve and who are activated into full-time service outside the Continental United States in excess of 90 days.

2. BACKGROUND:

- Since September 11, 2001 almost 12,300 members of the Virginia Guard and Reserves have been activated to full time duty to perform in activities related to National Security. Some 8,000 of these individuals have served in combat zones, mostly in Afghanistan and Iraq. The remaining majority have served at duty locations throughout the United States. A few have served outside the United States at locations not declared as either a combat zone or a qualified hazardous duty area.
- As of June 13, 2007 there were an estimated 2,500 Virginia National Guard and Reserve members on active duty supporting national security missions out of a total nationwide of approximately 90,000.
- Additional Virginia National Guard members and Reservists are expected to be activated and deployed during the continuing national security effort.

3. DISCUSSION:

- Virginia income tax is based on reported federal adjusted gross income.
- Federal tax rules exclude pay earned by enlisted and warrant officers who serve in designated combat zones. For commissioned officers, the exclusion is limited to the highest rate of enlisted pay (about \$6,000 per month), plus imminent danger/hostile fire pay. Virginia Section 58.1-322[C] [21] then allows exemption for that portion of an officer's pay not excluded under federal rules.
- Members not serving in either a combat zone or a qualified hazardous duty area currently are allowed a subtraction that exempts up to \$15,000 of military basic pay, which is reduced to none when pay reaches \$30,000.
- The proposed additional subtraction would exempt 100% of pay and allowances for those activated National Guard and Reserve members who serve in excess of 90 days outside the United States.
- The anticipated additional exemption of income tax as a result of this proposal for Tax Year 2007 is approximately \$150,000.

4. RECOMMENDATION:

That the Governor and General Assembly pass legislation that to add a new section – §58.1-322(C)(33) to the Code of Virginia, providing an income tax exemption to Virginia citizens who serve in the National Guard or Reserve and who are activated into full-time service outside the Continental United States in excess of 90 days. Proposed language to read:

Effective for all taxable years beginning on or after January 1, 2007 all military pay included in the Federal adjusted gross income for National Guard and Reserve personnel on extended active duty for periods in excess of 90 days, and who serve outside the United States for 90 days or more in an area not designated

as a combat zone or qualified hazardous duty area per Code of Virginia Section 58.1-322 [C] [21], may be exempted from Virginia income tax.

JLC Position Paper – Objective 7

Permit Virginia Resident Service Members to place a “Freeze” on their Credit Files

1. ISSUE: To provide the authority for Virginia domiciled service members (and their spouses) to prevent either the unauthorized release of credit information or the creation of unauthorized credit accounts.

2. BACKGROUND:

- Identity theft is a major problem that is growing at an accelerating rate. The massive loss of personal data by the VA, the loss of Naval Aviator personal data, the loss of TRICARE personal information, and numerous other breaches of files containing the personal data highlight the magnitude and threat of this growing crisis to military personnel.
- The damage to service members resulting from stolen credit card numbers (and related data) is mitigated by limits of liability (if promptly reported) under Federal Law (the Fair Credit Reporting Act and the Fair and Accurate Credit Transaction Act). There is no Federal Law that protects service members against the establishment of fraudulent credit accounts (new credit cards, vehicle loans, mortgages, etc.).
- It is difficult, at best, and almost impossible in the case of combat deployed service members, to monitor their credit report status. It is unlikely that deployed service members would be able to take remedial action for a stolen financial identity.
- The result of credit identity theft, much like the trauma of a violent crime, will cause personal hardship for deployed service members and their families. It will also lead reduced individual effectiveness and to the suspension or cancellation of security clearances.
- A “credit freeze” is the most effective method to preventing the theft of a financial identity. Neither credit monitoring (very difficult while deployed) nor a fraud alert will prevent the establishment of new credit accounts by an identity thief.

3. DISCUSSION:

- At least 23 state legislatures have enacted various forms of “credit freeze” legislation. Some of these are implemented only after an identity theft has occurred (and are of little benefit to deployed service members). Some have modest fees to freeze and unfreeze accounts.
- Additional state legislatures are considering legislation to permit residents to request a “credit freeze.”
- Our Virginia General Assembly has previously considered “credit freeze” legislation. Most recently, during the 2007 session seven bills were introduced (4 in the House and 3 in the Senate); however, no legislation was passed. During the last six months the services have identified identify theft as important personnel issues; therefore reintroduction of “credit freeze” legislation is warranted.
- Del. Harvey Morgan (Chair of the House Banking Committee) has agreed to support a “credit freeze” objective item and asked for JLC assistance.

- 4. RECOMMENDATION:** That the Governor and General Assembly enact legislation that will permit Virginia domiciled service members (and their spouses) to place a freeze on their credit files.