

**Joint Leadership Council of Veterans Service Organizations**  
**Meeting Minutes**  
**May 23, 2012**

A meeting of the Joint Leadership Council of Veterans Service Organizations (the JLC) was held on May 23, 2012, at the American Legion Building, 1708 Commonwealth Avenue, Richmond.

**Members Present**

- Jeffrey Platte, Air Force Association
- Brett Reistad, American Legion
- Bruce Brown, AMVETS
- Don Kaiserman, Association of the United States Army
- Abe Zino, Fleet Reserve Association
- James Jones, Korean War Veterans Association
- Bruce Steeley, Marine Corps League
- Raymond Edwards, Military Officers Association of America
- Robert Fairchild, Military Order of the Purple Heart
- William Townsley, Military Order of the World Wars
- Thomas Moran, National Association for Uniformed Services
- Frank Driscoll, Navy Seabee Veterans of America
- Matthew Dailey, Non Commissioned Officers Association
- David Coffield, Paralyzed Veterans of America
- Carmen Gentile, Reserve Officers Association
- Nolan Jackson, Roanoke Valley Veterans Council
- Daniel Boyer, Veterans of Foreign Wars
- George Corbett, Vietnam Veterans of America
- Jenny Holbert, Women Marines Association
- Thad Jones, Chairman, Board of Veterans Services
- Paul Galanti, Commissioner of Veterans Services
- Rich Schollmann, Chairman, Veterans Services Foundation

**Members Absent**

- George Coker, American Ex-POWs
- David Martinez, Disabled American Veterans
- Roger Dimsdale, Legion of Valor
- Michael Coleman, Virginia National Guard Association

**Alternates Present (representing their VSO)**

- Richard Rinaldo, Legion of Valor
- Shawn Otto, Virginia National Guard Association

### **Alternates Present (not representing their VSO)**

- Bart Barton, Air Force Association Alternate
- John Prendergast, Marine Corps League Alternate
- Stu Williams, Military Officers Association of America Alternate
- Marie Juliano, Women Marines Association Alternate

### **Commonwealth of Virginia Officials Present**

- Rich Anderson, Virginia House of Delegates
- Cindy Norwood, Office of the Attorney General
- Anne Atkins, Department of Veterans Services
- Steven Combs, Department of Veterans Services
- Jack Hilgers, Department of Veterans Services
- Bill Janis, Department of Veterans Services
- Judy Reid, Department of Veterans Services
- Camilla Schwoebel, Department of Veterans Services
- Danielle Weaver, Department of Veterans Services
- Harry Warner, Virginia War Memorial Education Foundation

### **Others Present**

- Jim Clem, Roanoke Valley Veterans Council
- Kelly Niernberger, Reserve Office Association
- Tom Anderson, Virginia Veterans Collation
- Roger Sullivan, Virginia Veterans Coalition
- John Anderson, Virginia Veterans Coaliton

### **Agenda Packet**

Agenda (Agenda Item II)

Reports (Agenda Item IV)

- Board of Veterans Services Report
- Veterans Services Foundation Report
- Department of Veterans Services Report

Unfinished Business (Agenda Item V)

- Update on the 2012 General Assembly (PowerPoint slides)
- Review of potential 2012-2013 JLC Initiatives
  - FRA 2013-01: Military Retirement Tax Plan
  - MOAA 2013-01: Northern Virginia Veterans Care Center
  - MOAA 2013-02: JROTC to fulfill Physical Education Requirement
  - MOAA 2013-03: Electronic Return of Absentee Ballots
  - MOAA 2013-04: Business Incentives for Hiring Veterans

- Summary of MOAA proposals
- VFW 2013-01: Sales and Use Tax Exemption
- VFW 2013-02: In-state Tuition Eligibility
  - Copy of 2012 SB605

### **Opening and Pledge of Allegiance**

Chair Jenny Holbert called the meeting to order at 10:03 a.m. and asked Mr. Thad Jones to lead the Council in the Pledge of Allegiance.

### **Roll Call of VSOs and Quorum Determination**

The roll was called, and 19 of the 23 Veterans Service Organizations (VSOs) represented on the JLC were recorded as being represented and a quorum was determined. Thad Jones, the Chairman of the Board of Veterans Services, Mr. Rich Schollmann, representing the Veterans Services Foundation, and Paul Galanti, the Commissioner of Veterans Services, were recorded as present. Mr. Brett Reistad joined the meeting about 10:16 a.m. and Mr. Frank Driscoll joined the meeting about 11:35 a.m. bringing the total of VSOs represented to 21.

### **Approval of the agenda**

Chair Holbert asked for a **motion** to approve the agenda as presented. Mr. Thomas Moran made a **motion, seconded** by Mr. Brett Reistad. The agenda was approved **unanimously**. See *(Attachment 1)*.

### **Introductions of Guests**

Chair Holbert asked that guests and staff introduce themselves. Their names and organizations are recorded above. Chair Holbert welcomed them to the meeting.

### **Approve March 28, 2012 Meeting Minutes**

Chair Holbert stated that the minutes from the March 28, 2012 meetings had been distributed electronically.

Chair Holbert asked for a **motion** to approve the March 28, 2012 minutes. Mr. Bill Townsley made a **motion**.

Mr. Jeff Platte asked for discussion. Mr. Platte pointed out that towards the end of the meeting on March 28, 2012 a discussion about organizations as far as veterans go and it was pointed out that there are a number of other uniformed veteran organizations that haven't been recognized that did not get captured in the minutes. Mr. Steven Combs explained that he spoke with Mr. Platte and Mr. Bart Barton before the meeting about this. Mr. Combs stated that they pointed out the need for the minutes of the March 28 JLC to include a fuller discussion of the Virginia Veterans ID card and the qualifying services for that card. Mr. Barton pointed out that some officers of MOAA and the US Public Health Service would also qualify under Title 10. Subsequent to the meeting Ms. Anne Atkins and Mr. Jack Hilgers confirmed this and stated that they have copies of the appropriate verification documents and would provide said documents to DMV.

Mr. Combs stated that what Mr. Platte is proposing is that the minutes reflect a fuller discussion to reflect that these veterans qualify for a Virginia Veterans ID card.

Mr. Townsley made a **motion** to amend the minutes to include the discussion of the qualifications for the Virginia Veterans ID card to provide a fuller discussion of qualifying services. The motion was **seconded** by Mr. Rich Schollmann. The March 28, 2012 minutes were approved as amended by **unanimous consent**.

## **Reports**

### **Board of Veterans Services**

Board of Veterans Services (BVS) Chairman Thad Jones delivered the BVS report (*Attachment 2*) and noted that the BVS is on target regarding its Executive Order 29 (EO29) proposals. He noted that the BVS met on May 16 and that the July 18 BVS meeting will include time to review the EO29 proposals adopted at the July 11 JLC meeting.

Chair Holbert thanked Mr. Jones for his report and stated that the JLC is looking forward to any initiatives the BVS may have for legislation at the next JLC meeting.

### **Veterans Services Foundation**

Mr. Rich Schollmann delivered the Veterans Services Foundations (VSF) Board of Trustees report (*Attachment 3*). The VSF met on May 2, 2012. He stated that as of May 21 VSF raised over \$200,000 in FY12, of which approximately \$175,000 is for the Virginia Wounded Warrior Program (VWWP). Another \$10,000 is expected. The total fundraising has more than double the level from last year. About 25% of the board members terms, including the terms of two of the founding members of the VSF, will be ending June 30. Mr. Leo Wadrup is one of the board members that is leaving and made a few noteworthy remarks that are attached to the report. VSF next meeting is August 1.

Chair Holbert thanked Mr. Schollmann for his report.

### **Department of Veterans Services**

Commissioner Paul Galanti delivered the DVS report (*Attachment 4*). He stated that we are rolling into the Memorial Day weekend and several upcoming meetings and events are scheduled, which are listed at the end of the DVS report. He asked that if any of the Council members can attend any of these events to please do so.

The Commissioner covered the following topics:

- Legislation that passed this year in the General Assembly reduced the ratio of claims agents to veterans from 1:26,212 to 1:23,000, which leaves DVS 4 agents short. The DVS FY13 budget includes funding for these four positions, which will take DVS to 36 claims agents.
- The State Approving Agency is now certifying schools for the GI Bill that seems to be doing okay.

- Design work continues on the 40-bed addition to the Sitter & Barfoot Veterans Care Center.
- DVS is evaluating potential sites for the future Hampton Roads Veterans Care Center, including sites on Fort Monroe.
- Commissioner Galanti stated that he recently attended a funeral at the Amelia cemetery and was very impressed with the ceremony.
- The Virginia Wounded Warrior Program is a model for the rest of the country.
- Commissioner Galanti stated that he attended a ceremony on Monday, May 21 at a local High School with VWWP Executive Director Cathy Wilson and the students were very impressed with her. They raised about \$1,000 to donate to the VWWP.
- The DVS HQ now has Deputy Commissioner Bill Janis who has been given several projects to work on by the Governor.

Deputy Commissioner Janis commented on veterans employment issues. He stated that the unemployment base rate for veteran's is at 12% while the rest of the population is at 6%. The unemployment rate for veteran's under 24 years of age is at 38% which is driving the 12%. He explained that these veterans were recruited and hired into the military. He stated that a conference will be held at Capital One at their Goochland campus on June 12. About 140 different employer's HR department and decision makers will be invited to be trained on how to find, recruit, hire and retain veterans. He is also working on a demonstration project and will select between five and seven companies that have less than 300 employees. A management group will be brought in to sit down with their hiring decision makers and give them advice on how to find, recruit, hire and retain veterans. He is also working on a gold star badge for companies that have been trained on how to retain and hire veterans that will come from the Secretary of Commerce. This badge will say to veterans that this company is a military friendly company.

Commissioner Galanti reminded the council that there are several events scheduled for Memorial Day and encouraged the council to please attend any of these events. The Virginia War Memorial is having a Memorial Day Ceremony on Monday, May 28 at 10:00 a.m. The Wall of Honor Ceremony, previously held as a separate event at the State Capitol, will be integrated into the Memorial Day Ceremony at the Virginia War Memorial. Plaques from the Wall of Honor will be on temporary display at the Memorial. Governor Bob McDonnell will give the Keynote Address.

Chair Holbert thanked Commissioner Galanti and Deputy Commissioner Janis for their reports. She stated that there is a lot of energy in DVS and it is growing.

## **Unfinished Business**

### **Update on the 2012 General Assembly Session**

Mr. Brett Reistad reviewed the 2012 Session of the General Assembly Veterans and Military Legislation and Budget (*Attachment 5*). He stated that JLC has had very good success in regards to their initiatives in this year's General Assembly and reviewed action taken on JLC 2011-2012 initiatives:

## **Legislation and Budget Analysis - JLC**

### JLC Recommendation 1 - Veterans Identification on Drivers License

- Legislation is not required - DMV will implement without legislation

Ms. Anne Atkins explained that when the veteran goes to DMV to apply for a Virginia Veterans ID Card that they will accept the DD214 and a \$10 fee. DMV will then give the veteran a receipt that he may use as a Veterans ID card until he receives his card in about a week. The fee is a onetime cost and the ID card may be applied for through the DMV website.

On May 30<sup>th</sup> at the McGuire VA Medical Center the Governor will hold a news conference to announce the rollout of the Virginia Veterans ID Card at 1:00 p.m. DMV will have a mobile unit at McGuire for veterans who would like apply for their card.

### JLC Recommendation 2 - Unclaimed Cremains

- HB439 and SB433 passed General Assembly unanimously and were signed by the Governor

Mr. Combs stated that a ceremony was held recently at Quantico that was hosted by the Missing in America Project (MIAP). He noted that last year a MIAP member approached the Marine Corps League (MCL) to seek JLC assistance with the unclaimed cremains issue. The MCL brought the issue to the JLC who brought it to Governor McDonnell through DVS. Mr. Combs stated that the MIAP is a private non-profit group that is working towards the same purpose that Virginia will now be working towards which is to identify unclaimed veterans cremains. Any cremains identified by DVS will be recorded in the national MIAP database. Mr. Reistad stated that 18 cremains were to be interned at the Quantico ceremony but that seven of those were claimed by family members.

### JLC Recommendation 3 - Sales Tax Exemption for 501(c) (19) VSOs

- SB114 (McDougle) passed Senate
- House continued until 2013

### JLC Recommendation 4 - Homeless Veterans

- Governor proposed \$197,000 and two positions. House and Senate have approved in their respective versions of HB1301

Mr. Abe Zino asked about the two positions that will be created and if they will be out of DVS HQ. Commissioner Galanti confirmed that they will be out of DVS HQ.

Mr. Rinaldo asked about HB 195. Mr. Combs stated that this is listed for reference purposes only.

## **Review of potential JLC 2012-2013 Initiatives**

Chair Holbert discussed the JLC 2012 – 2013 initiatives, noting that he initiatives proposed to date are included in the agenda packets. She said that no action will be taken today accept to

review and discuss the proposals. She reminded the Council to share the proposals with others in their VSO and to get feedback. See (Attachment 6).

Mr. Zino of the Fleet Reserve Association presented one proposal:

1. Military Retirement Tax Plan – Mr. Zino reviewed this proposal with the Council and how he did a lot of research with different states and feels that this would be a good imitative for Virginia to pursue. The Council discussed this initiative. Mr. Combs stated that he can provide Mr. Zino with further data to help with his research.

Mr. Wes Edwards asked Mr. Stu Williams to present the MOAA proposals, which he did:

1. Northern Virginia Veterans Care Center – Mr. Williams stated that the Northern Virginia Training Center is about to be closed. This property would be perfect for the Northern Virginia Veterans Care Center. Chair Holbert stated that we would need to figure out if we need to use a administrative or legislative process.
2. JROTC to Fulfill Physical Education Requirement – Mr. Williams explained that this proposal would require school boards to accept JROTC participation in their program as a trade for also having to take P.E. classes. This legislation was already introduced and continued to the next General Assembly session. Mr. Townsley suggested that we look at this issue from a nationwide perspective.
3. Electronic return of absentee ballot voted by overseas voters – Mr. Williams explained that voter deployed overseas can register electronically and receive an absentee ballot electronically, but has to come back via U.S. mail. This imitative would close the loop. Many absentee ballots don't get returned because of the slowness of the U.S. Mail from overseas. Chair Holbert asked if Mr. Combs or Mr. Hilgers could find out what coordination has been done already with the Board of Elections. Mr. Combs stated that DVS would bring this to the Board of Elections attention.
4. Business Incentives for Hiring Veterans – Mr. Williams explained that this would tie into the work Deputy Commissioner Janis is doing regarding getting employers to hire veterans. This would allow a tax credit for new jobs that are filled by veterans. Mr. Combs read the summary for HB1041.

Mr. Williams then reviewed several “Watch Items” that MOAA thinks is worthy to watch

1. Compact with Virginia's veterans
2. Role of the JLC under EO 29
3. Homeless Veteran Programs
4. Veteran's health care

Mr. Dan Boyer of the VFW presented two proposals:

1. Sales and Used Tax Exemption for Veterans Service Organizations – Mr. Boyer stated that the VFW was able to inform General Assembly members of this issue and that it was passed in the Senate. Mr. Boyer spoke with the Department of Taxation to prepare an impact statement. Mr. Boyer believes with the support he has received that it should be presented again to the General Assembly.
2. In-State Tuition Eligibility for Veterans – Last year the General Assembly enacted legislation to waive the one-year residency requirement for veterans, but that several matters need to be clarified so that students realize the benefits of the new law. This proposal supports a bill (SB605) introduced by Senator McWaters. He noted that a copy of SB605 was attached to the VFW proposal.

Chair Holbert stated that she was aware that four other VSOs are exploring issues that could become position papers. She stated that there are: Military Order of the Purple Heart (MOPH) related to disabled veterans license plates; NAUS related to initiatives to identify Virginia veterans; American Legion related to the Virginia Military Survivors and Dependents Education Program; and the Air Force Association related to DVS claims agents. Chair Holbert encouraged the VSOs to do further research on these issues and prepare point papers if the VSO decides to formally bring the issue to the JLC.

Mr. Jones stated that, having heard the proposed JLC initiatives and having reviewed with the Council the initiatives the BVS is researching, he believes the BVS initiatives will nicely compliment the JLC initiatives. Chair Holbert thanked Mr. Jones and stated that this has been very powerful in the past and will be so in the future.

## **New Business**

### **Appoint nominating committee**

Chair Holbert reviewed the nominating committee with the council and stated that Mr. Boyer will chair the committee and Mr. Townsley and Mr. Matthew Dailey will assist.

Mr. Combs stated that he spoke yesterday with Director of Appointments in the office of the Secretary of the Commonwealth regarding the appointment and re-appointment process for JLC members. The letters should be going out soon to all state commanders, presidents or appointing officials for each VSO. He anticipates that it will take some time for the information to go out to the VSOs and flow back to the Governor's office. The Director of Appointments advised Mr. Combs that the current JLC members should be prepared to represent their VSO at the July 11 meeting.

### **Other new business/open discussion**

Chair Holbert asked if there is any other new business.

Mr. Kaiserman noted that the state veterans cemeteries are now accepting the donation of memorials and suggested that VSOs consider donating a memorial in order to leave a lasting

legacy for the VSO. He noted that the Virginia Veterans Cemetery (Amelia) will pave the woods walkway that goes through the cemetery in order to provide easier access to the disabled. The walkway will have branches off of it that will end with memorials and benches.

Mr. Combs asked that VSOs contact Director of Cemeteries Dan Kemano for direction before the purchase of any memorial.

Ms. Anne Atkins reviewed the process of designing and selecting a JLC logo. Ms. Atkins explained that the logo committee consists of Chair Holbert, Mr. George Corbett, Mr. Bruce Steely and Mr. Nolan Jackson. They hired a design firm that produced four designs and none of them were acceptable. She stated that they are now working with a company on the internet that hosts a design contest. The committee put forward the information on what the design should do and what will happen is that designers from all over the world will submit designs competing against each other for the logo. The committee will then decide on what designs would be suitable and then present the council with several designs to choose from to finalize as the JLC logo. They hope to accomplish this by July. Chair Holbert stated that the committee will give the Council the opportunity to give their opinions on several logos via email.

#### **Virginia War Memorial Education Foundation**

Virginia War Memorial Education Foundation (VWMEF) Executive Director Harry Warner addressed the Council and thanked the members for their support. He distributed handouts, which includes the Memorial's most recent program card. On Monday, May 29 is the Memorial Day ceremony at the VWM that starts at 10:00 a.m. He predicts this will be the largest turnout of people to the VWM ever. The Wall of Honor ceremony that Governor McDonnell used to hold will now be combined with the Memorial Day ceremony that is held in conjunction with the 11<sup>th</sup> District of the American Legion. The Secretary of Public Safety, Secretary of Veterans Services and Homeland Security, Deputy Secretary Jim Hopper, Mr. Jon Hatfield, Ms. Candi Shelton and Mr. Warner are all working on putting this event together. Mr. Warner encourages everyone to please attend. The Wall of Honor that has been located at the Pocahontas Building will be relocated to the VWM temporarily in the Freedom Hall for about a month. The Wall of Honor will then be moved to the Governor's lobby until a permanent facility is established at the VWM.

Mr. Warner then stated that the VWM just went through a Strategic Planning process. He stated that all programs that are produced at the VWM are paid for through the Educational Foundation and is not state supported. The Educational Foundation is the revenue producer for the VWM that includes donations and were a major factor in the construction of the Education Center. The Educational Foundation paid for all of the programs through donations, manages the gift store and also manages the rental revenue for organizations that are interested in holding their meetings at the VWM. As of July 1, 2012 the VWM will be aligned under DVS. Mr. Warner stated that he hoped that the council has seen part of the impact of the strategic plan. Director of Marketing Jeb Hockman joined the VWM in August of 2010 a lot of his efforts should be seen in the news media. The VWM was the venue for the Times-Dispatch Public Square last week which brought several 100 people to the VWM to discuss veteran issues. As the VWM continues to build awareness and implement the strategic plan they have worked through some issues. One issue coming back to the rental of the facility. The VWM is charged with raising the revenue to

put on their programs of honoring veterans and teaching students about serving and sacrifice. The VWM has not been consistent with what they have done when it comes to charging rental to VSOs. One VSO had not paid anything for using the facility and other VSOs have been charged.

Mr. Warner is working on a new donation program along with benefits at certain donor levels. As the VWM is trying to produce revenue for their programs they have made changes to their policies to make the VWM available for no charge to the VSOs of the JLC. He then distributed a memo to the council which explains the process. The VWM will allow one quarterly meeting for each VSO during regular work hours and any other event would be charged a rental fee. This fee is 50% off of the stated fee. He will need a contract with the renter to provide protection for any liability and does not need a Certificate of Insurance.

### **Public Comment**

Chair Holbert asked if there were any public comments.

Mr. Tom Anderson addressed the Council about the SBVCC admission criteria. He stated that he is under the impression that the SBVCC is not accepting 100% disabled veterans. He then gave an example of an issue he had with a veteran who applied to the SBVCC. Chair Holbert asked if he is saying that the SBVCC is not accepting 100% disabled veterans. Mr. Anderson stated that that is correct. Chair Holbert asked the Council if anyone present has the knowledge to address Mr. Anderson's statement. Mr. Fairchild briefly commented on this issue. Mr. Roger Sullivan further explained the situation to the Council.

Deputy Commissioner Janis stated that the Council should not discuss issues related to specific residents because of privacy rules. He then said that it is not within SBVCC or DVS's policy to discuss this with anyone other than the person's lawful representative or family member. Deputy Commissioner Janis explained that SBVCC is at 100% capacity but does not have a "waiting list." He also explained that when someone applies to SBVCC they get evaluated for their eligibility. He also explained that there is no policy at SBVCC that says you cannot be admitted on your percentage of disability.

### **Adjournment**

There being no further business, Chair Holbert adjourned the meeting at 12:13 p.m.

# **ATTACHMENT 1**

**Joint Leadership Council of Veterans Service Organizations  
American Legion Building  
1708 Commonwealth Avenue, Richmond  
May 23, 2012  
10:00 a.m. – 12:00 p.m.**

## **AGENDA**

- I. Opening and Pledge of Allegiance – *Jenny Holbert, JLC Chair* (10:00 – 10:05)
- II. Roll call of VSOs, quorum determination, approval of agenda and introduction of guests – *Jenny Holbert, JLC Chair* (10:05 – 10:10)
- III. Approve March 28, 2012 meeting minutes – *Jenny Holbert, JLC Chair* (10:10 – 10:15)
- IV. Reports (10:15 – 10:35)
  - a. Board of Veterans Services – *Thad Jones, BVS Chairman* (5 minutes)
  - b. Veterans Services Foundation – *David Holt, VSF Chairman* (5 minutes)
  - c. Department of Veterans Services – *Paul Galanti, Commissioner* (10 minutes)
- V. Unfinished business (10:35 – 11:35)
  - a. Update on the 2012 General Assembly session – *Brett Reistad, Legislative Committee Chairman* (10 minutes)
  - b. Review of potential JLC 2012-2013 Initiatives – *Jenny Holbert, JLC Chair* (50 minutes)
- VI. New business (11:35 – 11:50)
  - a. Appoint nominating committee – *Jenny Holbert, JLC Chair* (5 minutes)
  - b. Other new business/open discussion – *Jenny Holbert, JLC Chair* (10 minutes)
- VII. Public comment period (11:50 – 11:55)
- VIII. Closing remarks – *Jenny Holbert, JLC Chair* (11:55 – 12:00)
- IX. Adjourn (12:00)

Lunch to follow

## **ATTACHMENT 2**

**COMMONWEALTH OF VIRGINIA  
BOARD OF VETERANS SERVICES  
REPORT TO THE  
JOINT LEADERSHIP COUNCIL OF VETERANS SERVICE ORGANIZATIONS  
May 23, 2012**

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The Board of Veterans Services (BVS) met on May 16 and:

1. Reviewed BVS and JLC 2011-2012 Initiatives and the 2012 General Assembly session;
2. Received a presentation on new initiatives related to employment;
3. Received the reports of the JLC, the Veterans Services Foundation (VSF), and the Department of Veterans Services (DVS);
4. Discussed potential initiatives for 2012-2013.

As was done last year, the Board will make Executive Order 29 (EO29) recommendations to Governor McDonnell for his consideration for the 2013 General Assembly. The recommendations will be adopted at the July 18 meeting. Issues under review by the Board include:

1. DVS Benefit Service section staffing: salary structure and pay-bands;
2. Virginia Military Survivors and Dependents Education Program (VMSDEP): program administration and IT infrastructure support;
3. Veterans cemeteries: funding for maintenance reserve and equipment replacement, and review of operating procedures;
4. Hampton Roads Veterans Care Center: site selection and evaluation;
5. Legal support: appropriate level of legal support for DVS and opportunities for legal support to veterans;
6. Virginia Wounded Warrior Program: General Fund support;
7. Education services: staffing and funding levels;
8. DVS communications and outreach: opportunities and resources;
9. New initiatives related to employment, education, and homelessness: goals and resource requirements

A portion of the July 18 Board meeting will be set aside for discussion of the 2012-2013 recommendations that will be adopted by the JLC on July 11, so that we may lend our full support.

Respectfully submitted,

Thad A. Jones  
Chairman

## **ATTACHMENT 3**

### **VETERANS SERVICES FOUNDATION REPORT TO Joint Leadership Council of Veterans Service Organizations May 23, 2012**

The Veterans Services Foundation (VSF) Board of Trustees met on May 2, 2012. A quorum was present. The following actions were taken.

- (1) Received Board of Veterans Services Chairman's, Joint Leadership Council of Veterans Service Organizations (JLC) Chairman's, the Department of Veterans Services (DVS) Commissioner's, and VSF Committee Reports and a Virginia Wounded Warrior Program (VWWP) Update;
- (2) Reviewed Foundation fundraising and fundraising events conducted to date during FY12;
- (3) Approved VSF FY12 Third Quarter Financial Report;
- (4) Approved VSF-DVS FY12 Budget extension until August 2012;
- (5) Elected FY13 Board officers; and
- (6) Confirmed that the next Board meeting will be held on August 1, 2012 at the Virginia War Memorial.

The Development and Finance Committees met before the Board meeting on May 2, 2012. Each Committee had a quorum. The minutes of the Development and Finance Committee meetings are posted on the Commonwealth Calendar as are the minutes of the VSF Meeting.

Dr. Leroy Gross gave an interesting presentation on the Lewis B. Puller, Jr. Veterans Benefits Clinic which is part of the College of William & Mary School of Law and has participation by Virginia Commonwealth University. The Clinic is organized to meet the needs of veterans and provide law students with practical skills.

As of 21 May, the Foundation has raised over \$200,000, of which over \$175,000 is for VWWP, during FY12. Additionally, one golf tournament was conducted whose funds have not as yet been received and four other events before the end of the FY. It is estimated that they should bring in at least another \$10,000 for VWWP. Total fundraising is substantially more than double the level of last year at this time with several significant fundraising events yet to be conducted this month and in June.

The Board of Trustees reelected the following officers for FY13:

- Chair, David Holt
- 1<sup>st</sup> Vice Chair, Juanita Farrow
- 2<sup>nd</sup> Vice Chair, Richard Schollmann

In keeping with the VSF Board Bylaws, their terms will be effective July 1, 2012.

Additionally, five Board members were recognized for their valuable service as they will not be returning in FY13. They are: two founding nine-year members; Dr./Colonel. Leroy Gross (USAF) and Major General Fredric Leigh (USA); Ms./Major Supriya Christopher (USA), who has served for seven years; Mr. David Richardson, who was Board Chairman from 2009-2011; and Captain Leo Wardrup (USN), who was Vice Chairman of the Board Finance Committee. Mr. Wardrup was a former state delegate and his noteworthy remarks, that are attached, are both insightful and instructive.

The next Board meeting is scheduled for August 1, 2012, as mentioned above. Items for the next meeting may include: (1) approval of the 4th Quarter FY12 Fund Statement; (2) approval of the FY13 VSF-DVS

Budget; (3) review VSF FY12 and FY13 fundraising programs; (4) refinement of VSF proposed logo; (5) review of FY13 Goals and Objectives; and (6) a presentation by VWWP.

Respectfully submitted,

David Holt  
VSF Chairman

## **Comments by former Delegate Leo Wardrup to the VSF Board on May 2, 2012**

### **Introduction**

Chair Holt stated that Captain Leo Wardrup (USN, Ret) joined the Foundation Board in 2008. He has served as Vice Chair of the Finance Committee since then and has provided valuable service in revising the VSF Quarterly Finance Reports so that they were universally understandable and served as the conscience of the Board on all financial matters. He also has provided invaluable insight to the Board members and its leadership, in particular.

### **Comments**

Mr. Wardrup stated that he knows veterans boards from different aspects, but particularly that of the General Assembly. During his 17 years in the General Assembly, legislators spent a great deal of time on veterans issues and the internecine conflicts between various veterans groups, an on-going example concerns which names are to be placed on the War Memorial wall.

Mr. Wardrup said that resolving issues before they reach the General Assembly is essential. An unresolved problem that reaches the floor of the General Assembly will be resolved by the legislators, but it can be guaranteed that no one will like the resolution. The point is that veteran's service organizations must work to resolve issues before they get into the legislative process. This is what the organizations created by Governor Warner to facilitate resolution of veterans issues have been doing so well since 2007, with a few exceptions. Mr. Wardrup said, "The alternative will result in organizations taking their problems to the circus for a clown solution, which is what they will get."

Mr. Wardrup concluded by saying that now the legislators owe a great deal of gratitude to the members of veteran's boards, who have put together effective organizations that resolve divisive issues before they come to the General Assembly. The DVS, VSF, BVS, and JLC teams are doing a great job at this and will have every success in the future, if the coordination and cooperation continues.

## ATTACHMENT 4

**DEPARTMENT OF VETERANS SERVICES  
REPORT TO  
JOINT LEADERSHIP COUNCIL OF VETERANS SERVICE ORGANIZATIONS  
May 23, 2012**

### **Summary of DVS operations: March – May 2012**

- ***Benefit Services: assists Virginia's veterans and their dependents in obtaining benefits to which they are entitled under federal, state, and local laws***
  - Legislation passed by the 2012 General Assembly, which takes effect July 1, will reduce the ratio of claims agents to veterans from 1:26,212 to 1:23,000.
  - This will necessitate hiring four additional claims agents – taking DVS from 32 to 36 claims agents.
  - Governor McDonnell's budget includes funding to fill these positions. Two claims agents will be dedicated to a Medicaid-related project (see below).
  
- ***Veterans Education and Training: approves educational programs so veterans and their dependents may receive their educational benefits***
  - At the request of a veteran and the Eastern Virginia Medical School (EVMS), DVS worked with the State Council of Higher Education for Virginia (SCHEV) and the U.S. Department of Veterans Affairs (USDVA) to classify EVMS as a public institution for GI Bill purposes. This is significant because the USDVA will cover the entire tuition and fees at a public school, whereas at private schools the tuition covered by the GI Bill is capped at \$17,500. The savings for a veteran attending EVMS could amount to as much as \$29,000 per student per year.
  
- ***Virginia Veterans Care Centers: provide long-term care and short-term rehabilitation to Virginia's veterans***
  - Design work is proceeding on the 40-bed addition to the Sitter & Barfoot Veterans Care Center.
    - The U.S. Department of Veterans Affairs (USDVA) has approved the preliminary design submission. This is a significant milestone. The next step is development and submission of detailed design plans.
    - DVS hopes to complete design work by July and begin construction in early fall.
  - Several renovation projects are ongoing at Virginia Veterans Care Center, including parking lot expansion and road work.
  
- ***Virginia Veterans Cemeteries: Virginia's veterans cemeteries are shrines commemorating the personal sacrifice of those who served and those who stand ready to defend our freedom***
  - The Albert G. Horton, Jr. Memorial Veterans Cemetery (Suffolk) performed 88 burials in April, a monthly record for the cemetery.

- DVS was notified that federal grant funding will be available in FFY12 to install pre-placed outer burial containers at the Virginia Veterans Cemetery (Amelia) and the Albert G. Horton, Jr. Memorial Veterans Cemetery (Suffolk). Design work is already underway. DVS will be able to provide the outer burial containers at no charge to most veterans and their families – a significant benefit that brings state veterans cemeteries in line with the benefits offered at national cemeteries.
- ***Virginia Wounded Warrior Program: provides behavioral health, rehabilitation services, and support to veterans, National Guard members, reservists, and their family members***
  - Criminal Justice Partners Training:
    - The Virginia Wounded Warrior Program, as part of a grant, is sponsoring free two-hour training sessions for criminal justice system professionals (Probation and Parole, Community Corrections/Pre-trial Services, Magistrates, Commonwealth and Defense Attorneys) in each of its five regions. Training will provide an overview of combat stress and the increasing numbers of veterans and service members who are involved in the criminal justice system.
    - Continuing legal education credits have been approved by the Virginia Bar Association and educational credits approved by the Virginia Department of Corrections. Approval is pending by the Department of Criminal Justice Services for law enforcement participants.
  - VWWP, in collaboration with the Partnership for People with Disabilities, hosted a webinar entitled, “*Military Children During Wartime: Risk, Resilience, and Community Response.*” The webinar had approximately 225 individuals registered.
  - VWWP, in collaboration with the Virginia Department of Health and Kognito Interactive, has launched *Family of Heroes*. In this interactive training simulation, families of the 280,000 veterans in northwest Virginia can learn critical skills to manage the challenges of adjusting to post-deployment life, including how to identify post-traumatic stress disorder (PTSD) and suicidal intent.
- ***DVS HQ: Commissioner, Deputy Commissioner, agency-wide projects, and special initiatives***
  - DVS is working with the Department of Medical Assistance Services (DMAS) and Department of Social Services (DSS) regarding the initiative to improve access to USDVA compensation/pension and medical benefits for Virginia veterans by identifying veterans receiving Medicaid benefits and helping those who wish to do so apply for USDVA benefits and/or health care. Funding for two positions was proposed by Governor McDonnell and is expected to be approved by the General Assembly.
  - DVS is tackling employment issues on several fronts, including the pilot project to work with employers on new ways to approach the recruitment and hiring of veterans.

- Legislation passed by the 2012 General Assembly makes several positive changes to the laws governing the Real Estate Tax Exemption for 100% service-connected disabled veterans. DVS is working closely with representatives of Virginia's Commissioners of the Revenue regarding implementation of the new laws.
- A ceremony announcing the new Commonwealth of Virginia Armed Forces Veterans ID card will be held May 30, 2012 at 1:00 p.m. at the Hunter Holmes McGuire VA Medical Center at 1201 Broad Rock Boulevard, Richmond. The ID card will allow veterans to quickly prove their veteran status, enabling them to take advantage of discounts and other veteran-specific promotions offered by nearly 7,000 retailers in Virginia. DMV will begin taking applications for the new ID card on May 30.

## Upcoming meetings and events

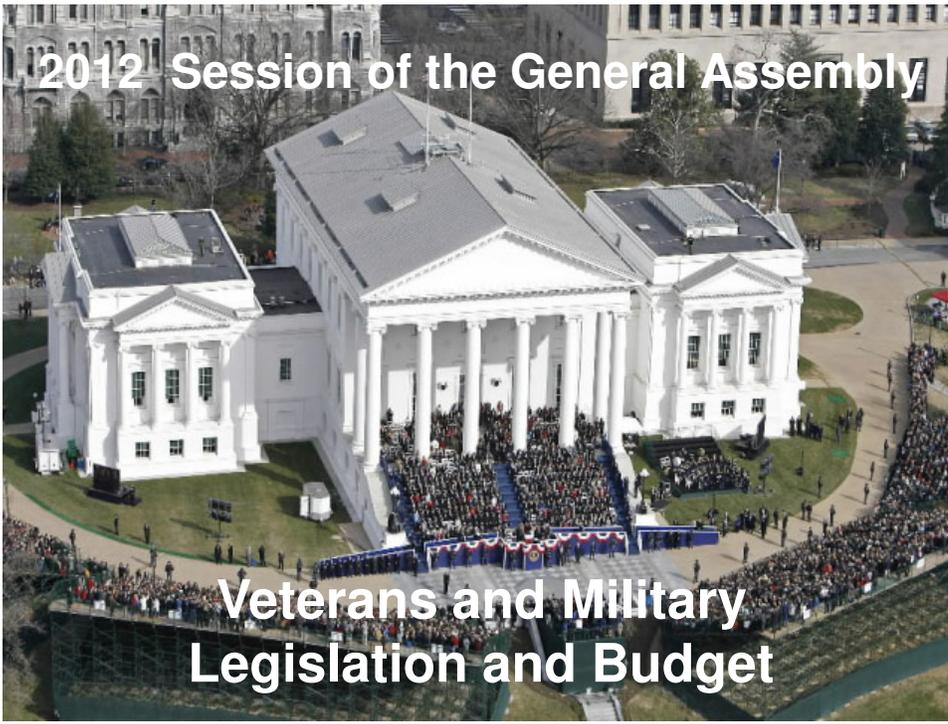
- **Memorial Day ceremonies:** May 28, 10 a.m.:
  - Virginia Veterans Cemetery, 10300 Pridesville Road, Amelia;
  - Southwest Virginia Veterans Cemetery, 5550 Bagging Plant Road, Dublin;
  - Albert G. Horton, Jr. Memorial Veterans Cemetery, 5310 Milners Road, Suffolk;
  - Virginia War Memorial, 621 S. Belvidere, Richmond
- **Virginia Veterans ID Card Rollout Ceremony:** May 30, 1 p.m., McGuire VA Medical Center, 1201 Broad Rock Blvd, Richmond
- **32<sup>nd</sup> National Veterans Wheelchair Games Kickoff Event:** June 25, 11 a.m., State Capitol South Portico, Richmond
- **Joint Leadership Council of Veterans Service Organizations meeting:** July 11, 10 a.m., American Legion Building, 1708 Commonwealth Avenue, Richmond
- **Board of Veterans Services meeting:** July 18, 10 a.m., Virginia War Memorial, 621 S. Belvidere, Richmond
- **Veterans Services Foundation meeting:** August 1, 10 a.m., Virginia War Memorial, 621 S. Belvidere, Richmond

I cannot thank the Joint Leadership Council members enough for their continued support of Virginia veterans and the Department of Veterans Services.

Respectfully submitted,

Paul E. Galanti  
Commissioner

## ATTACHMENT 5



### LEGISLATION and BUDGET SUMMARY

<b>BILLS</b>	<b><u>Introduced</u></b>	<b><u>Passed</u></b>
House	47	27
Senate	23 (70)	13 (40)
<b>RESOLUTIONS</b>		
House	07	04
Senate	02 (09)	01 (5)
<b>BUDGET AMENDMENTS</b>		
Governor's Budget	03	03
House	09	03
Senate	03 (15)	00 (6)
<b>TOTAL</b>	<b>94**</b>	<b>61</b>

\*\* 20 were duplicates or similar bills

## Legislation and Budget Analysis - BVS

### **BVS Recommendation 1 - Delivery of Benefit Services – 4 more claims agents**

- Governor's budget included \$255,000
  - Two new positions and funds to fill two authorized (unfunded) positions
- Approved by House and Senate
- HB1121 (Cox, M.K.) and SB254 (Reeves) change the ratio of claims agents to veterans to 1 to 23,000. Passed General Assembly unanimously and signed by Governor.

### **BVS Recommendation 2 - Education Section Staffing**

- Included in Governor's budget. Approved by House and Senate.

### **BVS Recommendation 3 - Care Center Staffing**

- Included in Governor's budget. Approved by House and Senate.

### **BVS Recommendation 4 - Hampton Care Center Study**

- Action taken by Governor and House, but not included in final budget.

### **BVS Recommendation 5 - Voting Status of *ex officio* BVS members**

- HB730 (Dudenhefer) and SB297 (Puller) passed General Assembly unanimously and signed by Governor.

### **BVS Recommendation 6 - Additional Citizen Board Members**

- Not supported by Governor. No action taken by General Assembly.
- 

## Legislation and Budget Analysis - JLC

### **JLC Recommendation 1 - Veterans Identification on Drivers License**

- Legislation is not required - DMV will implement without legislation

### **JLC Recommendation 2 - Unclaimed Cremains**

- HB439 (Tata/Anderson/Stolle) and SB433 (Reeves/Puller) passed General Assembly unanimously and were signed by the Governor

### **JLC Recommendation 3 - Sales Tax Exemption for 501(c) (19) VSOs**

- SB114 (McDougle) passed Senate
- House continued until 2013

### **JLC Recommendation 4 - Homeless Veterans**

- Governor proposed \$197,000 and two positions. Approved by House and Senate.
-

## Legislation and Budget Analysis

- ❖ 14 of 94 Bills, Resolutions and Budget Amendments introduced supported BVS and JLC EO29 recommendations (13%)
  - ❖ Strong support from Governor and his Administration
  - ❖ Strong Bipartisan support in both Houses
    - Every Bill that made it to the floor of the respective house passed
    - Often by wide margins
- 

## Legislation and Budget Analysis

- ❖ New BVS and JLC EO29 process worked extremely well
    - Achieved Governor's support early on
      - 10 BVS and JLC initiatives
        - One initiative addressed through administrative procedures
        - Six budget initiatives (five passed)
        - Three legislative initiatives (two passed)
  - ❖ Sub-Committees are the key
    - Identify early and work on getting their support
    - Impact statement critical
    - Able to identify all legislation the first day of the session
  - ❖ Time to start now to identify next year's objectives
-

## Selected Legislation

HB190 (O'Bannon): requires the Commissioner of the Department of Veterans Services to promulgate rules and regulations for the administration and implementation of the real property tax exemption for disabled veterans. Such rules and regulations shall include written guidance for veterans and commissioners of the revenue concerning eligibility for the exemption. The bill also authorizes the Commissioner of the Department of Veterans Services to hear and decide appeals concerning denials of eligibility for the exemption.

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## Selected Legislation

HB195 (Lewis): requires the governing boards of each public institution of higher education, in accordance with guidelines developed by the State Council of Higher Education for Virginia, to implement policies that award academic credit to students for educational experience gained from military service.

HB253 (Stolle): adds the surviving spouse or child of a veteran killed in the line of duty to the preference in state employment for veterans. The bill defines child to mean a person under the age of 27 years.

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## Selected Legislation

HB922 (Lingamfelter) and SB540 (Puller/ Marsden): Provides that the tax exemption for the primary residence of a disabled veteran, a disabled veteran and his spouse, or a surviving spouse of a disabled veteran includes real property (i) held in a revocable inter vivos trust over which the veteran, the veteran and his spouse, or the surviving spouse hold the power of revocation; (ii) held in an irrevocable trust under which a veteran alone or in conjunction with his spouse possesses a life estate or an estate for joint lives, or enjoys a continuing right of use or support; or (iii) held by a veteran alone or in conjunction with his spouse as tenant or tenants for life or joint lives. The bill also provides that the exemption for the surviving spouse of a disabled veteran includes property held in any of these ways. Finally, the bill establishes a formula for prorating the amount of the exemption in the event there are owners in addition to the disabled veteran.

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## Selected Legislation

HB938 (Lingamfelter): Requires the regulatory boards within the Department of Professional and Occupational Regulation, the Department of Health Professions, or any board named in Title 54.1 except the Board of Medicine and the Board of Dentistry, to accept the military training, education, or experience of a service member returning from active military service in the armed forces of the United States, to the extent that such training, education, or experience is substantially equivalent to the requirements established by law and regulations of the respective board for the issuance of any license, permit, certificate, or other document, however styled or denominated, required for the practice of any business, profession, or calling in the Commonwealth.

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## **ATTACHMENT 6**

### **FRA POSITION PAPER FRA 2013-01 Military Retirement Tax Plan**

**ISSUE:** Military Retirement Pay

**OBJECTIVE:** The purpose of this position paper is to introduce a plan for the Commonwealth of Virginia to take the initiative over the next five years to reduce and eliminate the tax on Military Retirement Pay for Virginia Veterans.

**BACKGROUND:** An exemption for military retired pay has been proposed several times in recent years, including House Bill 981 from the 2010 General Assembly, which was left in committee. The Department of Taxation estimated that the bill would reduce state General Fund revenue by \$242 million the first year and \$160 to \$170 million a year after that. Of course, any reduced revenue would have to be made up for by:

- a) Reducing services or funding less expensive way to provide those services.
- b) Eliminating services, agencies, or by consolidating positions to be more efficient.
- c) Raising taxes or finding other sources of revenue such as the lottery or hot lanes on I -95.
- d) Increasing the number of Virginia State Residents and businesses.

For comparison, the General Fund portion of the DVS budget is approximately \$8.5 million a year and 100 positions. If the Department of Taxation calculations are correct, you'd have to eliminate 20 agencies the size of DVS to offset the reduced revenue. However, when the big picture was reviewed, there will be a positive cash flow for the Commonwealth of Virginia instead of a negative one. Based on the Department of Taxation initial finding, the Joint Leadership Council of Veterans Service Organizations (JLC) considered, and rejected, making this one of their legislative objectives a couple of years ago. The JLC has tried to focus on objectives that it considers to: "need to have, rather than nice to have," and this proposal was eliminated from consideration for that reason. Given the current real-time environment and because many other states are taking the lead on the issue, the FRA is recommending that the JLC revisit this legislative objective and join our **SIX** other neighboring states and the **40** other states in reducing or eliminating the state income tax which is currently being withheld or the Commonwealth could lose potential residents and businesses which will result in **a loss of millions of dollars income for the state.**

**DISCUSSION:** The one thing that may have been overlooked in the initial findings is that more Veterans would select Virginia as their home state instead of living in Maryland, Pennsylvania, Tennessee, North Carolina, Delaware and DC if the personal property tax was discontinued and Military Pay was tax exempt. With the DoD cuts on the raise for CY 2013, a proposed benefit such this, could help keep Military Retirees in Virginia and that would have a profound effect on the Commonwealth. For Enlisted Personnel (E-6) retiring in 2012, the total retirement pay before deduction is: \$21, 408, and the estimated tax for that amount @ 5.75% would be: \$1,131.00. If you consider that an average family buys a house for \$225,000, has two cars at: \$60,000 and pays a lot of taxes such: personnel property tax, property tax, business tax, sales tax and purchases

good and services, the Commonwealth of Virginia would be receiving a positive cash flow for the state instead of a negative one. With 46 out of 50 having these benefits for military personnel, it's time of the Commonwealth of Virginia to lead the pack and be the most Veteran friendly state in the country or we will lose valuable resources that men and women bring to the table after years of defending our great nation.

**RECOMMENDATION:** The FRA is proposing a five year plan to eliminate the tax on military retirement pay which will start in CY 2014. Starting with the tax year 2013, 20% of the military pay would be exempt and that would increase at 20% increments over the next four years. The goal is to have 100% tax free military retirement pay by CY 2018. Currently we are losing a lot of residents to DC, Maryland and North Carolina because of the state income and personal property taxes on vehicles. Now is the time for change. Let's make Virginia the best Veteran friendly state in the **nation.**

<b>State</b>	<b>Military Retirement Pension Exempt from State Taxation</b>	<b>Amount of Exemption or Exclusion</b>
Alabama	Yes	Full exemption (Alabama Department of Revenue at <a href="http://www.ador.state.al.us/">http://www.ador.state.al.us/</a> )
Alaska	No state income tax	NA
Arizona	Income exclusion	Up to \$2,500 exclusion (Ariz. Rev. Stat. § 43-1022) (additional information at <a href="http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.revenue.state.az.us/">http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.revenue.state.az.us/</a> )
Arkansas	Income exclusion *	Up to \$6,000 (Ark. Code Ann. § 26-51-307) <a href="http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.ark.org/dfa/">http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.ark.org/dfa/</a>
Colorado	Income exclusion *	Up to \$20,000 for those age 55 to 65; up to \$24,000 for those age 65 or older (Colo. Rev. Stat. § 39-22-104)
Connecticut	Income exclusion *	Connecticut exempts 50% of federally taxable military retirement pay from the state income tax. The exemption applies to federal retirement pay to members of the U.S. Army, Navy, Air Force, Marines, Coast Guard, and Army and Air National Guard (CGS § 12-701(20)(B)(xvii)). <a href="http://www.cga.ct.gov/2010/rpt/2010-R-0119.htm">http://www.cga.ct.gov/2010/rpt/2010-R-0119.htm</a>
Delaware	Income exclusion *	Up to \$2,000 of any pension income for people under age 60; up to \$12,500 for people age 60 or older. <a href="http://www.state.de.us/revenue/PIT_FAQ.shtml">http://www.state.de.us/revenue/PIT_FAQ.shtml</a>
District of Columbia	Income exclusion	The lesser of \$3,000 or the military retirement pay for people age 62 or older (D.C. Code Ann. § 47-1803.02)
Florida	No state income tax	NA
Georgia	Income exclusion *	Up to \$15,000 for those age 62 or older and are totally disabled (GA. Code Ann. § 48-7-27)
Hawaii	Yes	Full exemption (Hawaii Rev. Stat. § 235-7(a)(3))
Idaho	Income exclusion	Taxpayers age 65 and older or age 62 and disabled may exclude \$19,920 (single filers) or \$29,880 (joint filers) (Idaho State Tax Commission at <a href="http://www.tax.idaho.gov/Conformity_to_%20IRC_%202004.htm">http://www.tax.idaho.gov/Conformity_to_%20IRC_%202004.htm</a> )
Illinois	Yes	Full exemption (35 ILCS 5/203) additional information at <a href="http://www.iltax.com/LegalInformation/letter/rulings/it/2000/ig000073.pdf">http://www.iltax.com/LegalInformation/letter/rulings/it/2000/ig000073.pdf</a>
Indiana	Income exclusion	Up to \$2,000 for retirees age 60 or over (single filers) and up to \$4,000 for joint filers (additional information at <a href="http://www.in.gov/dor/individual/deductions.html#lottery">http://www.in.gov/dor/individual/deductions.html#lottery</a> )
Iowa	Income exclusion *	Exclusion of up to \$12,000 (joint returns), and up to \$6,000 (other returns) of military retired pay (Iowa Department of Revenue at <a href="http://www.state.ia.us/tax/educate/faqinc.html#13">http://www.state.ia.us/tax/educate/faqinc.html#13</a> )
Kansas	Yes	Full exemption (Kansas Department of Revenue at <a href="http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.ink.org/public/kdor/">http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.ink.org/public/kdor/</a> )
Kentucky	Yes/Income exclusion *	Full exemption for people who retire before January 1, 1998; for those who retire after this date, partial exemption
Louisiana	Yes	Full exemption (Louisiana Department of Revenue at <a href="http://www.rev.state.la.us/forms/publications/20162(6_04).pdf">http://www.rev.state.la.us/forms/publications/20162(6_04).pdf</a> )
Maine	Income	Up to \$6,000 exclusion; amount reduced by Social Security benefits and railroad retirement benefits (Me. Rev. Stat. Ann. Tit. 36 § 5122(2)(M)) (Additional information at <a href="http://mainegov-">http://mainegov-</a>

	exclusion *	<a href="http://images.informe.org/revenue/publications/alerts/oct00ta.pdf">images.informe.org/revenue/publications/alerts/oct00ta.pdf</a>
Maryland	Income exclusion *	Up to \$5,000; must be at least age 55 on last day of taxable year and an enlistee at time of retirement. Amount is reduced by 50% of the amount by which federal adjusted gross income exceeds \$17,500 (Md. Code Ann. Tit. 10 § 207) (additional information from Department of Revenue at <a href="http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.marylandtaxes.com/">http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.marylandtaxes.com/</a> )  <b>Maryland raised their subtraction modification on all military retirees and their spouses receiving SBP, a \$5000 reduction in 2006.</b>  <b>This was signed into law by Governor Erlich.</b>
Massachusetts	Yes	Full exemption (Mass. Gen. Laws Ann. Tit. 62 § 2(a)(2)(E) (additional information from Massachusetts Department of Revenue at <a href="http://www.dor.state.ma.us/">http://www.dor.state.ma.us/</a> )
Michigan	Yes	Full exemption (Mich. Stat. Ann. 206 § 30) (additional information from Department of Treasury at <a href="http://www.michigan.gov/treasury/0,1607,7-121-24321-6440--F,00.html">http://www.michigan.gov/treasury/0,1607,7-121-24321-6440--F,00.html</a> )
Minnesota	Income Exclusion *	\$14,500 (single filers) and \$18,000 (joint filers); taxpayer must be age 65 or older
Mississippi	Yes	Full exemption (Miss. Code Ann. § 27-7-15)(additional information from Mississippi State Tax Commission at <a href="http://www.mstc.state.ms.us/taxareas/individ/rules/ireg704.pdf">http://www.mstc.state.ms.us/taxareas/individ/rules/ireg704.pdf</a> )
Missouri	Income exclusion	A \$6,000 pension exclusion for single filers and \$12,000 for joint filers is allowed for people earning below certain income limits (Missouri Department of Revenue at <a href="http://dor.mo.gov/tax/personal/faq/indiv.htm#q11">http://dor.mo.gov/tax/personal/faq/indiv.htm#q11</a> )

<b>State</b>	<b>Military Retirement Pension Exempt from State Taxation</b>	<b>Amount of Exemption or Exclusion</b>
Montana	Income exclusion *	There is a \$3,600 exclusion, if adjusted gross income is less than \$30,000. (Montana Department of Revenue at <a href="http://discoveringmontana.com/revenue/forindividuals/individualincome/calculationiit.asp">http://discoveringmontana.com/revenue/forindividuals/individualincome/calculationiit.asp</a> )
Nevada	No state income tax	NA
New Hampshire	No state income tax	NA
New Jersey	Yes	Full exemption (N.J. Stat. Ann § 54A:6-26)
New Mexico	Income exclusion *	Taxpayers age 65 or older may exclude up to \$8,000 of income from any source (\$16,000 for joint filers), if they earn less than \$28,000 in any year)
New York	Yes	Full exemption (Tax Law § 612)
North Carolina	Yes/Income exclusion *	Full exemption for persons with five years of creditable service as of August 12, 1989; otherwise a deduction of up to \$4,000 (\$8,000 for joint filers) is allowed (N.C. Gen Stat. § 105-134.6 and North Carolina Department of Revenue at <a href="http://www.dor.state.nc.us/taxes/individual/benefits.html">http://www.dor.state.nc.us/taxes/individual/benefits.html</a> )
North Dakota	Income exclusion	An exclusion of up to \$5,000 is allowed for people at least age 50; the amount must be

		reduced by any Social Security benefits the person gets (North Dakota state tax commissioner at <a href="http://www.state.nd.us/taxdpt/misc/faq/indincome/#mp4">http://www.state.nd.us/taxdpt/misc/faq/indincome/#mp4</a> )
Ohio	No	\$200 retirement credit available (Ohio Department of Taxation at <a href="http://tax.ohio.gov/">http://tax.ohio.gov/</a> )
Oklahoma	Income exclusion	Up to \$5,500 (Okla. Stat. Ann. Tit. 68 § 2358)
Oregon	Yes	Pre 1991 retirees fully exempt; post October 1, 1991 retirees may exclude a portion of their income using a specified formula (additional information from the Department of Revenue at <a href="http://egov.oregon.gov/DOR/PERTAX/faq-military.shtml">http://egov.oregon.gov/DOR/PERTAX/faq-military.shtml</a> )
Pennsylvania	Yes	Full exemption (72 P.S. § 7301(d)(i) & (iii)).  72 P.S. § 7301(d)(iii); additional information at  (more information at Department of Revenue at <a href="http://www.revenue.state.pa.us/revenue/cwp/view.asp?a=238&amp;q=171013">http://www.revenue.state.pa.us/revenue/cwp/view.asp?a=238&amp;q=171013</a> )
South Carolina	Yes/  Income exclusion	Military retirement for service in the National Guard and Reserves for state or federal service is fully exempt; up to \$10,000 is exempt for service in any other military component for taxpayer over age 65 and \$3000 for tax payers under age 65  (South Carolina Department of Revenue at <a href="http://www.sctax.org/default.htm">http://www.sctax.org/default.htm</a> )
South Dakota	No state income tax	NA
Tennessee	No state income tax	NA (State income tax only for dividends and interest income) (Tennessee Department of Revenue at <a href="http://www.state.tn.us/revenue/misc/hallfaq.htm#hall6">http://www.state.tn.us/revenue/misc/hallfaq.htm#hall6</a> )
Texas	No state income tax	NA
Utah	Income exclusion	Up to \$7,500 for single filers and \$15,000 (joint filers) over age 65; \$4,800 for single filers and \$9,600 for joint filers under age 65, depending on age (Utah Code Ann. § 59-10-114))
Vermont	No	Follows federal tax rules
Virginia	Income Exclusion *	\$6,000 for taxpayer age 62 – 64; \$12,000 for tax payer age 65 or older
Washington	No state income tax	NA
West Virginia	Income exclusion	\$2,000 or more depending on years of service (W. VA. Code § 11-21-12)
Wisconsin	Yes	Full exemption (Wisconsin Department of Revenue, Publication 126 (11/04)). <a href="http://www.dor.state.wi.us/pubs/pb126.pdf">http://www.dor.state.wi.us/pubs/pb126.pdf</a>
Wyoming	No state income tax	NA

Source: State statutes, state tax department websites, and NCSL *State Personal Income Taxes on Pensions and Retirement Income: Tax Year 2003* <http://www.cga.ct.gov/2005/rpt/2005-R-0131.htm>



**VIRGINIA COUNCIL OF CHAPTERS**  
**Military Officers Association of America**  
**2013 Position Paper**  
**MOAA 2013-01**  
**Northern Virginia Veteran Care Center**

**1. OBJECTIVE:** To set aside land currently owned by the State of Virginia at the Northern Virginia Training Center in Fairfax County for the future construction of a Northern Virginia Veterans Care Center.

**2. BACKGROUND:**

The *Long-Term Care Feasibility Study: Quality Care They Earned* was prepared for the Virginia Department of Veterans Services in 2007 by the Schroeder Center for Healthcare Policy located in the College of William and Mary's Thomas Jefferson Program in Public Policy.

Among the six primary recommendations made in the report included the need for new Virginia Veterans Care Center in the Northern Virginia Planning District (Arlington, Fairfax, Loudoun, Prince William, Alexandria City, Fairfax City, Falls Church City, Manassas City, and Manassas Park City). The report suggested that the VCC "be located near veteran population centers without a Veterans Care Center and with high proportion of Medicaid and low income residents." A specific location for this VCC has not yet been designated.

As of the 2000 census there were nearly 42,000 veterans over 65 in the Northern Virginia Planning District, second only to Hampton Roads with nearly 48,000.

The Northern Virginia Training Center located in Fairfax County near the George Mason University Campus first opened its doors in April, 1973 as one of five residential training centers in the Commonwealth to serve people with intellectual and related disabilities. The Commonwealth of Virginia and the U.S. Department of Justice in January 2012 reached a settlement agreement. Under the terms of the agreement, Virginia will close the Northern Virginia Training Center in Fairfax by 2015. About 200 residents live at NVTC.

**3. DISCUSSION:**

- This property is already owned by the State of Virginia.
- Land set aside would be used to construct the new VCC with up to 240 beds. Actual construction would occur after the United States Department of Veterans Affairs has determined that federal funds will be allocated, and Virginia approves and allocates the state share of the construction costs.
- The cost of property in the Northern Virginia area is very high. By utilizing property already owned by State of Virginia the cost of the project should be significantly reduced.

**4. RECOMMENDATION:**

That the JLC recommend that the Governor direct the necessary administrative or legislative actions to formally set aside land currently owned by the State of Virginia at the Northern Virginia Training Center in Fairfax County for the future construction of a Northern Virginia Veterans Care Center.



**VIRGINIA COUNCIL OF CHAPTERS**  
**Military Officers Association of America**  
**2013 Position Paper**  
**MOAA 2013-02**

**JROTC to Fulfill Physical Education Requirement**

1. **Objective:** To allow participants in high school Junior Reserve Officer Training Corps (JROTC) programs to fulfill any high school health/physical education (HPE) requirement.

2. **Background:**

Prior to school year 2007-2008, students were allowed to meet HPE graduation requirements through JROTC participation because the JROTC programs fully integrated the standards of learning (SOL) standards for health/physical education. In 2007-2008 the Virginia Department of Education (VDOE) discontinued the practice.

Currently, through provisions in the Standards of Accreditation (8 VAC 20-131-110) local school boards are permitted to develop policies to approve courses that could be substituted for regular courses. In part, 8 VAC 20-131-110 states, "if a school division elects to award credit on a basis other than that 140 clock hours of instruction required for standard unit of credit defined in this subsection, the local school division shall develop a written policy approved by the superintendent and school board which insures: (1) that the content of the course for which credit is awarded is comparable to 140 hours of instruction; and (2) that upon completion, the student will have met the aims and objectives of the course."

Senate Bill 269 (Norment) attempted to amend Code of Virginia section 22.1-253.13:1.D.14 regarding programs of physical fitness which "include any combination of (i) physical education classes, (ii) extracurricular athletics, or (iii) other programs and physical activities deemed appropriate by the local school board." Senator Norment's amendment would have added a sentence, "Such program shall accept participation in the Junior Reserve Officer Training Corps as fulfillment of any high school physical education requirement." The Bill had no fiscal impact statement and was continued to 2013.

The Heart Association maintains the high school HPE goes beyond physical activity and encompasses the promotion of a healthy diet and lifestyle. Further, that if physical exercise is the only activity, then student athletes would be eligible of credit for participation in sports. Physical education instructors are opposed to JROTC fulfilling the HPE requirement.

3. **Discussion:**

High school JROTC programs include physical exercise and wellness/lifestyle education to varying degrees, but uniformity and quality and course content is not assured across local school divisions.

While local school boards are the best judges of the requirements for physical education and healthy lifestyles, they also are heavily influenced by their communities and education associations making uniform requirements problematic.

4. **Recommendation:** That the JLC urge through appropriate channels that JROTC curriculum contain "promotion of a healthy diet and lifestyle" and propose legislation which allows JROTC programs to fulfill the high school HPE requirement provided the goal of promoting a healthy diet and lifestyle have been verified.



**VIRGINIA COUNCIL OF CHAPTERS**  
**Military Officers Association of America**  
**2013 Position Paper**  
**MOAA 2013-03**

**Electronic Return of Absentee Ballot Voted by Overseas Voters**

1. **OBJECTIVE:** To allow electronic return of absentee ballot voted by Overseas voters

2. **BACKGROUND:** Uniformed service personnel, their dependents, and overseas civilian voters have traditionally experienced difficulties in casting absentee ballots due to a number of factors, including the timely return of a voted ballot.

Currently an overseas voter can electronically register and receive an absentee ballot which then must be returned via “snail” mail. Legislation is required to permit electronic return of the voted ballot.

HB 1057 and SB 82 as introduced in 2012 intended to improve registration and absentee voting procedures for military and overseas voters to include authorization for pilot programs *to vote by secure electronic means*. Both were continued to 2013.

HB1057 as an example authorizes the Secretary of the State Board of Elections(SBE) in added section § 24.2-713 B to authorize and supervise a pilot program or demonstration project in partnership with the Department of Defense Federal Voting Assistance Program (FVAP) or other state agency for the purpose of allowing voters specified in subdivision 2 of § 24.2-700 and military voters with disabilities or injuries to vote by secure electronic means or new technologies for such voters.

The Impact Statement for HB 1057 states that the “SBE indicates that a \$1.81 million dollar federal grant from the Department of Defense’s Federal Voting Assistance Program (FVAP) is funding the development and immediate ongoing costs associated with this legislation. This technology is already in development for improvement in processes that are allowed under existing law.”

Further, SBE states that the cost estimates of \$337,270 in FY 2012 and approximately \$90,000 in FY’s 2013 through 2016 were put together based on estimates and MOU’s with the various vendors associated with developing these projects as part of its FVAP grant application.

3. **DISCUSSION:** The State Board of Elections in their biennium 2010-2012 Strategic Plan states:

“SBE continues its efforts to expand access to the electoral process for military and overseas citizens. SBE implemented a program which makes absentee voting more convenient by offering military and overseas citizens the option to receive their absentee ballot by electronically by email. Counties and cities which have established central absentee precincts (caps) have the option to offer this service to military personnel serving on active duty overseas, as well as, to overseas citizens. Now, 86 out of 134 (64%) counties and cities in Virginia provide absentee ballots to military and overseas citizens electronically by email. Military and overseas citizens who qualify under this program may take advantage of special procedures that allow them to apply for an absentee ballot by e-mail; receive their ballot by e-mail, and in some cases, return their voted ballot by either mail.

4. **RECOMMENDATION:**

That JLC recommend legislation to further enhance absentee voting by military and overseas citizens as which would complete the voting cycle by returning a voted ballot via the internet.



**VIRGINIA COUNCIL OF CHAPTERS**  
**Military Officers Association of America**  
**2013 Position Paper**  
**MOAA 2013-04**

**Business Incentives for Hiring Veterans**

**1. Objective:** To encourage businesses to hire veterans and both take them off of unemployment and have jobs ready for veterans when they leave the military service.

**2. Background:**

The jobless rate for veterans who were in the service following September 11, 2001 was 12.1 percent last year, up from 11.5 percent in 2010 according to the Department of Defense. This far exceeds the employment rate for nonveterans for the same periods.

Virginia is home to approximately 823,000 veterans, of whom about 301,600 are from the period following September 11, 2001. Of these, approximately 36,500 are unemployed.

The focus of efforts to get veterans employed has been educating them regarding their qualifications, and how to find jobs. Veterans have been assisted in this by the Virginia Employment Commission's Virginia Workforce Connection website that assists veterans in stating their qualifications, which in most cases are significant.

The Virginia Workforce Connection also is designed to assist employers find the type of veteran they are seeking to employ. However, in reality most employers and their human relations personnel do not understand the qualities veterans possess and may be put off by anecdotal media pursuit of veterans with problems. Therefore, they do not understand that hiring veterans can lead to stronger businesses.

One approach to correcting this anomaly has been to offer tax incentives or credits for businesses to hire veterans. In the past, tax credits have provided incentive to hire certain types of employees. However, recently in Virginia this has come under criticism because the state has no handle on the tax incentives it has provided in the past that have reduced revenues into the general fund and thereby, in part, contributed to budget constraints. Over a dozen bills offering tax incentives, including two for hiring veterans (HB 1041 and 1050), were continued to 2013 pending the results of a comprehensive review of current tax credits and their productivity.

Another evolving approach is to educate employers and their human relations staff regarding the benefits veterans possess. In that way, employers would be seeking veterans rather than lumping them into the general category of potential employees.

**3. Discussion:** Virginia should do everything in its power to transform those who have been defending our liberties into productive veterans that can strengthen its economy. Employment incentives through education and tax credits should be pursued to this end.

**4. Recommendation:** That the JLC propose legislation that will support hiring veterans, particularly those who have served during the past decade.

Virginia Council of Chapters (VCOG) of the Military Officers Association (MOAA) proposals for JLC at March 28, 2012 meeting

**As of March 22, 2012**

\* For reference only – does not indicate priority

**Section I – Items with specific MOAA EO29 Recommendations**

#*	Issue	EO 29 Recommendation	Background
1.	Northern Virginia Veterans Care Center	Have a portion of the state owned property at the site of the Northern Virginia Training Center (NVTC) in Fairfax County set aside for future construction of a Virginia Veterans Care Center. NVTC is planned to close by June 30, 2015.	<i>The Long-Term Care Feasibility Study: Quality Care They Earned</i> was prepared for the Virginia Department of Veterans Services in 2007 had as one its recommendations to provide a new Virginia Veterans Care Centers (VCC) in the Northern Virginia Planning District (Arlington, Fairfax, Loudoun, Prince William, Alexandria City, Fairfax City, Falls Church City, Manassas City, and Manassas Park City) to accommodate 41,654 veterans (2000 census) over 65 in the Area. Land set aside would be used to construct the new VCC with up to 240 beds. Actual construction would occur after the United States Department of Veterans Affairs has determined that federal funds will be allocated, and Virginia approves and allocates the state share of the construction costs.
2.	JROTC to receive credit in lieu of otherwise required physical training	Require local school boards to accept participation in the Junior Reserve Officers Training Corps (JROTC) as fulfillment of any high school physical education requirement.	SB 269 covering this issue was introduced in 2012 and continued to 2013. Currently granting physical training credit to individuals participating in JROTC is a local school board option which is not specifically required.
3.	Electronic return of absentee ballot voted by Overseas voters.	Allow electronic return of absentee ballot voted by Overseas voters.	Currently an overseas voter can electronically register and receive an absentee ballot which then must be returned via “snail” mail. Legislation is required to permit electronic return of the voted ballot. HB 1057 and SB 82 as introduced in 2012 on this issue were continued to 2013.
4.	Individual and corporate income tax credit for taxpayers hiring returning or disabled military veterans.	Permit an individual and corporate income tax credit for taxpayers hiring returning or disabled military veterans into new jobs paying an annual salary of at least \$50,000.	The Federal American Jobs Act that was enacted November 21, 2011, included tax credits for helping veterans and wounded veterans find employment. Four other states and the District of Columbia have similar tax credits targeted to employers who hire veterans. HB 1041 as introduced in 2012 and continued to 2013 would allow an individual and corporate income tax

			credit for each new full-time job created and filled by a veteran with an annual salary of at least \$50,000
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**Section II – Items of MOAA Interest as “Watch Items”**

#*	Issue	Concern	Background
5.	Compact with Virginia's veterans.	<p>Has a compact with Virginia's veterans been fully defined and implemented?</p> <p>Requires review and understanding of the DVS 2011 Annual Report which was released on 12 March. Review may result in specific EO 29 recommendation(s) prior to the 11 July JLC meeting.</p>	<p>Compact is addressed but not fully defined in § 2.2-2004. Additional powers and duties of Commissioner. 17. Establish and implement a compact with Virginia's veterans, which shall have a goal of making Virginia America's most veteran-friendly state. The compact shall be established in conjunction with the Board of Veterans Services----</p> <p>§ 2.2-2454. Powers and duties of Board [of Veterans Services] 2. Investigate issues related to the provision of care and services to veterans, upon request of the Commissioner of Veterans Services or the Governor;</p> <p>3. Study all matters affecting the welfare of Virginia citizens who are veterans or dependents or survivors of such veterans, and make recommendations to the Commissioner of the Department of Veterans Services;</p>
6.	Role of the JLC under EO 29	<p>Should Virginia Code 2.2-2681 covering the Joint Leadership Council of Veterans Service Organizations (JLC); be amended to:</p> <ul style="list-style-type: none"> <li>• establish the JLC as an independent advisory body to the executive and legislative branches, and</li> <li>• give it authority to address military related issues involving things the state can do to better accommodate military members and their families residing in Virginia?</li> </ul> <p>Requires review and consideration by the full JLC membership. Actual adoption of resulting recommendation, if any, would occur at JLC meeting on 11 July.</p>	<p>Virginia Code § 2.2-2681 addresses the Joint Leadership Council of Veterans Service Organizations (JLC); membership; terms; chairman; quorum; compensation.</p> <p>It further stipulates that The JLC is established as an advisory council, within the meaning of § 2.2-2100, in the executive branch of state government. Executive Order 29 (EO29) dated December 23, 2010 established guidance on the development and processing issues related to veterans. Prior to EO29 the JLC typically adopted legislative objectives (LO's) and informed the administration of these LO's are were not restrained from carrying them directly to the General Assembly (GA). EO 29 has altered the process in that the administration now has control of issues presented to the GA and issues that the JLC may advocate. Additionally “veteran” as defined in Virginia Code does not</p>

			include active duty military.
7.	Homeless Veteran Programs	<p>Is dedicated funding for Homeless Veteran Programs required? Funds could address:</p> <ul style="list-style-type: none"> <li>A. Regional stand-downs,</li> <li>B. Emergency housing,</li> <li>C. Transition housing, and</li> <li>D. Permanent housing solutions</li> </ul> <p>May be a specific EO29 recommendation to be presented in CY 2013.</p>	<p>The biennium budget for 2013-2014 is expected to provide positions and funding in DVS to focus on development of an action plan addressing mitigation of homelessness among veterans per the 2010 Joint Legislative Audit and Review Committee study.</p> <p>Need to develop a cost estimate.</p>

**Section II – Items of MOAA Interest as “Watch Items”- continued**

#*	Issue	Concern	Background
8.	Veteran's health care	<p>Should appropriate agencies be required to perform outreach activities to ensure veteran's health care receives top attention?</p> <p>Suggest that JLC go on record with DVS that this is an area of concern for the JLC and that the JLC be advised of any assistance that the JLC could provide.</p>	<p>63,659 Virginians have been deployed to Afghanistan and Iraq between September 2001 and November 2011; many of these men and women are returning with injuries and need assistance with filing claims for benefits. Concurrently, as Vietnam veterans age, they too have an increased need for claims assistance.</p> <p>Testimony to the U.S. Senate Veterans Affairs Committee in February indicated included “A 2011 RAND survey of veterans in New York State revealed that many veterans face difficulty navigating the complex systems of benefits and services available to them. While this survey was specific to New York veterans, the results are indicative of veterans’ experiences nationwide. Veterans reported that they do not know how to find the services they need or apply for the benefits they have earned. Even when they are able to find services appropriate for their needs, many veterans report frustration in accessing these services. Some veterans report long waiting periods to get an appointment at the VA, while others report having to repeat their stories and experiences to a number of different providers.”</p>

\* For reference only – does not indicate priority

**VFW POSITION PAPER**  
**VFW 2013-01**

**Sales and Use Tax Exemption for Veterans Service Organizations**

1. **Objective:** To establish an exemption from the state and local Sales or Use Taxes for non-resale items in the Code of Virginia for nationally organized and recognized Veterans Service Organizations (VSOs).
  
2. **Background:**
  - The IRS has recognized nationally organized and recognized VSOs as exempt from federal income tax under section 501(c)(19) of the Internal Revenue Code.
  - §58.1-609.11 of the Code of Virginia provides an exemption for sales or use taxes for entities exempt from federal income taxation under 501(c)(3) or 501(c)(4) of the Internal Revenue Code.
  - VSOs classified as 501(c)(19) perform essentially the same functions as those classified as 501(c)(3) or 501(c)(4).
    - For example, the VFW Congressional Charter establishes “charitable” as one of the purposes of the organization.
    - In 2010, the VFW Department of Virginia and Auxiliaries reported the expenditure of \$1,852,292 and a donation of 339,052 volunteer hours in support of numerous community and youth activities for the citizens of the Commonwealth.
    - Similarly, in 2010, the American Legion reported the expenditure of \$2,561,917 and a donation of 526,338 volunteer hours in support of community and youth service.
    - In the 2010-2011 year, the Paralyzed Veterans of America donated 13,637 hours in support of community service.
    - Other smaller VSOs also contribute some dollars and hours in support of community and youth service.
  
3. **Discussion:**
  - Given the level of community and youth service performed by VSOs as expressed in dollars and hours, VSOs should be accorded the same sales and use tax exemption as other 501(c)(3) and 501(c)(4) organizations.
  - An exemption would apply to all VSOs, but would primarily benefit VSO Posts/Chapters, etc. that own/operate a permanent facility.
  - An exemption would free sales and use tax dollars spent on fuel, maintenance, cleaning, office supplies, and other items not for resale for additional community and youth service expenditures.
  - The estimate exemptions would total approximately \$100,000 for all VSOs in Virginia.
  - The neighboring states of Maryland, West Virginia, and Tennessee provide sales and use tax exemption for nationally organized and recognized VSOs.
  - Providing sales and use tax exemption for non-resale items to VSOs will continue Virginia’s move toward becoming “the most veteran-friendly state in the nation” and put all VSOs on an equal basis with other 501(C)(3) and 501 (C )(4) groups.
  
4. **Recommendation:** That the Governor and General Assembly establish a Sales and Use Tax Exemption for non-resale items in the Code of Virginia for nationally organized and recognized VSOs.

**VFW POSITION PAPER**  
**VFW 2013-02**  
**In-State Tuition Eligibility for Veterans**

1. **Objective:** To ensure that, for current and former military personnel and their dependents, the intent to attend a public institution of higher education in the Commonwealth is sufficient for the purpose of establishing domiciliary intent and determining eligibility for in-state tuition rates.
2. **Background:**
  - A top priority of the JLC in 2010-2011 was waiving of the one-year residency requirement for veterans to qualify in-state tuition rates, provided other steps were taken to establish residency.
  - The initiative had the support of Governor McDonnell and two bills – HB1861 (Anderson/Stolle) and SB824 (Edwards/Barker/McWaters) – passed the 2011 General Assembly unanimously.
3. **Discussion:**
  - In making its proposal to the Governor and General Assembly, it was the intent of the JLC that veterans would be granted in-state tuition eligibility regardless of any other intent on the part of the veterans, such as to remain in the Commonwealth after completing his/her degree.
  - In making its recommendation, the JLC realized that some veterans will find work outside the Commonwealth after graduation from a Virginia college or university, just as do many non-veteran graduates. But the JLC believes that many veterans, if welcomed to the Commonwealth, will choose to stay in Virginia and seek employment here after graduation.
  - The JLC believes that most veterans, because of their service in the military, attend college as “independent students.” Even if they are pursuing an undergraduate degree, they are more closely aligned with graduate students in age and financial situation. Unlike a typical undergraduate student, veterans students do not rely on their parents for financial support. As such, they do not come to Virginia just to attend college. They come to Virginia to get an education. And for the entire time they are in school in Virginia, the Commonwealth is their home.
  - With the advent of Iraq/Afghanistan student veteran organizations on Virginia campuses, the bonds created among student veterans will encourage them to remain in the Commonwealth after graduation, enhancing the Virginia workforce and Virginia communities.
  - Senator McWaters submitted a bill, SB605, in the 2012 General Assembly session. This bill seems to indicate that the 2011 legislation is not being fully implemented as proposed by the JLC.
4. **Recommendation:** That the Governor and General Assembly enact the measures contained in SB605 in the 2013 General Assembly session.