

HOUSE BILL REPORT

SHB 1189

As Passed House:

March 9, 2005

Title: An act relating to veterans' relief.

Brief Description: Providing relief for indigent veterans and their families.

Sponsors: By House Committee on Local Government (originally sponsored by Representatives Moeller, Bailey, McCoy, Armstrong, Williams, Newhouse, Fromhold, Springer, Ericks, Flannigan, Curtis, Cody, Condotta, Appleton, Hinkle, Morrell, Campbell, Pearson, Chase, Dickerson, Linville, Woods, Kenney, O'Brien, Conway, Lantz, Sells, Kagi, Ormsby, Haigh, Upthegrove, Hasegawa and Kilmer).

Brief History:

Committee Activity:

Local Government: 1/27/05, 3/1/05 [DPS].

Floor Activity:

Passed House: 3/9/05, 90-6.

Brief Summary of Substitute Bill

- Modifies or repeals existing veterans' relief provisions.
- Requires each county to establish a veterans' assistance program to address the needs of local indigent veterans and their families.
- Allows counties to authorize other entities to administer veterans' assistance programs if specified criteria are met.
- Requires each county to establish a veterans' advisory board to advise the county legislative authority on relief related matters.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass.

Signed by 5 members: Representatives Simpson, Chair; Clibborn, Vice Chair; Ahern, Assistant Ranking Minority Member; B. Sullivan and Takko.

Minority Report: Do not pass. Signed by 2 members: Representatives Schindler, Ranking Minority Member; and Woods.

Staff: Ethan Moreno (786-7386).

Background:

Veterans' Relief - General Provisions

The legislative authority of a county with a city, town or precinct containing qualifying indigent and suffering veterans or family members must provide funds to be drawn upon for the relief of these veterans and family members. Eligibility and procedural criteria must be satisfied and the funds may only be drawn upon by certain officials of qualifying national veterans' organizations (organization officials). "Veteran," for the purposes of this relief provision, is defined, in part, to include every person who, at the time he or she seeks specific benefits, has received an honorable discharge or a discharge for physical reasons with an honorable record, and who has served in specified capacities.

If a post, camp, or chapter of a qualified national veterans' organization does not exist in any precinct in which it should be granted, the legislative authority of the county in which the precinct is located may, if certain criteria are met, accept and pay the orders drawn upon by organization officials located in the nearest city or town.

The commander of any post, camp, or chapter of a qualifying national veterans' organization (commander) must file, prior to relief acts becoming operative, notice with the county auditor that the post, camp, or chapter intends to undertake veterans' relief actions. The notice, which must be filed annually with the county auditor, must contain specific information, including a detailed statement of the amount of relief furnished during the preceding year.

The county legislative authority may require that the organization officials post a bond with sufficient and satisfactory sureties for the faithful and honest discharge of veterans' relief duties.

County legislative authorities are prohibited from sending qualifying indigent or disabled veterans or family members to any almshouse or orphan asylum without obtaining approval, including the concurrence and consent of the commander. Other statutory provisions specify, in part, that indigent veterans must, whenever practicable, be provided for and relieved in the city, town, or precinct in which they reside.

Interment Provisions

The legislative authority in each county must designate a proper authority who must be responsible for causing the interment of, at the request of a commander, qualifying veterans and family members who die without leaving sufficient means to defray funeral expenses. The interment must not cost more than a county established limit, nor less than \$300. Relatives or friends of the deceased may receive the defrayal funds from the county treasurer if specified requirements are met.

Taxation Provisions

County legislative authorities must levy a tax for the purpose of creating the veteran's assistance fund for the relief of qualifying veterans (a term defined differently than in the general provisions above) and the indigent wives, husbands, widows, widowers and minor

children of such indigent or deceased veterans. The funds are to be disbursed by the county legislative authority. The levy rate is generally not to be less than one and one-eighth cents per \$1,000 of assessed value against taxable property of the county, but may not exceed 27 cents per \$1,000 of assessed value. The costs incurred in the administration of the fund must be computed by the county treasurer at least annually and such amount may then be transferred from the relief fund to the county current expense fund.

Summary of Substitute Bill:

All veterans' relief provisions are modified or repealed and new provisions are specified. A summary of the new, amended, and repealed provisions is as follows:

Veterans' Relief - General Provisions

Each county legislative authority must establish a veterans' assistance program to address the relief needs of qualifying local indigent veterans and their families. The county legislative authority must consult with and solicit recommendations from the applicable veterans' advisory board to determine the appropriate services needed for local indigent veterans. Veterans' assistance programs must be funded, at least partially, by the veterans' assistance fund established in the county.

County legislative authorities may authorize other entities to administer veterans' assistance programs through grants, contracts, or interlocal agreements. If this authorization is exercised, the terms of the grant, contract, or interlocal agreement must specify certain provisions, including the details of the program, the costs and sources of funding, insurance or bond requirements, and the format and frequency of reports. Counties exercising this authorization should, to the extent feasible and consistent with specified relief provisions, ensure that a local branch of a nationally recognized veterans' service organization is the initial point of contact for a veteran or family member seeking assistance.

Counties may authorize the continued operation of veterans' relief or assistance programs existing on January 1, 2005, if the county solicits advice from the applicable veterans' advisory board and satisfies specified grant, contractual, or interlocal agreement requirements.

Veterans' Advisory Board

The legislative authority of each county must establish a veterans' advisory board to advise the authority on the needs of local indigent veterans, the resources available to such veterans, and potential programs that could benefit the needs of these veterans and their families. Legislative authorities must solicit representatives for the board from either local branches of nationally recognized veterans' service organizations or the veterans' community at large, or both. A majority of the board members must be members from nationally recognized veterans' service organizations. Only veterans may serve as board members. Service on the board is voluntary, but the county may provide reimbursements for expenses incurred.

Burial and Cremation Provisions

The legislative authority of each county must designate a proper authority to be responsible, at the expense of the county, for the burial or cremation of any qualifying deceased indigent veteran or family member who died without leaving sufficient means to defray funeral expenses. The burial or cremation may not exceed the limit established by the county nor be less than \$300. Relatives or friends of the deceased may be the recipients of the defrayal funds from the county auditor or qualifying chief financial officer if specified requirements are met. Expenses incurred for the burial or cremation of a qualifying deceased veteran or family member must be paid from the veterans' assistance fund.

Financial Provisions and Direct and Indirect Costs

Expenditures from the veterans' assistance fund, and interest earned on balances from the fund, may only be used for:

- authorized veterans' assistance programs;
- the burial or cremation of a qualifying veteran or family member; and
- the direct and indirect costs incurred in the administration of the fund.

The direct and indirect fund administration costs must be computed by the county auditor or qualifying chief financial officer not less than annually. Following this computation, an amount equal to these costs may then be transferred from the assistance fund to the county current expense fund.

"Direct costs" are defined, in part, to include those allowable costs that can be readily assigned to veterans' relief objectives, consistent with cost principles for state, local, and tribal governments promulgated by the Federal Office of Management and Budget (OMB).

"Indirect costs" are defined, in part, to include those allowable costs that are generally associated with relief objectives, but the identification and tracking of those costs cannot be readily assigned to an objective without an effort that is disproportionate to the benefit received. A county legislative authority may allocate allowable indirect costs to its veterans' assistance fund if it is accomplished in a manner consistent with OMB cost principles.

The Department of Social and Health Services must exempt payments provided from veterans' assistance programs when determining eligibility for public assistance.

Repealed Provisions

Statutory provisions pertaining to precincts without veterans' organizations, notifications of intentions to furnish veterans' relief, annual relief statements, performance bonds, and restrictions on sending veterans to almshouses are repealed.

Definitions

Definitions of terms pertaining to veterans' relief are specified or modified. Examples include:

- "veteran" is defined by referencing an existing definition specifying, in part, that the term includes every person who, at the time he or she seeks specific benefits, has received an honorable discharge or a discharge for physical reasons with an honorable record, and who has served in specified capacities;

- "family" is defined as the spouse, widow, widower, and dependent children of a living or deceased veteran; and
- "indigent" is defined, in part, as a person who is defined as such by the county legislative authority in accordance with specified criteria.

An eligibility criteria for a separate statutory definition of "veteran" is modified. A 180-day service requirement for qualifying persons called into federal service through a presidential call up is deleted.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: (Original bill) This bill represents a win for all involved parties. The bill helps the veterans' community by encouraging cooperation rather than competition. It also establishes veterans' advisory boards in each county that are granted the authority to participate in relief efforts. The advisory boards will be effective because of the veterans serving on them. This bill helps counties to better meet the needs of veterans, and encourages the self reliance of veterans by providing a hand up, not just a hand out. This bill represents the maturation of a two-year process and enjoys wide support from veterans' groups. This bill updates veterans' relief laws that were originally enacted in the 1800s.

Many troops returned from the first deployment to the Middle East only to lose their jobs. Some of these returning veterans were not eligible for state assistance. When additional troops return, the need for assistance will be greater. This bill provides needed flexibility and accountability and could serve as model legislation for other states.

Testimony Against: (Original bill) This bill will prevent veterans' organizations from serving as the first point of contact for veterans seeking assistance. Veterans' organizations provide counseling and offer assistance to the veteran on the street. The bill should be amended to require that veterans' organizations serve as the first point of contact and to specify that the members of the advisory board must be selected by veterans' organizations. This bill will establish a new layer of bureaucracy. This bill will also establish programs that will use assistance funds for operating costs. Current assistance programs should continue, although compliance and punitive measures may be needed for organizations that are not satisfying legal requirements. Concerns exist about the definition of "indirect costs." The bill removes a 12-month residency requirement for receiving benefits: this may result in veterans' moving from jurisdiction to jurisdiction to obtain benefits.

Persons Testifying: (In support of original bill) Representative Moeller, prime sponsor; Jim Monk and Dennis Primoli, Veterans' Legislative Coalition; Skip Dreps, Paralyzed Veterans of

America; Doris Gross, American Legion; Bill Wood, Vietnam Veterans of America; Paul Parker, Washington State Association of Counties; and Tim Podhora, Clark County.

(Opposed to original bill) Doug Reid, Donn Kirkwood, and Al Jenkins, Veterans of Foreign Wars; and Phil and Wendy Carolan, American Legion.

Persons Signed In To Testify But Not Testifying: None.