



HONORING OUR MILITARY HEROES

Governor Pawlenty's Military and Veterans Support Package

FY 08-09

100% exemption from state income tax for military pay and pensions

\$16.5 million

To reward their service and to help recruit future soldiers, Governor Pawlenty proposes to fully exempt military income and pensions from state income tax. Minnesota soldiers and veterans would be allowed to subtract 100 percent of their pay for military service, military pensions and retirement payments when computing state income tax. These payments are currently considered taxable income. Current members of the military, military retirees and survivors of military retirees will be allowed to claim the exemption. It also covers the pay of all active duty service members who claim Minnesota as their state of residence.

Minnesota GI Bill

\$30 million

As part of his Military and Veterans Support Package, Governor Pawlenty is proposing education benefits for military veterans and the children and spouses of Minnesota veterans who have become totally and permanently disabled or have died as a result of their military service.

The new Minnesota GI Bill would supplement the federal GI Bill by providing eligible veterans or eligible dependents \$1,000 per semester for up to 5 years (\$10,000 total) of higher education. These benefits are "last dollar in" and would be paid to Minnesota veterans after they have received Pell Grants and other state and federal financial aid. Veterans could attend any Minnesota college, university or technical school to receive these benefits.

ADDITIONAL SUPPORT FOR OUR RETURNING HEROES

Enhancing the State Soldier Assistance Program – Since 1944, the Minnesota Department of Veterans Affairs has provided a safety net for Minnesota's neediest veterans and their families called the State Soldiers Assistance Program. Veterans who are unable to work because of a temporary disability receive cash assistance through the program. The Governor's proposal will increase funding to address the special needs of these returning soldiers.

\$2 million

Establishing the State Reintegration Program - Beyond the Yellow Ribbon – The one-year Federal Pilot Program demonstrated the value and importance of establishing a reintegration program for our veterans. This proposal extends the program for the next two year budget cycle for Minnesota service members.

\$1.5 million
one-time
expenditure

State Achievement Ribbon – Through a Governor’s proclamation, the National Guard would be able to award a State Achievement Ribbon similar to the Army or Air Force “achievement medal.” This award provides the state the ability to recognize individual acts of merit and achievement which made a significant impact on state missions.

Ensuring Firearms Certification for Returning Veterans – The shooting exercise will not be required for veterans seeking firearms safety certification. The certification is also extended to service for service members mobilized into federal service preventing service members from losing their certification due to military deployment.

Preferred State Contracting for Veteran-owned Business: Veteran owned businesses would be included as a preferred group by the State of Minnesota in awarding state contracts.

BETTER SERVICE FOR THOSE WHO HAVE SERVED

Veteran Affairs Communication and Outreach – Less than 50% of veterans apply for and receive the benefits to which they are entitled according to the Minnesota Department of Veterans Affairs. This outreach effort will focus on several key areas by increasing assistance to the Minnesota Assistance Council for Veterans to help homeless veterans; creating new tribal service officer positions throughout the state; establishing a toll-free, veterans-benefits hot line; and developing a state-wide marketing plan to reach out, educate, and communicate to veterans. \$4 million

Expanding Higher Education Offices – Last year the Governor and Legislature created Veterans Assistance Offices on Minnesota college campuses to help veterans access the programs for which they are eligible. Since last August, 1,700 veterans have been served by the seven new Campus Reps. The Governor’s proposal will ensure veterans, military members, and their families will have access to all possible educational and other veterans benefits by increasing the number of Campus Reps by up to twelve. \$1.8 million
\$500,000
one-time
expenditure

Increase County Veteran Service Officer Grants – The Minnesota County Veterans Service Officers (CVSOs) are the first contact veterans have throughout our state. Last year the Governor proposed grants to CVSOs to help them serve ALL veterans. These grants enhance benefits, programs, and services provided to veterans. The increase in grant funds will be focused on outreach, reintegration of combat veterans and reducing homelessness among veterans. \$2.8 million
\$500,000
one-time
expenditure

Increased Funding for Veteran Organizations - Since 1944 Minnesota has provided funding to congressionally chartered veterans service organizations to support their programs, which reach out and serve our veterans. We have always viewed them as extending our assistance to veterans. The Governor proposes an increase to the existing funding for the Disabled American Veterans, the Military Order of the Purple Heart, the Veterans of Foreign Wars, and the Vietnam Veterans of America, and proposes support to existing veterans programs provided by other chartered service organizations such as the American Legion. \$500,000

Improving Information Technology at the Minnesota Department of Veterans Affairs – For upgrades to the existing computer systems. \$200,000

INFRASTRUCTURE AND RESOURCES

Armory Maintenance Program – Governor Pawlenty proposes funding for ongoing maintenance at our 61 state owned military facilities. \$3.5 million

General Support Appropriation Increase – These funds will be used to hire staff to facilitate property management, provide immediate logistic support to State Active Duty service members and to more appropriately coordinate with state and federal agencies. The staff would be able to use state credit cards to purchase food, lodging, and required supplies for service members ordered to state active duty to address the needs identified by the Governor including natural disaster response. \$560,000

Special Assessments – These funds will be used to pay special assessments levied by communities against state owned properties for infrastructure improvements. \$185,000 one-time expenditure

State Veteran Cemetery Increase – These funds will increase current staffing levels and equipment to provide proper graveside maintenance. \$150,000

QUALITY CARE AT MINNESOTA’S VETERANS HOMES

Increased Rent and Utility Expenses – This funding will pay for increased rent and utility costs at State operated veterans homes. \$1.3 million

Repair and Betterments – Governor Pawlenty is proposing funding to improve State operated veterans homes by making routine repairs. These activities are ineligible for capital funding. \$8 million

ADDITIONAL SUPPORT FOR MINNESOTA'S MILITARY

Morale, Welfare, and Recreation Fund at Camp Ripley - This initiative allows National Guard Facilities to generate funds so that recreational programs and resources can be developed and maintained for service members to use while training at Camp Ripley or other National Guard facilities within the state.

Incentive Refinement - Under this proposal, the Adjutant General will have greater strategic ability to pay incentives based on the needs of the force.

Declaration of 148th Fighter Wing Fire Fighters as essential employees - A gap in state law did not designate these employees as essential. These fire fighters provide support to Duluth Airport under a cooperative agreement between the State of Minnesota, the Federal Government, Duluth Airport and Minnesota National Guard. This agreement has the National Guard providing Fire Fighter support in exchange for lease payments for part of the Air Base facility.

"Support Our Troops" License Plate refinement - This initiative corrects a gap in the statute governing the "Support Our Troops" plate that most often applies to injured soldiers. Service members can leave active service and not be able to receive support from this fund. This correction provides a "bridge" from the time they were in active service to when they qualify for veterans coverage.

REMEMBERING HISTORY

Increase funding for Minnesota Military Museum - An increase in operating funding will provide a full-time curator and archiver to capture the oral history and experience of veterans. \$469,000

Preservation of Historic Flags - Provides for the restoration and preservation of the historical flags currently located in the state capital. \$308,000

TOTAL \$74.8 million