

Legislative Analysis



EXPAND DEFINITION OF "VETERAN" TO INCLUDE COLD WAR VETERANS

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House Bill 4571

Sponsor: Rep. Kurt Damrow

Committee: Military and Veterans Affairs and Homeland Security

Complete to 6-6-11

A SUMMARY OF HOUSE BILL 4571 AS INTRODUCED 4-21-11

The bill would add a definition for the term "Cold War" to Public Act 190 of 1965, an act to provide for a System of Uniformity of Service Dates for Veterans. The dates listed in this act are applicable to all acts of the state relative to veterans (MCL 35.61). Under House bill 4571, the term "Cold War" would be defined to mean "the continuous period of hostile acts against the United States by Communist Bloc forces from September 2, 1945 to December 26, 1991."

The bill would also modify the definition of "veteran." Currently under the law, the term is defined as a person who served in the active military forces *during a period of war or who received the armed forces expeditionary or other campaign service medal during an emergency condition* and who was discharged or released under honorable conditions. "Veteran" also includes a person who died in active military forces. Under the bill, the words noted in italics above would be eliminated from the definition.

FISCAL IMPACT:

This bill would have an indeterminate fiscal impact on state and local governments. Under this bill, about 190,000 new Cold War veterans would be eligible to receive emergency grant funds from the Veterans Trust Fund and from various county veterans relief programs. The number of Cold War veterans is expected to drop to about 175,000 by 2015.

The Veterans Trust Fund Board gives out approximately \$1.1 million in emergency grant funds to veterans that apply for the grant money each year. Adding 190,000 more eligible veterans means that the Board will either have to limit the amount of grant funding provided to each applicant, or they will keep disbursing the \$1.1 million in a similar fashion but will use up the \$1.1 million at a faster pace, or they will have to dip into the Veterans Trust Fund corpus rather than using only the income that the Veterans Trust Fund receives from investments. As of March 31, 2011, the Veterans Trust Fund corpus was valued at \$48.7 million.

It is estimated that counties that provide various types of veterans-related services will see about a 20 percent increase in Cold War veterans that apply for assistance. Each

county that provides veterans-related services will have to determine how to administer funds and programs associated with this percent increase.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.