

# Government Affairs Report

## December 2, 2018

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### New Jersey Election Update

On Election Day, November 6, 2018, the Democrats gained control of the U.S. House of Representatives and the Republicans grew their majority in the U.S. Senate in the midterm elections.

In New Jersey, U.S. Senator Bob Menendez (D-NJ) was re-elected to a 6-year term in the Senate. And in the Congress, U.S. Representatives:

Donald Norcross (D-NJ-1),  
Chris Smith (R-NJ-4),  
Josh Gottheimer (D-NJ-5),  
Frank Pallone (D-NJ-6),  
Albio Sires (D-NJ-8),  
Bill Pascrell (D-NJ-9),  
Donald Payne, Jr. (D-NJ-10), and  
Bonnie Watson Coleman (D-NJ-12)

were re-elected to two-year terms.

In the 2nd Congressional District, Jeff Van Drew (D) was elected to take the seat of Frank Lobiondo (R-NJ-2).

Mikie Sherrill was elected to take the seat of Rodney Frelinghuysen (R-NJ-11.)

Both Reps. LoBiondo and Frelinghuysen are retiring at the end of their current terms.

In the 7th Congressional District, Tom Malinowski (D) beat five-term incumbent Leonard Lance (R-NJ-7.)

In the 3rd Congressional District, Andy Kim (D) defeated incumbent Tom MacArthur (R-NJ-3).

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### Marijuana Legislation

November 26, 2018 A10/S10, legislation that revises requirements to authorize and access medical marijuana; establishes requirements for institutional caregivers; revises permit requirements for alternative treatment centers; and establishes additional legal protections for patients and caregivers was given hearings in the respective committees having jurisdiction.

A10 was initially referred to the Assembly Health and Senior Services Committee. 11/26/2018 it was transferred to Assembly Appropriations Committee and later reported that day from the Assembly Appropriations Committee as a Substitute, 2nd Reading. Identical bill S10 was initially referred to the Senate Health, Human Services and Senior Citizens Committee where it was reported from the Senate Committee as a Substitute, 2nd Reading 11/26/2018. On the same day it was referred to the Senate Budget and Appropriations Committee where again on the same day it was reported favorably from the from Senate Budget and Appropriations Committee, 2nd Reading.

The Senate Budget and Appropriations Committee and the Assembly Appropriations Committee held a Joint Meeting (no pun intended) to hear these bills.

There were a number of amendments and more may be coming in order to garner the number of votes required to pass this legislation. Someone thought it prudent to throw a bone to the veteran community. Here is that section.

To the extent possible, the department shall seek to ensure that at least 15 percent of the total number of new alternative treatment center permits issued on or after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) are issued to a qualified applicant that: has been certified as a minority business or as a women's business by the Division of Development for Small Businesses and Women's and Minority Businesses in the New Jersey Commerce and Economic Growth Commission pursuant to P.L.1986, c.195 (C.52:27H-21.18 et seq.); has been certified as a veteran-owned business by the Department of the Treasury pursuant to P.L.2011, c.147 (C.52:32-49 et seq.); is a disabled-veterans' business, as defined in section 2 of P.L.2015, c.116 (C.52:32-31.2); or is a business in which women, minorities, or veterans own not less than 33 percent of the equity interest, and the day-to-day management control is either vested in and actually exercised by one or more women, minorities, or veterans, subject to the alternative treatment center's board of directors, or is exercised by others, provided that any women, minorities, or veterans specified in the permit retain ultimate and final decision-making authority over the affairs of the alternative treatment center. In selecting among applicants who meet these criteria, the department shall grant a higher preference to applicants with up to two of the certifications described in this subsection.

P.L. 2011c.147 established the goal that contracting agencies give due consideration to veteran-owned businesses in awarding contracts. This goal may be attained by the department's monitoring of policies, practices, and programs in consultation with the authority and the New Jersey Department of Military and Veterans' Affairs that will further the State's efforts in encouraging opportunities for veteran-owned businesses in State purchasing and procurement processes. In addition, the department, in consultation with the authority and the New Jersey Department of Military and Veterans' Affairs shall identify strategies to expand the number of veteran-owned businesses interested in and eligible to benefit from State procurement activity.

P.L. 2015 c.116 established the goals that contracting agencies award at least 3% of their contracts to disabled veterans' businesses. These goals may, when appropriate, be attained by the direct designation of prime contracts for these business or, in the case of a prime contract not directly so designated, by requiring that a portion of such a prime contract be subcontracted to a disabled veterans' business. Each contracting agency shall make a good faith effort to attain the goals established in this subsection.

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### Senate Military and Veterans Affairs Committee Hearing October 18, 2018

The committee heard the following bills that were reported favorably and referred to the Senate Budget and Appropriations Committee:

A3063/S1191 Establishes gross income tax credit for cost of certain postage for sending goods to members of United States Armed Forces and National Guard who are serving their country away from home.

S898 Makes annual compensation paid to surviving spouses of certain blind or disabled veterans payable from date of veteran's death. This bill requires the payment of the \$750 annual compensation payable to a surviving spouse of a blind or severely disabled wartime veteran to begin from April 9, 1985 for veterans who died before that date and from the date of the veteran's death, regardless of when the surviving spouse files the application for this benefit, for veterans who died on or after that date. Surviving spouses were first made eligible for this benefit on April 9, 1985 by P.L.1985, c.116. Under current regulations of the Department of Military and Veterans' Affairs, a surviving spouse is eligible for this benefit from the date of application.

This lifetime benefit is statutorily available to a veteran who was blinded in service during any war including specifically World War II and the Korean Conflict, or who was severely disabled as a result of service during any war including specifically World War II, the Korean conflict, or Vietnam, although the department has made this benefit available to veterans who served in other wars or military emergencies. A veteran who applied for this benefit within one year of military discharge received payments beginning with that year. A veteran who applied after one year received payments from the date of application. The sponsor states that this same requirement that payments begin from the date of application should not apply to surviving spouses because at the time of the veteran's death it is known that he or she was blind or severely disabled as a result of wartime service.

This legislation was initially introduced November 19, 2001 and referred to the Senate Community and Urban Affairs Committee.

S2536 Excludes from gross income under the gross income tax certain United States military compensation paid to members of units of the NJ National Guard and reserve components of the United States Armed Forces. This bill excludes from income under the New Jersey gross income tax compensation paid by the United States for services performed while on certain service duty by members in units of the New Jersey National Guard and reserve components of the United States Armed Forces. The income exclusion applies to monthly or weekend drills, the two-week annual training and any emergency mobilization as ordered by the Governor or the President. This exclusion does not include initial training such as basic training and advanced individual training.

S2574 Authorizes creation of Woman Veteran license plates. This bill authorizes the New Jersey Motor Vehicle Commission (commission) to issue special Woman Veteran license plates. The license plate is to display the words, "Woman Veteran," along with the registration number and other markings or identification otherwise prescribed by law. An application to obtain a Woman Veteran license plate is to include satisfactory proof that the applicant is a veteran as evidenced by the applicant's DD-214 form or on a Certificate of Release or Discharge from Active Duty.

S2719 Makes available certain grants to employers of veterans and job training to certain veterans; makes an appropriation. This bill makes available certain grants to employers of veterans and provides for job training to veterans who are facing difficulties in finding employment.

This bill establishes in the Department of Labor and Workforce Development the Military Veteran Career Transition Program to be administered by the Commissioner of Labor and

Workforce Development. The bill requires the commissioner to consult with the Department of Military and Veterans' Affairs, the New Jersey Military Skills Council, the Department of Human Services, and the Department of Education and other appropriate State agencies regarding the development, operation and administration of the program, as well as with the U.S. Department of Veterans Affairs.

The program is to provide job placement and job coaching programs for veterans facing difficulties in finding employment. The program is also required to provide for collaboration with public and private organizations that provide comprehensive health, employment, and social services to veterans. The purpose of the program is to assist veterans in transitioning to a career in civilian life.

The bill establishes within the Department of Labor and Workforce Development a separate grant fund to be known as the "Military Veteran Career Transition Grant Fund." The commissioner is required to annually dedicate \$500,000 to the fund. Employers are eligible to apply for a grant of a minimum of \$50,000 up to a maximum of \$100,000. All moneys from the fund must be expended in grants by the end of each fiscal year.

Under the bill, an employer may submit an application for a grant for customized training of veterans to the commissioner for the commissioner's review. The commissioner may provide grantees with moneys from the Military Veteran Career Transition Grant Fund, moneys dedicated to the Office of Customized Training, or a combination of moneys from both sources.

Under the bill, the Military Veteran Career Transition Program is to refer veterans that face difficulty finding employment to training programs. Those training programs must integrate basic skills and occupational training leading to industry-valued credentials and job placement. The programs may be offered through service providers that receive grants from the Workforce Development Partnership Program, or through employers offering training to veterans that receive grants from the Office of Customized Training.

The bill requires the Commissioner of Labor and Workforce Development to implement a plan to collect data on the effectiveness of the program in meeting the needs and conditions of veterans facing difficulties finding employment. The plan must include a system to track participants to determine if they successfully completed training and been placed in jobs. The commissioner must track and publish data concerning money spent, employers participating, veterans participating, credentials earned, and job placement.

The final bill heard by the committee was SR76, a Senate Resolution that urges Congress to require VA hospitals to provide all routine screenings for women veterans on-site at each hospital. A simple resolution is considered only in the chamber in which it is proposed. There is an identical resolution in the General Assembly. A resolution is primarily used to express the sentiments of the members.

At the hearing I noted that under the VA Care in the Community Program, the Department of Veteran's Affairs (VA) may authorize a non-VA health care facility to provide necessary medical care services when such services are not feasibly available at a VA health care facility, or VA determines that such services can be obtained outside the VA more economically or more appropriately due to geographic inaccessibility. Requiring women veterans to travel to Wilmington DE, Philadelphia PA or East Orange NJ to receive services when the VA might

otherwise permit them to receive services from non-VA providers much closer to home is an absolute disservice to women veterans. This proposal goes counter to the goals of providing services closer to home for veterans that has been and continues to be a goal of both the veteran community and the VA.

I explained that the VA Mission Act of 2018 is designed to greatly improve veteran access to VA healthcare. The VA Mission Act addresses in-network and non-VA healthcare issues, veterans' homes, access to walk-in VA care, prescription drug procedures, and much more.

This VA reform law affects a wide range of areas and the "official" name of this law says a lot of about its' focus; informally known as the VA Mission Act, this legislation's formal name is the VA Maintaining Systems and Strengthening Integrated Outside Networks Act.

President Trump signed the Mission Act into law on June 6, 2018. The VA now must work on the criteria to be considered including wait times for VA appointments, quality of VA care and distance from a VA facility.

Over 30 veteran service organizations (VSOs) have endorsed this reform effort as it worked its' way through federal legislative channels.

I, speaking on behalf of VELAC, urged a no vote on this resolution and yet the measure was reported favorably with only Senator Van Drew abstaining. The explanation was that the members supporting this resolution did not want to vote against the proposal from the sponsor, who also is not a veteran. In essence, our concerns based on our collective understanding of veterans' issues was not sufficient to sway these individuals from voting on what I had stated was not a good proposal. I advised the committee of the membership organizations of VELAC and that the membership was opposed to the resolution. It did not matter.

Veterans organizations in New Jersey have a choice, either put pressure on those in Trenton to pass legislation that benefits all our veterans and oppose legislation that harms veterans or sit idly by and watch our veterans continue to be devalued in favor of appeasing legislators who offer bad legislation.

This particular piece of legislation, SR76 is not the issue. This is a simple resolution which is considered only by the house in which it is proposed. It is an action of the legislature which expresses the sentiment of the Senate. There is a similar bill, AR67, in the Assembly. These resolutions only urge the Congress to take an action. The point here, the only point here at this time is that these Senators, with the exception of Senator Van Drew, on the Senate Military and Veterans' Affairs committee chose to ignore our concerns and now will advance this resolution to the full Senate in the hopes that the other 35 Senators will support their recommendation in passing this resolution. With our opposition to SR76, this matter should have ended right there. Rather than side with us however, these Senators chose to ignore our concerns. They have earned our condemnation on this resolution.

The bill's sponsors Senator Diegnan (NJ-18) & Senator Singleton (NJ-7) are not veterans. Senator Diegnan and Senators Connors (NJ-9), Lagana (NJ-38) and Pennacchio (NJ-26) voted favorably for this legislation. None are veterans.

I reached out to Senator Diegnan and after explaining my concerns, asked him to pull the bill. November 1, 2018 he responded to my 2<sup>nd</sup> email and wrote "Thank you for your input. I will not be advancing the bill." Noting that nothing had changed on the New Jersey Legislature

website I followed up November 26, 2018 and received a response: “Thank you for your email. The legislation won’t be pulled. I just won’t ask for it to advance.”

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## Assembly Military and Veterans Affairs Committee Hearing October 18, 2018

The committee heard the following bills that were reported favorably:

A133 establishes special license plates for honorably discharged veterans.

This bill authorizes the Chief Administrator of the New Jersey Motor Vehicle Commission to issue special license plates to honorably discharged veterans.

The license plates authorized by this bill would bear a design approved by the administrator identifying the registrant as a veteran and designate, by name and insignia, which branch of the military the veteran served, in addition to other markings or identification otherwise prescribed by law. A \$15 application fee would be required to obtain the special plates, in addition to the normal registration fee. The bill authorizes the administrator to promulgate rules and regulations governing the issuance and use of these plates.

The bill also would allow surviving spouses of deceased veterans to retain the special license plates.

A3166/S542 designates High Point State Park as High Point Veterans' State Park. Reported favorably with Amendments, 2nd Reading

AR85 Urges Congress enact Military Surviving Spouses Equity Act.

This House urges Congress to enact the Military Surviving Spouses Equity Act. The Survivor Benefit Plan annuity is purchased insurance and the Dependency and Indemnity Compensation is paid for service-caused death. The offset has been an unfair penalty that cuts earned benefits to military survivors. Current policy allows for approximately \$1258 per month to be off-set from a surviving spouse’s pay, a defined insurance benefit. This offset, a \$15,095 annual reduction of benefits, is a substantial burden for many surviving military families. Our nation’s military personnel risk their lives to defend our nation and our freedoms. They should be able to trust that the benefits they designate for their families will be provided.

AR163 Urges United States Congress to pass legislation to automatically enroll veterans for benefits they are entitled to in United States Department of Veterans Affairs system.

This resolution urges the United States Congress to pass legislation to automatically enroll veterans for benefits they are entitled to in the United States Department of Veterans Affairs system.

Currently, military service members are eligible for a range of United States Department of Veterans Affairs (VA) benefits when they are discharged, including healthcare, disability, educational, employment, and other benefits. Under the VA pre-discharge program, members are encouraged to apply for each type of benefit they are entitled to prior to their discharge, and are encouraged to work with an accredited representative during this process. However, while helpful to service members, the process in place for applying for each type of benefit can be time consuming and burdensome, especially as service members are making a transition from military to civilian life. Providing for the automatic enrollment of veterans for the VA benefits they are entitled to would facilitate this process and ease the transition to civilian life.

## Veterans Not Receiving GI Bill Benefits for Months Due to Ongoing IT Issues at VA

The Department of Veterans Affairs is suffering from a series of information technology glitches that has caused GI Bill benefit payments covering education and housing to be delayed or in some cases never be delivered; causing veterans to suffer financially.

There are many veterans across the country who are still waiting for VA to catch up with a backlog created after President Trump signed the Forever GI Bill in 2017. The landmark piece of legislation greatly expanded benefits for veterans and their families, but it did not upgrade the VA's technical capabilities to account for those changes.

In August 2017 the Harry G. Colmery Educational Assistance Act, otherwise known as the Forever GI Bill, was signed into law and marked one of the largest expansions of veteran educational benefits since the original GI Bill in 1944. This expansion created a need for updated IT infrastructure within the VA to address new provisions in the law. According to the legislation, the VA had a deadline of August 1, 2018 - one full year after passage - to implement these changes, and as of the November 15, 2018 hearing, the VA had failed to do so.

While it is unclear how many GI Bill recipients were affected by the delays, as of November 8<sup>th</sup>, 2018 more than 82,000 were still waiting for their housing payments with only weeks remaining in the school semester, according to the VA. Hundreds of thousands are believed to have been affected.

VA's Office of Information Technology, tasked with implementing a change in how the housing allowance was calculated, is responsible for the problem.

Issues that arose when VA attempted to stress-test their antiquated system, and a contract dispute over the new changes, meant VA waited until July 16<sup>th</sup>, 2018 to tell schools to begin enrolling students, according to veteran advocacy groups. Many colleges and universities waited, however, because the VA told them that they would need to re-enter their student veterans' certifying information either way.

The VA is now claiming "further system changes and modifications are being made and testing is ongoing on the IT solution" to fix the delay in monthly stipend payments. "These changes have led to processing issues," according to a VA spokesperson referring to the GI Bill changes, "and VA is committed to providing a solution that is reliable, efficient and effective."

At the end of August, Veterans Benefits Administration had nearly 239,000 pending claims — 100,000 more than at the same point in 2017. As school began, thousands of students faced dire circumstances and some faced eviction, getting kicked out of school or taking on loan or credit card debt.

November 15, 2018, the Veterans Affairs Committee, Subcommittee on Economic Opportunity chaired by Rep. Jodey Arrington (R-Texas) held a hearing on VA's GI Bill payment delays.

Rep. Phil Roe, R-Tenn., the chairman of the veterans' affairs committee recently visited the VA's regional processing office in Muskogee, Oklahoma, along with Democratic and Senate Committee staffers and Sen. James Lankford, R-Okla.

In a November 5th, 2018 letter to Secretary of Veterans Affairs Robert Wilkie, Roe said that employees at the processing center told the group that IT systems at the office froze and crashed so often that tasks that once took five minutes now required 45 minutes. Computers often suffered a “blue screen of death,” which required restarting machines, and “managers had to write off 16,890 man hours due to system crashes or latency issues.”

The VA declined to share how much the IT system failures, overtime payments and the 202 additional workers hired to address these problems have cost taxpayers.

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## Upcoming Hearings in Trenton December 6, 2018

### Assembly Military and Veterans' Affairs Committee

#### Senate Military and Veterans Affairs Committee Hearing

Thursday, December 06, 2018 - 1:00 PM Meeting - Committee Room 1, 1st Floor, State House Annex, Trenton, New Jersey

Immediately following the committee meeting, the committee will also hold a public hearing on SCR-110 (2R) constitutional amendment.

S1904 Requires annual General Fund appropriation to DMVA for purposes of base realignment and closure.

S2797 Waives business formation and registration fees for establishment of businesses owned by veterans.

S2968 Permits certain health care professionals to waive health insurance copayments for members of military serving on active duty.

SCR110 Proposes constitutional amendment to extend veterans' property tax deduction to continuing care retirement communities.

SCR120 Urges Congress to enact reforms addressing sexual harassment and assault in United States Armed Forces.

SJR83 Expresses support for United States Air Force to base F-35 fighter jets at 177th Fighter Wing in Atlantic City.

SJR86 Honors American Legion on 100th anniversary of its founding.

### Assembly Military and Veterans' Affairs Committee Hearing

Thursday, December 06, 2018 - 10:00 AM Meeting - Committee Room 13, 4th Floor, State House Annex, Trenton, NJ

The committee will receive testimony from invited guests on developed strategies and implemented policies that reduced homelessness among veterans.

Prepared by  
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