

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was referred

3 S.F. No. 363: A bill for an act relating to the military;
4 modifying the eligibility for state-paid insurance and benefits
5 by making members of the Minnesota National Guard or other
6 military reserve units called to federal active service and
7 deployed to foreign lands and their families eligible for
8 participation in the health insurance portions of the state
9 employee group insurance program; appropriating money; amending
10 Minnesota Statutes 2004, sections 43A.24, by adding a
11 subdivision; 43A.26; 43A.30, subdivision 1.

12 Reports the same back with the recommendation that the bill
13 do pass and be re-referred to the Committee on Finance. Report
14 adopted.

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Jim Vickerman
.....
(Committee Chair)

February 28, 2005.....
(Date of Committee recommendation)

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was referred

3 S.F. No. 659: A bill for an act relating to military
4 affairs; creating a military assistance trust fund and
5 specifying uses of the fund; authorizing rulemaking;
6 appropriating money; proposing coding for new law in Minnesota
7 Statutes, chapter 190.

8 Reports the same back with the recommendation that the bill
9 do pass and be re-referred to the Committee on State and Local
10 Government Operations. Report adopted.

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.....
(Committee Chair)

February 28, 2005.....
(Date of Committee recommendation)

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was referred

3 S.F. No. 658: A bill for an act relating to military
4 affairs; proposing an amendment to the Minnesota Constitution by
5 adding a section to article XI; creating a military assistance
6 trust fund; authorizing rulemaking; appropriating money;
7 proposing coding for new law in Minnesota Statutes, chapter 190.

8 Reports the same back with the recommendation that the bill
9 do pass and be re-referred to the Committee on State and Local
10 Government Operations. Report adopted.

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Jim Vickerman
.....
(Committee Chair)

February 28, 2005.....
(Date of Committee recommendation)

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was re-referred

3 S.F. No. 1031: A bill for an act relating to health;
4 providing an exception to recreational camping area regulations
5 for the State Fair; proposing coding for new law in Minnesota
6 Statutes, chapter 327.

7 Reports the same back with the recommendation that the bill
8 be amended as follows:

9 Delete everything after the enacting clause and insert:

10 "Section 1. [327.201] [STATE FAIR CAMPING AREA.]

11 Notwithstanding sections 327.14 to 327.28 or any rule
12 adopted by the commissioner of health, the State Agricultural
13 Society must operate and maintain a camping area on the State
14 Fairgrounds during the State Fair, subject to the following
15 conditions:

16 (1) recreational camping vehicles and tents, including
17 their attachments, must be separated from each other and from
18 other structures by at least seven feet;

19 (2) a minimum area of 300 square feet per site must be
20 provided and the total number of sites must not exceed one site
21 for every 300 square feet of usable land area; and

22 (3) each site must face a driveway at least 16 feet in
23 width and each driveway must have unobstructed access to a
24 public roadway.

25 Sec. 2. [327.202] [LIVESTOCK EXHIBITORS.]

26 During the State Fair a person may sleep in a vehicle in a
27 designated State Fairground parking lot with a valid livestock
28 parking permit."

29 And when so amended the bill do pass and be placed on the
30 Consent Calendar. Amendments adopted. Report adopted.

31 *Jim Vickerman*
32
33 (Committee Chair)

34 February 28, 2005.....
35 (Date of Committee recommendation)

1 Senator Vickerman from the Committee on Agriculture,
2 Veterans and Gaming, to which was referred

3 S.F. No. 362: A bill for an act relating to the military;
4 creating a program that provides interest-free loans to certain
5 members of the Minnesota National Guard or other military
6 reserve units called to federal active service and deployed
7 outside of the United States; amending Minnesota Statutes 2004,
8 section 192.501, by adding a subdivision.

9 Reports the same back with the recommendation that the bill
10 be amended as follows:

11 Delete everything after the enacting clause and insert:

12 "Section 1. Minnesota Statutes 2004, section 192.501, is
13 amended by adding a subdivision to read:

14 Subd. 2a. [INTEREST-FREE LOAN FOR FOREIGN DEPLOYMENT.] (a)
15 The adjutant general shall establish a program to provide an
16 interest-free loan from the state in the amount of up to \$2,000
17 for each month of deployment described in paragraph (b), clause
18 (1), to each eligible soldier within the limitations of this
19 subdivision.

20 (b) Eligibility is limited to a member of the Minnesota
21 National Guard or other reserve components of the armed forces
22 of the United States who:

23 (1) engaged in a deployment under federal active service as
24 defined in section 190.05, subdivision 5c, for at least 90
25 consecutive days to a location outside of the United States;

26 (2) is serving satisfactorily as defined by the adjutant
27 general or was honorably discharged following completion of the
28 deployment;

29 (3) submits an application under the procedures established
30 by the adjutant general within eight months of completion of the
31 deployment; and

32 (4) was a resident of Minnesota when the deployment began.

33 In addition, if the eligible member is killed during the
34 overseas deployment, the member's surviving spouse is eligible
35 for an interest-free loan under this subdivision.

36 The adjutant general may adopt rules to provide additional
37 eligibility criteria for the loan and repayment terms for the
38 loan.

39 (c) The maximum amount of a loan under this subdivision is

1 \$24,000.

2 (d) Loans made under this subdivision must be repaid within
3 20 years of the date of the origin of the loan. Repayments
4 shall be deposited to the general fund.

5 (e) The adjutant general may impose a reasonable,
6 nonrefundable application fee for each loan application and an
7 origination fee to pay the costs of issuing and servicing the
8 loan. The application fees shall be initially set at \$50 and
9 the origination fee shall be initially set at one percent of the
10 loan. The adjutant general may adjust the fees by rule. The
11 fees must be deposited in the state treasury and credited to an
12 account in the special revenue fund. Money in the account is
13 appropriated to the adjutant general for administrative expenses
14 of the loan program under this subdivision.

15 Sec. 2. [APPROPRIATION.]

16 \$..... is appropriated from the general fund to the
17 adjutant general for loans under section 1. This appropriation
18 is available until spent."

19 Delete the title and insert:

20 "A bill for an act relating to the military; creating a
21 program that provides interest-free loans to certain members of
22 the Minnesota National Guard or other military reserve units
23 called to federal active service and deployed outside of the
24 United States; appropriating money; amending Minnesota Statutes
25 2004, section 192.501, by adding a subdivision."

26 And when so amended the bill do pass and be re-referred to
27 the Committee on State and Local Government Operations.
28 Amendments adopted. Report adopted.

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30 Jim Wickerman
31 (Committee Chair)

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33 February 28, 2005.....
34 (Date of Committee recommendation)

Senate Agriculture, Veterans and Gaming Committee

Monday, February 28, 2005

3:00 p.m. Room 112, Capitol

AGENDA

S.F. 1031 – Koering: State fair camping area operation. *Amended, Passed, Consented.*

S.F. 363-Murphy: National Guard and active military reserve members state paid health insurance. *Passed, reref. to Finance*

Lori Olman *Anoka*
Caroline Peters
Sherman Peterson *Patterson Minneapolis*
Attorney General Mike Hatch

S.F. 362-Murphy: National Guard or active military reservists interest free loans.

Same as above *Amended, Passed, Reref. to State & Local Gov, OP*

S.F. 658-Betzold: Constitutional amendment for military assistance trust fund.

Passed, rereferrred to State & Local Gov, OP.

S.F. 659-Betzold: Military assistance trust fund.

Passed - rereferrred to State & Local Gov, Operations

Tom Haugo, Army Reserve Ambassador

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Senate

State of Minnesota

S.F. No. 363 - Medical Benefits for Foreign Deployment

Author: Senator Steve Murphy

Prepared by: Greg Knopff, Legislative Analyst *GK*
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Date: February 28, 2005

S.F. No. 363 provides that members of the Minnesota National Guard or other reserve component who serve in active duty outside the United States for at least 90 days are eligible for hospital and medical benefits under the plan for unclassified employees of the executive branch. The member must have been a resident of Minnesota when deployment began. If the member is killed in overseas deployment, the member's spouse or dependents are eligible for the hospital and medical benefits. Each member is eligible for one month of benefits for each month of active service outside the United States. The member must apply for the insurance coverage within eight months of completion of deployment. The member may elect to receive family coverage. The Department of Military Affairs is the agency responsible for paying for the benefit coverage for members. The amount necessary to pay for the coverage is appropriated from the General Fund.

GK:dv

Senators Murphy, Day, Sparks, Vickerman and Dille introduced--

S.F. No. 363: Referred to the Committee on Agriculture, Veterans and Gaming.

1 A bill for an act

2 relating to the military; modifying the eligibility
3 for state-paid insurance and benefits by making
4 members of the Minnesota National Guard or other
5 military reserve units called to federal active
6 service and deployed to foreign lands and their
7 families eligible for participation in the health
8 insurance portions of the state employee group
9 insurance program; appropriating money; amending
10 Minnesota Statutes 2004, sections 43A.24, by adding a
11 subdivision; 43A.26; 43A.30, subdivision 1.

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

13 Section 1. Minnesota Statutes 2004, section 43A.24, is
14 amended by adding a subdivision to read:

15 Subd. 4. [ELIGIBLE SOLDIERS.] (a) A member of the
16 Minnesota National Guard or other reserve component of the armed
17 forces of the United States is eligible to participate in the
18 hospital and medical benefits contained in the plan established
19 under section 43A.18, subdivision 2, if the soldier:

20 (1) engaged in a deployment under federal active service as
21 defined in section 190.05, subdivision 5c, for at least 90
22 consecutive days to a location outside of the United States;

23 (2) is serving satisfactorily as defined by the adjutant
24 general or was honorably discharged following completion of the
25 deployment;

26 (3) submits an application for benefits under the
27 procedures established by the commissioner within eight months
28 of completion of the deployment;

1 (4) certifies that the soldier, or soldier's spouse if
2 applicable, does not have insurance coverage available through
3 the soldier or spouse's employer or will not have insurance
4 coverage available when the coverage under section 43A.18,
5 subdivision 2, is to begin; and

6 (5) was a resident of Minnesota when the deployment began.

7 (b) The eligible soldier is eligible for one month of
8 coverage for each month of the deployment described in paragraph
9 (a), clause (1). Coverages made available, including optional
10 coverages, are those contained in the plan established under
11 section 43A.18, subdivision 2.

12 (c) If the eligible soldier is killed during the
13 deployment, the member's surviving spouse or dependents are
14 eligible for health and medical benefits to the same extent that
15 the soldier would have been eligible.

16 (d) The eligible soldier is eligible to receive coverage,
17 whether single coverage for the soldier only or family coverage
18 for the soldier, spouse, and dependents, at the premium rate for
19 single coverage of a full-time employee.

20 (e) For purposes of continuation insurance, when coverage
21 ends under this subdivision, the termination is considered a
22 qualifying event.

23 Sec. 2. Minnesota Statutes 2004, section 43A.26, is
24 amended to read:

25 43A.26 [OPTIONAL COVERAGES.]

26 The commissioner may make available to eligible persons and
27 their dependents certain optional coverages provided by carriers
28 selected by the commissioner. Eligible employees may elect to
29 purchase optional coverages at their own expense. If family
30 coverage is available to other eligible persons, eligible
31 soldiers under section 43A.24, subdivision 4, may elect to
32 receive family coverage at the expense of the state.

33 Sec. 3. Minnesota Statutes 2004, section 43A.30,
34 subdivision 1, is amended to read:

35 Subdivision 1. [PAYMENTS FROM AGENCY REVENUES.] Each
36 agency shall pay the amounts due for state paid life insurance

1 and hospital, medical and dental benefits coverage authorized
2 for eligible employees pursuant to this chapter.

3 Each agency shall pay the amounts from accounts and funds
4 from which the agency receives its revenues, including
5 appropriations from the general fund and from any other fund,
6 now or hereafter existing for the payment of salaries and in the
7 same proportion as it pays therefrom the amounts of salaries.
8 In order to enable the commissioner of finance to maintain
9 proper records covering the appropriations pursuant to this
10 section, the commissioner of finance may require certifications
11 in connection with payments as the commissioner of finance deems
12 necessary from the Minnesota Historical Society, the University
13 of Minnesota, or any agency whose employees receive benefits
14 pursuant to this chapter. The accounts and funds from which
15 agencies receive appropriations under the terms of this section
16 are a source of revenue for the purposes of any other law or
17 statutory enactment.

18 The Department of Military Affairs is the agency
19 responsible for paying the amounts due for benefits coverage
20 provided to eligible soldiers under section 43A.24, subdivision
21 4. The amount necessary to pay the amount due for eligible
22 soldiers is appropriated to the adjutant general from the
23 general fund.

1 Senator moves to amend S.F. No. 362 as follows:

2 Delete everything after the enacting clause and insert:

3 "Section 1. Minnesota Statutes 2004, section 192.501, is
4 amended by adding a subdivision to read:

5 Subd. 2a. [INTEREST-FREE LOAN FOR FOREIGN DEPLOYMENT.] (a)
6 The adjutant general shall establish a program to provide an
7 interest-free loan from the state in the amount of up to \$2,000
8 for each month of deployment described in paragraph (b), clause
9 (1), to each eligible soldier within the limitations of this
10 subdivision.

11 (b) Eligibility is limited to a member of the Minnesota
12 National Guard or other reserve components of the armed forces
13 of the United States who:

14 (1) engaged in a deployment under federal active service as
15 defined in section 190.05, subdivision 5c, for at least 90
16 consecutive days to a location outside of the United States;

17 (2) is serving satisfactorily as defined by the adjutant
18 general or was honorably discharged following completion of the
19 deployment;

20 (3) submits an application under the procedures established
21 by the adjutant general within eight months of completion of the
22 deployment; and

23 (4) was a resident of Minnesota when the deployment began.

24 In addition, if the eligible member is killed during the
25 overseas deployment, the member's surviving spouse is eligible
26 for an interest-free loan under this subdivision.

27 The adjutant general may adopt rules to provide additional
28 eligibility criteria for the loan and repayment terms for the
29 loan.

30 (c) The maximum amount of a loan under this subdivision is
31 \$24,000.

32 (d) Loans made under this subdivision must be repaid within
33 20 years of the date of the origin of the loan. Repayments
34 shall be deposited to the general fund.

35 (e) The adjutant general may impose a reasonable,
36 nonrefundable application fee for each loan application and an

1 origination fee to pay the costs of issuing and servicing the
2 loan. The application fees shall be initially set at \$50 and
3 the origination fee shall be initially set at one percent of the
4 loan. The adjutant general may adjust the fees by rule. The
5 fees must be deposited in the state treasury and credited to an
6 account in the special revenue fund. Money in the account is
7 appropriated to the adjutant general for administrative expenses
8 of the loan program under this subdivision.

9 Sec. 2. [APPROPRIATION.]

10 \$. is appropriated from the general fund to the
11 adjutant general for loans under section 1. This appropriation
12 is available until spent."

13 Delete the title and insert:

14 "A bill for an act relating to the military; creating a
15 program that provides interest-free loans to certain members of
16 the Minnesota National Guard or other military reserve units
17 called to federal active service and deployed outside of the
18 United States; appropriating money; amending Minnesota Statutes
19 2004, section 192.501, by adding a subdivision."

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State of Minnesota

S.F. No. 362-Delete-Everything Amendment - Interest-Free Loans for Foreign Deployment

Author: Senator Steve Murphy

Prepared by: Greg Knopff, Legislative Analyst *JK*
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Date: February 28, 2005

S.F. No. 362 establishes an interest-free loan program for members of the Minnesota National Guard or other reserve component who serve in active duty outside the United States for at least 90 days. The member must have been a resident of Minnesota when deployment began. If the member is killed in overseas deployment, the member's spouse is eligible for the loan. The maximum loan amount is \$2,000 per month of overseas active service or \$24,000, whichever is less. The loans must be repaid within 20 years. The Adjutant General may impose an application and loan initiation fee. Initially, the application fee is \$50 and the loan initiation fee is one percent of the loan. The bill appropriates an unspecified amount to the Adjutant General from the General Fund for the purposes of the loan program.

GK:dv

Senators Murphy, Day, Sparks, Vickerman and Dille introduced--
S.F. No. 362: Referred to the Committee on Agriculture, Veterans and Gaming.

A bill for an act

relating to the military; creating a program that provides interest-free loans to certain members of the Minnesota National Guard or other military reserve units called to federal active service and deployed outside of the United States; amending Minnesota Statutes 2004, section 192.501, by adding a subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2004, section 192.501, is amended by adding a subdivision to read:

Subd. 2a. [INTEREST-FREE LOAN FOR FOREIGN DEPLOYMENT.] (a)

The adjutant general shall establish a program to provide an interest-free loan from the state in the amount of \$2,000 for each month of deployment described in paragraph (b), clause (1), to each eligible soldier within the limitations of this subdivision.

(b) Eligibility is limited to a member of the Minnesota National Guard or other reserve components of the armed forces of the United States who:

(1) engaged in a deployment under federal active service as defined in section 190.05, subdivision 5c, for at least 90 consecutive days to a location outside of the United States;

(2) is serving satisfactorily as defined by the adjutant general or was honorably discharged following completion of the deployment;

(3) submits an application under the procedures established

1 by the adjutant general within eight months of completion of the
2 deployment; and

3 (4) was a resident of Minnesota when the deployment began.

4 In addition, if the eligible member is killed during the
5 overseas deployment, the member's surviving spouse is eligible
6 for an interest-free loan under this subdivision.

7 The adjutant general may, within the limitations of this
8 paragraph and other applicable laws, determine additional
9 eligibility criteria for the loan, and must specify the criteria
10 in department rules.

11 (c) The maximum amount of a loan under this subdivision is
12 \$24,000.

13 (d) Loans made under this subdivision must be repaid within
14 30 years of the date of the origin of the loan.

1 Senator moves to amend S.F. No. 1031 as follows:

2 Delete everything after the enacting clause and insert:

3 "Section 1. [327.201] [STATE FAIR CAMPING AREA.]

4 Notwithstanding sections 327.14 to 327.28 or any rule
5 adopted by the commissioner of health, the State Agricultural
6 Society must operate and maintain a camping area on the State
7 Fairgrounds during the State Fair, subject to the following
8 conditions:

9 (1) recreational camping vehicles and tents, including
10 their attachments, must be separated from each other and from
11 other structures by at least seven feet;

12 (2) a minimum area of 300 square feet per site must be
13 provided and the total number of sites must not exceed one site
14 for every 300 square feet of usable land area; and

15 (3) each site must face a driveway at least 16 feet in
16 width and each driveway must have unobstructed access to a
17 public roadway.

18 Sec. 2. [327.202] [LIVESTOCK EXHIBITORS.]

19 During the State Fair a person may sleep in a vehicle in a
20 designated State Fairground parking lot with a valid livestock
21 parking permit."

1 Senator moves to amend S.F. No. 1031 as follows:

2 Delete everything after the enacting clause and insert:

3 "Section 1. [327.201] [STATE FAIR CAMPING AREA.]

4 Notwithstanding sections 327.14 to 327.28 or any rule

5 adopted by the commissioner of health, the State Agricultural

6 Society must operate and maintain a camping area on the State

7 Fairgrounds during the State Fair, subject to the following

8 conditions:

9 (1) recreational camping vehicles and tents, including
10 their attachments, must be separated from each other and from
11 other structures by at least seven feet;

12 (2) a minimum area of 300 square feet per site must be
13 provided and the total number of sites must not exceed one site
14 for every 300 square feet of usable land area; and

15 (3) each site must face a driveway at least 16 feet in
16 width and each driveway must have unobstructed access to a
17 public roadway.

18 Sec. 2. [327.202] [LIVESTOCK EXHIBITORS.]

19 During the State Fair a person may sleep in a vehicle in a
20 designated State Fairground parking lot with a valid livestock
21 parking permit."

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A bill for an act

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relating to health; providing an exception to
recreational camping area regulations for the State
Fair; proposing coding for new law in Minnesota
Statutes, chapter 327.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

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Section 1. [327.201] [STATE FAIR CAMPING AREA.]

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Notwithstanding sections 327.14 to 327.28 or any rule

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adopted by the commissioner of health, the State Agricultural

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Society may continue to operate and maintain the camping area on

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the State Fairgrounds during the State Fair as the camping area

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existed in 2004, including, but not limited to, the number of

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campsites and size of the campsites.

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S.F. No. 658 - Military Assistance Trust Fund, Constitutional Amendment

Author: Senator Don Betzold

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Date: February 28, 2005

Article 1 of the bill provides the language of a constitutional amendment to establish a Military Assistance Trust Fund. The constitutional amendment provides that the trust fund is a permanent fund and only the interest accrued on the fund may be spent for assistance to residents who are members of the military. The language of the amendment also allows general obligation bonds to be sold to provide money for the trust fund. Any money designated by law shall be deposited into the Military Assistance Trust Fund.

Article 2 of the bill provides the statutory language related to establishing the uses of the Military Assistance Trust Fund. The investment income from the Military Assistance Trust Fund is appropriated to the Adjutant General to alleviate financial hardship for any Minnesota resident called to active duty for any branch of the military or to the person's immediate family. The investment income from the Military Assistance Trust Fund must be used only as a last resort and must not be used to supplant any other public or private funds. The adjutant General must adopt rules to establish eligibility requirements for assistance from the Military Assistance Trust Fund. This article also requires an annual report from the Adjutant General on assistance provided.

GK:dv

Senators Betzold, Vickerman, Metzen, Skoglund and Dille introduced--
S.F. No. 658: Referred to the Committee on Agriculture, Veterans and Gaming.

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A bill for an act

relating to military affairs; proposing an amendment to the Minnesota Constitution by adding a section to article XI; creating a military assistance trust fund; authorizing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 190.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

CONSTITUTIONAL AMENDMENT

Section 1. [CONSTITUTIONAL AMENDMENT.]

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, a section will be added to article XI to read:

Sec. 15. The military assistance trust fund is established in the state treasury to provide assistance to residents who are members of the military. The trust fund shall consist of those funds designated to the trust fund by law. Whenever authorized and on the terms fixed by law, the state may transfer money and pledge the public credit to provide money for the purposes of this section. Money deposited in the trust fund established pursuant to this section is inviolate and constitutes a permanent and perpetual trust fund. The interest earned from investment of the corpus of the trust fund shall be annually credited by the commissioner of finance not later than June 30 of each year into a separate account within the state treasury and distributed as provided by law.

1 Sec. 2. [SUBMISSION TO VOTERS.]

2 The proposed amendment shall be submitted to the people at
3 the 2006 general election. The question submitted shall be:

4 "Shall the Minnesota Constitution be amended to establish a
5 military assistance trust fund to provide assistance to
6 residents who are members of the military, including pledging
7 public credit to provide money for the trust fund?

8 Yes

9 No"

10 ARTICLE 2

11 STATUTORY CHANGES

12 Section 1. [190.20] [USES OF TRUST FUND; APPROPRIATION;
13 RULEMAKING.]

14 (a) Money deposited in the military assistance trust fund,
15 created under article XI, section 15, of the Minnesota
16 Constitution, must be transmitted to the State Board of
17 Investment for credit to the trust fund and invested by the
18 State Board of Investment so as to obtain the highest return
19 possible consistent with the preservation of the corpus.

20 (b) The investment income from the military assistance
21 trust fund is appropriated to the adjutant general to alleviate
22 financial hardships faced by:

23 (1) any member of the Minnesota National Guard or a reserve
24 unit that is based in Minnesota who has been called to active
25 duty or active state service;

26 (2) any Minnesota resident who is a member of a military
27 reserve unit that is not based in Minnesota, if the member is
28 called to active duty;

29 (3) any other Minnesota resident performing active duty
30 service for any branch of the military of the United States; and

31 (4) members of the immediate family of a person identified
32 in clauses (1) to (3). For purposes of this clause, "immediate
33 family" means the spouse and each child and, if they are
34 dependents of the member of the military, the parents,
35 grandparents, siblings, stepchildren, and adult children of the
36 member of the military.

1 (c) The interest income earned from the military assistance
2 trust fund must only be used as a last resort to assist eligible
3 military personnel and families dealing with financial hardship
4 resulting from the military member's active duty status and must
5 not be used to supplant any other private or public funds to the
6 extent funds are available.

7 (d) The adjutant general must adopt rules to establish
8 eligibility requirements for assistance under this section. In
9 developing rules, the adjutant general shall consult with
10 military support groups including, but not limited to, the
11 family assistance fund and family assistance centers.

12 Sec. 2. [190.21] [ANNUAL REPORT.]

13 (a) By January 15 of each year, the adjutant general shall
14 provide a report to the governor and the senate and house
15 committees with jurisdiction over military affairs policy and
16 finance specifying:

17 (1) the total amount of interest income earned from the
18 military assistance trust fund during the preceding fiscal year;

19 (2) the total amount of assistance provided from the
20 interest income earned from the military assistance trust fund;
21 and

22 (3) the amount of assistance provided from the interest
23 income earned from the military assistance trust fund by branch
24 of service, regular or reserve duty classification, amounts of
25 individual assistance provided, the reasons that qualified a
26 member of the military or the member's family for assistance,
27 and the balance remaining within the interest income account for
28 future disbursements.

29 (b) The adjutant general may request assistance from the
30 State Board of Investment to prepare the annual report required
31 by this section.

32 Sec. 3. [EFFECTIVE DATE.]

33 This article is effective November 15, 2006, if the
34 constitutional amendment proposed in article 1 is adopted by the
35 voters.

**Senate Counsel, Research,
and Fiscal Analysis**

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S.F. No. 659 - Military Assistance Trust Fund

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S.F. No. 659 establishes a Military Assistance Trust Fund that is a permanent fund and only the interest accrued on the fund may be spent for assistance to residents who are members of the military. The investment income from the Military Assistance Trust Fund is appropriated to the Adjutant General to alleviate financial hardship to any Minnesota resident called to active duty by any branch of the military or to the person's immediate family. The investment income from the Military Assistance Trust Fund must be used only as a last resort and must not be used to supplant any other public or private funds. The adjutant General must adopt rules to establish eligibility requirements for assistance from the Military Assistance Trust Fund. This bill requires an annual report from the Adjutant General on assistance provided. By July 1, 2005, the Commissioner of Finance must transfer an unspecified amount from the General Fund to the Military Assistance Trust Fund.

GK:dv

Senators Betzold, Vickerman, Metzen, Skoglund and Dille introduced--
S.F. No. 659: Referred to the Committee on Agriculture, Veterans and Gaming.

A bill for an act

relating to military affairs; creating a military assistance trust fund and specifying uses of the fund; authorizing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 190.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. [190.19] [MILITARY ASSISTANCE TRUST FUND.]

(a) The military assistance trust fund is established in the state treasury. The trust fund consists of those funds designated to the trust fund by law.

(b) Money deposited in the trust fund established in paragraph (a) is inviolate and constitutes a permanent and perpetual trust fund. Money designated to the trust fund must be transmitted to the State Board of Investment for credit to the trust fund and invested by the State Board of Investment so as to obtain the highest return possible consistent with the preservation of the corpus. The interest earned from investment of the corpus of the trust fund must be credited by the commissioner of finance not later than June 30 of each year into a separate account within the state treasury and distributed as provided in section 190.20.

Sec. 2. [190.20] [USES OF TRUST FUND; APPROPRIATION; RULEMAKING.]

(a) The investment income from the military assistance trust fund created by section 190.19 is appropriated to the

1 adjutant general to alleviate financial hardships faced by:

2 (1) any member of the Minnesota National Guard or a reserve
3 unit that is based in Minnesota who has been called to active
4 duty or active state service;

5 (2) any Minnesota resident who is a member of a military
6 reserve unit that is not based in Minnesota, if the member is
7 called to active duty;

8 (3) any other Minnesota resident performing active duty
9 service for any branch of the military of the United States; and

10 (4) members of the immediate family of a person identified
11 in clauses (1) to (3). For purposes of this clause, "immediate
12 family" means the spouse and each child and, if they are
13 dependents of the member of the military, the parents,
14 grandparents, siblings, stepchildren, and adult children of the
15 member of the military.

16 (b) The interest income earned from the military assistance
17 trust fund must only be used as a last resort to assist eligible
18 military personnel and families dealing with financial hardship
19 resulting from the military member's active duty status and must
20 not be used to supplant any other private or public funds to the
21 extent funds are available.

22 (c) The adjutant general must adopt rules to establish
23 eligibility requirements for assistance under this section. In
24 developing rules, the adjutant general shall consult with
25 military support groups including, but not limited to, the
26 family assistance fund and family assistance centers.

27 Sec. 3. [190.21] [ANNUAL REPORT.]

28 (a) By January 15 of each year, the adjutant general shall
29 provide a report to the governor and the senate and house
30 committees with jurisdiction over military affairs policy and
31 finance specifying:

32 (1) the total amount of interest income earned from the
33 military assistance trust fund during the preceding fiscal year;

34 (2) the total amount of assistance provided from the
35 interest income earned from the military assistance trust fund;
36 and

1 (3) the amount of assistance provided from the interest
2 income earned from the military assistance trust fund by branch
3 of service, regular or reserve duty classification, amounts of
4 individual assistance provided, the reasons that qualified a
5 member of the military or the member's family for assistance,
6 and the balance remaining within the interest income account for
7 future disbursements.

8 (b) The adjutant general may request assistance from the
9 State Board of Investment to prepare the annual report required
10 by this section.

11 Sec. 4. [TRANSFER.]

12 By July 1, 2005, the commissioner of finance shall transfer
13 \$..... from the general fund to the military assistance trust
14 fund.