

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 268

H.P. 231

House of Representatives, January 23, 2001

An Act Regarding Veterans.

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative TUTTLE of Sanford.
Cosponsored by Senator DOUGLASS of Androscoggin and
Representatives: DUNCAN of Presque Isle, HEIDRICH of Oxford, LABRECQUE of
Gorham, MAYO of Bath, PATRICK of Rumford, Senators: BROMLEY of Cumberland,
WOODCOCK of Franklin.

Be it enacted by the People of the State of Maine as follows:

2
3 **Sec. 1. 5 MRSA §17760, sub-§2**, as amended by PL 1991, c. 479,
4 §3, is further amended to read:

6 **2. Service before becoming a member.** A member who served as
7 a full-time active duty member of the armed forces before
8 becoming a member of the retirement system is entitled to service
9 credit for the period of time he the member served in the armed
10 forces, under the following terms and conditions.

12 A. On the date of retirement, the member must have at least
13 ~~15~~ 5 years of creditable service.

14 C. The member must have separated from the armed forces
15 under conditions other than dishonorable, providing that the
16 separation was not upgraded through a program of general
17 amnesty.

18 ~~D. Except as provided in paragraph E, the member must have~~
19 ~~begun membership before January 1, 1976.~~

20 ~~E. A member who served in the armed forces during any~~
21 ~~federally recognized period of conflict, as defined in Title~~
22 ~~37-B, section 504, subsection 4, paragraph A-1, subparagraph~~
23 ~~(3), is entitled to service credit under this subsection.~~

24 F. Upon complete payment of the back contributions under
25 section 17713, the member shall must be granted service
26 credit for the period of time for which the contributions
27 have been made. Upon making partial payment of the back
28 contributions under section 17713, the member shall must be
29 granted service credit on a pro rata basis in accordance
30 with rules adopted by the board.

31 **Sec. 2. 36 MRSA §653, sub-§1, ¶C**, as amended by PL 1999, c.
32 462, §2, is further amended to read:

33 C. The estates up to the just value of \$5,000, having a
34 taxable situs in the place of residence, of veterans who
35 served were honorably discharged from active duty in the
36 Armed Forces of the United States:

37 (1) ~~During any federally recognized war period,~~
38 ~~including the Korean Campaign, the Vietnam War and the~~
39 ~~Persian Gulf War, when When they have reached the age~~
40 ~~of 62 years or when they are receiving any form of~~
41 ~~pension or compensation from the United States~~
42 ~~Government for total disability, service-connected or~~
43 ~~nonservice-connected, as a veteran, A veteran of the~~

2 Vietnam War must have served on active duty for a
period of more than 180 days, any part of which
4 occurred after February 27, 1961 and before May 8, 1975
in the case of a veteran who served in the Republic of
6 Vietnam and after August 4, 1964 and before May 7, 1975
in all other cases, unless the veteran died in service
8 or was discharged for a service-connected disability
after that date. "Vietnam War" means the period
between August 5, 1964 and May 7, 1975 and the period
10 beginning on February 28, 1961 and ending on May 7,
1975 in the case of a veteran who served in the
12 Republic of Vietnam during that period. "Persian Gulf
War" means service on active duty on or after August 7,
14 1990 and before or on the date that the United States
Government recognizes as the end of that war period; or
16

18 (2) Who are disabled by injury or disease incurred or
aggravated during active military service in the line
of duty and are receiving any form of pension or
20 compensation from the United States Government for
total, service-connected disability.
22

24 The exemptions provided in this paragraph apply to the
property of that veteran, including property held in joint
tenancy with that veteran's spouse or held in a revocable
26 living trust for the benefit of that veteran.

28 Exemptions granted under this paragraph on or after April 1,
2002 require a 100% reimbursement to the municipality for
30 the property tax revenues lost to that municipality.
32 Exemptions granted on or after April 1, 2002 under this
paragraph are not considered eligible for reimbursement
34 under paragraph H. Municipal property tax revenues lost as
a result of exemptions granted prior to April 1, 2002 are
36 not 100% reimbursable but may be reimbursable under section
661.

38 **Sec. 3. 37-B MRSA §505, sub-§5** is enacted to read:

40 **5. Public assistance designation.** Assistance granted to
42 veterans or their dependents pursuant to this section is
designated public assistance within the meaning of Title 22,
44 section 9-A. The department retains administrative
responsibility for assistance granted under this section.

46 **Sec. 4. Notification.** The Department of Administrative and
48 Financial Services, Maine Revenue Services shall notify by
regular mail each municipality of the provisions of that section
of this Act that amends the Maine Revised Statutes, Title 36,
50 section 653, subsection 1, paragraph C at least 60 days prior

2 to the beginning of the first property tax year to which the
changes apply.

4 **Sec. 5. Application.** That section of this Act that amends the
Maine Revised Statutes, Title 36, section 653, subsection 1,
6 paragraph C applies to property tax years beginning April 1, 2002.

8 **Sec. 6. Appropriation.** The following funds are appropriated
from the General Fund to carry out the purposes of this Act.

10 **2001-02** **2002-03**

12 **DEFENSE, VETERANS AND**
14 **EMERGENCY MANAGEMENT,**
16 **DEPARTMENT OF**

Bureau of Veterans' Services

18 Personal Services \$55,000
20 All Other 260,000 \$200,000

22 Provides funds to the Bureau
24 of Veterans' Services to hire
one new full-time support
26 staff position and to convert
4 part-time support staff
28 positions to full-time staff
positions in the bureau's
30 regional field offices and
for the purchase of new
32 computers and software to
provide staff training in
34 computer applications for
staff in the bureau's field
36 offices. Provides funds to
provide aid to veterans and
38 their dependents pursuant to
the Maine Revised Statutes,
40 Title 37-B, section 505.

42 **DEPARTMENT OF DEFENSE,**
44 **VETERANS AND EMERGENCY**
MANAGEMENT
46 **TOTAL**

\$315,000 \$200,000

SUMMARY

2

4 This bill reduces from 15 to 5 the years of creditable
6 service a state employee who is a member of the Maine State
8 Retirement System must have before the employee is eligible to
10 purchase service credits for service in the Armed Forces of the
United States. It also removes the requirement that members
joining after January 1, 1976 must have served in a federally
recognized period of conflict to be eligible to purchase military
service credits.

12 This bill expands eligibility for the veterans' property tax
14 exemption and removes from statute eligibility requirements
16 related to federally recognized periods of war. It also makes
18 all honorably discharged veterans who are 62 years of age or
20 older eligible for the veterans' property tax exemption
22 authorized by this bill. The bill requires the Department of
Administrative and Financial Services, Maine Revenue Services to
notify each municipality of this expanded eligibility at least 60
days prior to the beginning of the first property tax year to
which this expanded eligibility applies.

24 This bill designates as public assistance aid provided to
26 veterans and their dependents pursuant to the Maine Revised
28 Statutes, Title 37-B and requires that the Department of Defense,
Veterans and Emergency Management retain administrative
responsibility for this aid.

30 This bill also restores funding for support staff positions
32 in the Department of Defense, Veterans and Emergency Management,
Bureau of Veterans' Services regional field offices that were
34 eliminated in the budget cuts of 1990. It provides funding to
36 purchase new computers and software for the regional offices that
will, among other things, link them with the bureau's Togus
claims office. The bill also restores funding to provide aid to
veterans and their dependents.