

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

[illegible]

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Military &amp; Veterans' Affairs</u>	<u>6 Y, 0 N</u>	<u>Camechis</u>	<u>Camechis</u>
2) <u>Government Efficiency &amp; Accountability Council</u>	<u>13 Y, 0 N, As CS</u>	<u>Camechis</u>	<u>Cooper</u>
3) <u>Policy &amp; Budget Council</u>			
4) _____			
5) _____			

## SUMMARY ANALYSIS

This bill amends the current statutory definition of “veteran” in s. 1.01(14), F.S. As a result, veterans who served during Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF), but were not deployed into an area of operation, are eligible for wartime service benefits.

Currently, s. 1.01(14), F.S., includes a general definition of the term “veteran” that is used in determining eligibility of veterans for benefits provided by the state. Under the current definition, a person who has served in the active military, naval, or air service and who has been discharged or released from active duty under honorable conditions is eligible for standard veterans’ benefits. A veteran is eligible for enhanced benefits for wartime service if the veteran served in a campaign or expedition for which a campaign badge has been authorized or served during a period of wartime service specified in the definition. Wartime service benefits include: potential credits with the Florida Retirement System; government employment hiring and retention preferences; nursing home admittance preferences; a local business tax exemption; and, an additional homestead property tax exemption.

Under the current definition, a veteran who was deployed into an area of operation during OEF or OIF, and who received a campaign badge, is eligible for all standard veterans' benefits as well as enhanced wartime service benefits. However, a veteran who served on active duty during OEF or OIF without being deployed into an area of operation is eligible for standard veterans' benefits but not wartime service benefits.

This bill appears to have an insignificant fiscal impact on state and local governments.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

Provide Limited Government – This bill expands the number of veterans who are eligible for certain wartime service benefits; however, the bill appears to have an insignificant fiscal impact on state and local governments.

#### B. EFFECT OF PROPOSED CHANGES:

##### **BACKGROUND**

###### **Operation Enduring Freedom**

Operation Enduring Freedom (OEF) is the official name of the American military response to the September 11, 2001, terrorist attacks on the United States. On October 7, 2001, President Bush addressed the nation, announcing that “strikes against al Qaeda terrorist training camps and military installations of the Taliban regime in Afghanistan” had begun.<sup>1</sup> Today, OEF comprises several subordinate operations: Operation Enduring Freedom – Afghanistan; Operation Enduring Freedom - Philippines; and Operation Enduring Freedom - Horn of Africa. The term “OEF” typically refers to the war in Afghanistan. The U. S. Department of Defense (DOD) has authorized award of a campaign medal for members serving in direct support of OEF beginning on or after October 24, 2001, and ending on an undetermined future date.<sup>2</sup>

###### **Operation Iraqi Freedom**

On March 19, 2003, President Bush announced the commencement of Operation Iraqi Freedom (OIF), indicating that “American and coalition forces are in the early stages of military operations to disarm Iraq, to free its people and to defend the world from grave danger...On my orders, coalition forces have begun striking selected targets of military importance to undermine Saddam Hussein's ability to wage war. These are opening stages of what will be a broad and concerted campaign.”<sup>3</sup> The DOD has also authorized a campaign medal for members serving in direct support of OIF beginning on or after March 19, 2003, and ending on an undetermined future date.<sup>4</sup> Section 295.0185, F.S., as well as several Federal laws, refers to March 19, 2003, as the beginning date of OIF.

##### **PRESENT SITUATION**

###### **Definition of “Veteran”**

Section 1.01(14), F.S., defines the term “veteran” for purposes of determining eligibility of veterans for certain benefits provided by the state. A person who has served in the active military, naval, or air service and who has been discharged or released from active duty under honorable conditions is considered a “veteran” eligible for standard veterans’ benefits. A veteran is eligible for enhanced benefits for wartime service if the veteran served in a campaign or expedition for which a campaign badge has been authorized OR the veteran served during one of the following periods of wartime service:

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<sup>1</sup> Presidential address to the Nation. <http://www.whitehouse.gov/news/releases/2001/10/20011007-8.html>.

<sup>2</sup> Department of Army. Afghanistan Campaign Medal Page. Office of the Administrative Assistant to the Secretary of the Army, Institute of Heraldry. Available at: <http://www.tioh.hqda.pentagon.mil/Awards/AfghanistanCampaignMedal.htm>. Accessed January 16, 2007.

<sup>3</sup> Presidential address to the Nation. <http://www.whitehouse.gov/news/releases/2003/03/20030319-17.html>

<sup>4</sup> Department of Army. Iraq Campaign Medal Page. Office of the Administrative Assistant to the Secretary of the Army, Institute of Heraldry. Available at: <http://www.tioh.hqda.pentagon.mil/Awards/IraqCampaignMedal.htm>. Accessed January 16, 2007.

- (a) Spanish-American War: April 21, 1898, to July 4, 1902, and including the Philippine Insurrection and the Boxer Rebellion.
- (b) Mexican Border Period: May 9, 1916, to April 5, 1917, in the case of a veteran who during such period served in Mexico, on the borders thereof, or in the waters adjacent thereto.
- (c) World War I: April 6, 1917, to November 11, 1918; extended to April 1, 1920, for those veterans who served in Russia; also extended through July 1, 1921, for those veterans who served after November 11, 1918, and before July 2, 1921, provided such veterans had at least 1 day of service between April 5, 1917, and November 12, 1918.
- (d) World War II: December 7, 1941, to December 31, 1946.
- (e) Korean Conflict: June 27, 1950, to January 31, 1955.
- (f) Vietnam Era: February 28, 1961, to May 7, 1975.
- (g) Persian Gulf War: August 2, 1990, to January 2, 1992.

As of November 30, 2006, 122,977 veterans who were deployed abroad in OEF or OIF lived in Florida; however, it is unknown how many other veterans in Florida served on active duty during these conflicts but were not deployed abroad in either campaign.<sup>5</sup> Veterans who were deployed abroad in OEF or OIF in an area of operation receive campaign badges and are, therefore, eligible for wartime service benefits under the current definition. However, veterans who served on active duty during OEF or OIF, but are not deployed abroad in an area of operation, are not currently eligible for wartime service benefits.<sup>6</sup>

### **Standard Veterans' Benefits**

All veterans, including veterans who served abroad in OEF or OIF and those who served during OEF or OIF but were not deployed abroad, who meet the eligibility criteria set forth in the definition qualify for the following standard benefits:

- Homestead property tax exemption for certain disabled veterans [ss.196.081; 196.101; 196.24, F.S.];
- Homestead property tax exemptions for spouses of deceased veterans [s. 196.081, F.S.];
- Disabled Veteran Identification Card [s. 295.17, F.S.];
- Educational benefits for select veterans, spouses, and the children of deceased or disabled Florida veterans [ss. 295.01-295.0185, F.S.];
- Waiver of fee for commission as a notary public [s. 113.01, F.S.];
- Disabled veterans' preference in employment and retention [ss. 295.07 & 295.101, F.S.];
- Disabled veterans exemption from certain building license or permit fees [s. 295.16, F.S.];
- One tuition deferment per academic year [s. 1009.27, F.S.];
- Admission to the Florida State Veterans' home program administered by the Florida Department of Veterans Affairs;
- Fee waiver for filing certification of discharge or separation [s. 28.222, F.S.];
- Fee waiver for hunting and fishing licenses [s. 372.562, F.S.];
- Free disabled veteran motor vehicle license plate [s. 320.084, F.S.];
- Free parking permit for disabled veterans [s. 320.0848, F.S.];
- Military motor vehicle license plates for ex-POWs, Florida National Guard or Reserve members, survivors of Pearl Harbor, recipients of the Purple Heart Medal, and recipients of the Medal of Honor;
- Driver's license fee waiver for disabled veterans [s. 322.21, F.S.]; and
- Waiver of toll road fees for certain disabled veterans [s. 338.155, F.S.].

<sup>5</sup> Florida Department of Veteran Affairs, Legislative Analysis (undated).

<sup>6</sup> Florida Department of Veteran Affairs, Legislative Analysis (undated).

## Wartime Service Benefits

Currently, veterans of OEF and OIF who were deployed abroad in an area of operation and who received a campaign badge are eligible for wartime service benefits; however, veterans who served during either operation, but were not deployed abroad, are not eligible for wartime service benefits. These benefits include:

- Government employment hiring and retention preference for certain wartime veterans [s. 295.07, F.S.];
- Priority admittance to State Veteran Nursing Homes [s. 296.08, F.S.];
- Waiver of occupational license taxes for disabled wartime veterans [s. 205.171, F.S.];
- Certain Florida Retirement System (FRS) benefits [s. 121.021, F.S.]; and
- A \$5,000 additional homestead property tax exemption for certain wartime veterans [s. 196.24, F.S.].

## Effects of Proposed Changes

This bill revises s. 1.01(14), F.S., as follows, to add Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF) to the list of campaigns or expeditions that qualify a veteran for wartime service benefits provided under state law:

(14) The term "veteran" means a person who served in the active military, naval, or air service and who was discharged or released there from under honorable conditions only or who later received an upgraded discharge under honorable conditions, notwithstanding any action by the United States Department of Veterans Affairs on individuals discharged or released with other than honorable discharges. To receive benefits as a wartime veteran, a veteran must have served in a campaign or expedition for which a campaign badge has been authorized or a veteran must have served during one of the following periods of wartime service:

(a) Spanish-American War: April 21, 1898, to July 4, 1902, and including the Philippine Insurrection and the Boxer Rebellion.

(b) Mexican Border Period: May 9, 1916, to April 5, 1917, in the case of a veteran who during such period served in Mexico, on the borders thereof, or in the waters adjacent thereto.

(c) World War I: April 6, 1917, to November 11, 1918; extended to April 1, 1920, for those veterans who served in Russia; also extended through July 1, 1921, for those veterans who served after November 11, 1918, and before July 2, 1921, provided such veterans had at least 1 day of service between April 5, 1917, and November 12, 1918.

(d) World War II: December 7, 1941, to December 31, 1946.

(e) Korean Conflict: June 27, 1950, to January 31, 1955.

(f) Vietnam Era: February 28, 1961, to May 7, 1975.

(g) Persian Gulf War: August 2, 1990, to January 2, 1992.

(h) Operation Enduring Freedom: Beginning October 7, 2001, and ending on the date thereafter prescribed by presidential proclamation or by law.

(i) Operation Iraqi Freedom: Beginning March 19, 2003, and ending on the date thereafter prescribed by presidential proclamation or by law.

As a result of this revision, veterans who served during OIF or OEF, but were not deployed into an area of operation, will be eligible for wartime service benefits. Veterans who were deployed abroad into an area of operation in either OEF or OIF are eligible for all veteran benefits, including wartime service benefits, under current law.

As of November 30, 2006, 122,977 Florida veterans had been deployed in OEF or OIF; however, the number of veterans in Florida who served on active duty during the campaigns, but were not deployed,

is unknown.<sup>7</sup> Therefore, the number of veterans who will receive wartime service benefits as a result of this bill is unknown.

**C. SECTION DIRECTORY:**

- Section 1. Amends s. 1.01(14), F.S., redefining the term “veteran”.  
Section 2. Provides an effective date of July 1, 2007.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues: None.  
2. Expenditures: This bill appears to have an insignificant fiscal impact on state government.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues: This bill appears to have an insignificant fiscal impact on local governments.  
2. Expenditures: This bill appears to have an insignificant fiscal impact on local governments.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:** As a result of this bill, veterans who served during OEF or OIF, but were not deployed abroad, are eligible for certain wartime service benefits, including: government employment hiring and retention preference for certain wartime veterans; priority admittance to State Veteran Nursing Homes; waiver of occupational license taxes for disabled wartime veterans; certain Florida Retirement System benefits; and a \$5,000 additional homestead property tax exemption for certain wartime veterans.

The bill does not appear to have a fiscal impact on private businesses in Florida.

**D. FISCAL COMMENTS:** None.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

**1. Applicability of Municipality/County Mandates Provision:**

The mandates provision may apply because the bill may reduce revenues of certain cities and counties by increasing the number of veterans eligible for an additional \$5,000 property tax homestead exemption pursuant to s. 196.24, F.S.; however, the bill appears to be exempt from the mandates provision because the fiscal impact of the bill on cities and counties appears to be insignificant.

**2. Other:** None.

**B. RULE-MAKING AUTHORITY:**

This bill does not grant any agency a specific power, impose a duty to be implemented by an agency, or require an agency to adopt rules to facilitate implementation.<sup>8</sup>

DRAFTING ISSUES OR OTHER COMMENTS: None.

**C. STATEMENT OF THE SPONSOR:** The bill sponsor did not submit a statement.

**IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES**

On March 7, 2007, Representative Meadows offered an amendment in the Committee on Military & Veterans' Affairs to clarify the ending dates of the operations and conform this bill to its Senate companion. The Committee adopted the amendment without objection.

On March 14, 2007, the Government Efficiency & Accountability Council reported HB 37 favorably with a council substitute to incorporate the amendment adopted by the Committee on Military & Veterans' Affairs.

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<sup>8</sup> See Florida Department of Veteran Affairs, Legislative Analysis (undated).