

The Military - Veterans Coalition of Indiana 2024 Legislative GOALS V5

1. **Fighting the Indiana Brain Drain.**

Synopsis: Create a Reserve Tuition Supplement Program to match the existing National Guard Tuition Supplement Program within existing state tuition supplement programs. Require applicants to take the CLEP test (through the military) prior to applicants' attendance at state institute of higher education.

Rationale: *Indiana loses about 3,400 veterans annually who do NOT die and who are NOT retirees! Several leave Indiana when they initially join the military as the Military Processing Centers allow and encourage new service members to select a state of residence that does NOT tax military income. This is validated when comparing Indiana to 8 other Midwest states (MI, OH, KY, IL, WI, MO, TN, IA). Indiana's percent of loss is the worst at 20.0% (measured FY13-FY19) compared to 14% avg for the others with Tennessee at a low of 11.6%. The only difference is that Indiana taxes all but \$5,000 of military income and the other states do not!*

Prior military service members are a major economic force bringing to the State over one billion dollars per year in disposable income. Today, per the Federal Department of Veterans Affairs, Indiana veterans received \$3,576,088,000 (over \$3.6 BILLION) Details of this can be found at <http://www.va.gov/VETDATA/docs/GDX>.

Indiana ranks in the bottom 10% in support of prior military service members. The Geographic Distribution of the Department of Veterans Affairs Expenditures (GDX) is prepared each fiscal year by the Department of Veterans Affairs (VA) Office of Policy, Planning and Preparedness. The GDX Report presents the estimated dollar expenditures for major VA Programs by county and Congressional Districts within each state. Expenditure data is grouped by the following categories: Compensation and Pension (C&P); Education and Vocational Rehabilitation; Insurance and Indemnities; Construction (CNSTR); General Operating Expenses (GOE); and Medical Care. The GDX Report also includes veteran population estimates by county and Congressional District within each state and the number of unique patients who used VA health care services (http://www.va.gov/VETDATA/docs/GDX/GDX_Readme.pdf). Analysis of this file places Indiana 46th out of 50 states in benefits paid as a percentage of the total veteran population in Indiana.

According to American Community Survey 2014, "the median household income among veterans in the US is \$56, 890." "Male veterans working full time earn about \$6,000 more than similar non-Veterans" and Female veterans who worked year-round and full-time earned about \$7,000 more than similar non-veterans" according to the Department of Veterans Affairs, Office of Policy and Planning, National Center for Veterans Analysis and Statistics in their June 2016 report. Getting and keeping veterans is a very positive economic advantage for a state.

Additionally, this will help the brain drain in Indiana. How so? The Military Services (i.e. West Point, Annapolis, etc.) graduate 40 officers annually. These are ALL Hoosiers and ALL recommended by Indiana's federal congressional delegation. Additionally, Indiana, Purdue, IUPUI, Ball State, Notre Dame, Indiana State, and other universities graduate nearly 100 officers annually from their ROTC programs. Federal Recruiters from all services recruit an average of 5200 Service members from Indiana annually, all of which are high school graduates and meet the military standards set by the services. These enlisted men and women continue their education while serving in the armed forces as commanders encourage such actions and DOD funds much of this education. The Department of Veterans Affairs, Office of Policy and Planning, National Center for Veterans Analysis and Statistics in their June 2016 report indicated 69% of current veterans have some college and 35.5% who are at least 25 years old have

a bachelor's degree or higher. Additionally, all these officers and enlisted service members bring years of career experience, management and leadership to the civilian workforce. However, the military in Indiana is not growing—it is shrinking as explained above—this is real brain and community citizenship drain!

Recruiting or retaining veterans in Indiana will stimulate growth in business, services, and industry as these new residents and current residents will spend the Indiana income tax savings in Indiana. This is a win – win opportunity!

Veterans in Indiana cost the state less than non-veterans! The Department of Veterans Affairs, Office of Policy and Planning, National Center for Veterans Analysis and Statistics in their June 2016 report indicated “a lower percentage of both male and female Veterans lived below 100 percent of poverty compared to their non-Veteran counterparts.”

Lastly, and certainly most importantly, Indiana residents enjoy the many blessings being part of this great republic thanks to Hoosiers who will serve, are serving, and have served in the military. For this, state representatives of your districts in Indiana should support the wishes of your citizens as amended by this proposal.

2. Support limiting of “small loans” to 36% APR.

Synopsis: Support “Hoosiers for Responsible Lending” legislation to limit loans to 36% APR.

Rationale: *To be produced by the HFRL Coalition.*

3. Reduce the Veteran Suicide Rate in Indiana.

Synopsis: Direct use of veteran suicide funds provided to IDVA in the 2023 General Assembly and / or the Military Family Relief Fund to be used to treat TBI & PTSD in veterans using hyperbaric oxygen therapy (HBOT).

Rationale: *One of the most important missions facing all of us at this time in history is caring for our combat wounded returning home from their deployments, and fighting another battle, the battle to regain their quality of life sacrificed in service to our country. This battle is the support and resources to treat the Iraq and Afghan Signature Wound—Traumatic Brain Injury / Post Traumatic Stress Disorder, also known as the silent wound of the War on Terror. The Oklahoma model for providing Hyperbaric Oxygen Treatment (focusing on TBI) and reimbursing the costs for treatment is calculated to save ONE BILLION DOLLARS a year! The cost of treatment at MEDICARE rates is about \$17,000 one time. Per studies by Rand Corporation and validated by a study done by Ball State University the cost to state and federal government of not treating (or ineffective treatment) is estimated at between \$36K and \$60K per year. 35% of Vietnam Veterans and 30% of Gulf War Veterans suffer from TBI, PTSD, or both per the Rand Corporation Study of 2008. The Veterans Administration indicates that there are 166K Vietnam vets and 126K Gulf War vets for a total of 292K vets. Using 30% of 292,000 veterans reveals to total veteran population suffering from TBI-PTSD of 87K. Using a cost factor of \$36K; the annual cost is \$3.15BILLION ANNUALLY. The Military Coalition thinks that state resources exist and know that the patriotic commitment exists to see it through to completion. The most important outcome will be our Guardians of Freedom and First Responders will get their lives back, and their families will get them back.*

Recent studies support HBOT for Concussion, TBI, PTSD, and PCS. One study stated that based upon blood analysis individuals with these brain insults possess biomarkers if elevated.

- In "Inflammation Relates to Chronic Behavioral and Neurological Symptoms in Military Personnel with Traumatic Brain Injuries" published September 2016 by NIH, NIN, and Johns Hopkins University

School of Nursing, they found "Of those with a TBI, IL-6 and TNF-alpha concentrations were greater in the TBI group than in the control group. Of those IL-6 and TNF-alpha concentrations were greater in the high-PTSD group than the low-PTSD." They state: ***"This study indicates that the comorbidity of TBI and PTSD is associated with inflammation in a military sample, emphasizing the necessity for intervention in order to mitigate the risks associated with inflammation."***

- The article "Novel Neuroimmunologic Therapeutics in Depression: A Clinical Perspective on What We Know So Far" was published in 2020. The authors from University of Pennsylvania and UCLA provide a good review to speculate on other treatments. On page 1 they state: "Nearly 2/3rds of patients do not achieve remission upon initial treatment despite adherence to treatment and are thus considered 'treatment resistant'." They cite 4 references in support of this statement. They also cite 4 references to state "It is well established that depression is associated with inflammatory factors within the innate and the adaptive immune system, as previously reviewed." Additionally, they quote increases in the two cytokines as the article found in military: IL-6 and TNF-alpha. They also include IL-1 beta, not previously mentioned. Most importantly ***"These data correlate with studies showing that, compared to responders, depressed individuals who fail to respond to monoamine reuptake inhibiting agents have abnormal increases in various markers of pro-inflammatory activity."*** [The "monoamine reuptake inhibiting agents" are the commonly used anti-depressants that most Veterans are on.]

One thing COVID has done is to educate the general public about the major problems that can occur due to the inflammatory system. A group of HBO physicians, I was one, wrote a review on using HBO for COVID: "Hyperbaric Oxygen and COVID". On page 6, second column, there are multiple citations of studies which show decreased production of IL-6 and TNF-alpha, in acute and chronic settings. ***"Overall, the data suggests HBO can reduce inflammation arising from several pathologic states."***

The preliminary report from Purdue University Study funded by the State of Indiana indicates that data collected over the past 4 1/2 years suggests we are treating the underlying brain injury and that veterans participating have shown significant improvement.

Additionally, the Indiana Department of Veterans Affairs received \$1 MILLION in the 2023 Budget to fight veteran suicide. Even more importantly, IDVA has a current balance of almost \$11.2 MILLION in the Military Family Relief Fund. This fund continues to grow annually and the demand for "emergency" grants continues at a constant rate.

4. Disabled Veteran Children Higher Education Equity.

Synopsis: Change current Indiana Code provision of paying for children of service-connected disabled veterans at full remission of fees prior to 2011 to include all children of service-connected disabled veterans after 2011.

Rationale:

- *Commission for Higher Education reverted \$250MILLION in FY 2017-2018 and \$2.4 MILLION in FY20-21. Additionally, Ivy Tech reverted \$17.2MILLION, Indiana University \$38.6MILLION, Purdue \$25.6 MILLION, Indiana State \$5,2MILLION, USI \$3.5MILLION, Ball State \$15.8MILLION, and Vincennes \$3.5MILLION in FY20-21. Similar numbers were reverted in FY19-20 therefore additional appropriations should NOT be required. Some of these "unspent" funds may have been because of COVID-19; however, All Universities were open and conducted all classes. Additionally, they did NOT refund "room and board" and had virtual classes prior to COVID-19. Thus, it is our belief that most of these "unspent" funds would have been reverted.*
- *Many children are taking and completing college level courses while in high school.*

- Additionally, programs exist where high school students and college students can earn college credits from programs other than college such as the College Level Entrance Program (CLEP) and End of Course Testing programs.
- The federal government is providing many millions of dollars for underprivileged children so the state could use these funds for those children and re-designate 21st Century Scholarship Funds for this purpose.
- Additionally, some students apply for and receive funds from other programs.
- Many children are taking and completing college level courses while in high school.
- Additionally, programs exist where high school students and college students can earn college credits from programs other than college such as the College Level Entrance Program (CLEP) and End of Course Testing programs.
- TANF funds from the federal government go unspent annually in Indiana. The State FSSI administers these funds. Indiana Code and Indiana Administrative Code could be changed to add funding so these families and children using some of these unused funds. This change could save state dollars and make them available for other priorities while providing more support for needy Hoosiers who join the Guard and Reserve. Josh Garrison, with the Higher Education Commission, confirmed this fund was used in 2016-2017 as Indiana moved Higher Ed funds from their budget to fund DCS with \$25 MILLION.

5. Renter's Credit for Disabled Veteran.

Synopsis: Provide a "renter credit" for a disabled veteran who would qualify for the property tax credit for disabled veterans except for the fact that the disabled veteran rents living quarters.

Rationale: IC 6-3-2-6 Deduction; rent payments Sec. 6.

(a) Each taxable year, an individual who rents a dwelling for use as the individual's principal place of residence may deduct from the individual's adjusted gross income (as defined in IC 6-3-1-3.5(a)), the lesser of:

the amount of rent paid by the individual with respect to the dwelling during the taxable year; or
three thousand dollars (\$3,000).

(b) Notwithstanding subsection (a), a husband and wife filing a joint adjusted gross income tax return for a particular taxable year may not claim a deduction under this section of more than three thousand dollars (\$3,000).

(c) The deduction provided by this section does not apply to an individual who rents a dwelling that is exempt from Indiana property tax.

(d) For purposes of this section, a "dwelling" includes a single family dwelling and unit of a multi-family dwelling. As added by Acts 1979, P.L.70, SEC.1. Amended by P.L.14-1999, SEC.1; P.L.192-2002(ss), SEC.77; P.L.146-2008, SEC.318.

(new code to be added)

(e) Disabled veterans would be eligible for an additional deduction. This additional deduction would be the disabled veteran's disability times the deduction identified in 6A above. Example: Rent paid per year was \$2,500 and veteran was 20% disabled. An additional deduction would be \$500. The total renter's deduction would be \$3,000. Example 2: Rent paid per year was \$8000 and veteran was 70% disabled. The calculation would be \$3,000 time 70% which is equal to \$2,100; thus the total deduction would be \$5,100 in this case.

6. Disabled Veteran's Property Value Cap Limit.

Synopsis: Remove the property value limitation for a disabled vet to receive a property tax reduction.

Rationale: *Provide disabled veterans relief from property tax based having 90 days of service and being totally disabled or being 62 yrs of age and being at least 10% disabled. The current amount continues to diminish in value with time as inflation and other economic pressures increase the value of real property. This change would eliminate revisiting this law and insure deserving disabled veterans would remain whole.*

Home values in Indiana have dramatically increased over the last 2 years. The median price for homes sold in the area in July was \$294,500. The July median price was 13.3% higher than a year ago.

- Marion County—the most active market in central Indiana. The median sales price in the county rose 12.8%, to \$250,400.

Other area counties:

- Hamilton County the median sales price in the county rose 14.7%, to \$430,000.
- Hendricks County, the median sales price increased 17%, to \$339,168.
- Johnson County the median sales price rose 13.8%, to \$310,000.
- Madison County the median sales price increased 18.3%, to \$192,250.
- Hancock County the median price rose 1.5%, to \$325,741.
- Boone County the median price of a home rose 1.5%, to \$405,000.
- Morgan County the median sales price increased 20.9%, to \$289,000.
- Shelby County the median price in July was \$186,000.

7. Military Family Relief Fund Grant Review.

Synopsis: Change the income limits for eligibility to add “need” for emergency issues or medical responsibility not covered elsewhere.

Rationale: The income limitations were put on the MFRF when the fund was opened up to all veterans. There was a fear by the Indiana Department of Veterans Affairs that there would be a run on the fund, and the fund would be depleted. This fear resulted in income limitations being placed on the fund of 2 times the poverty limit. With the income limitations on the fund, it takes away the premise that a working family can have an emergency that they need assistance with. If a veteran demonstrates an emergent need, they should be able to get assistance for that emergency.

8. Guard and Reserve Employer tax abatement credits.

Synopsis: Provide Employer tax abatement credits to help offset costs associated with employees' Guard or Reserve activities and reinforce employer support.

Rationale: *The intent is the same but instead of hiring unemployed veterans substitute "employed National Guard and Reservist who are state residents". Employers have NG and Reservists called to duty and they must be gone from work for days or even up to years. The law requires them to re-employ the service members when they return from duty. The employer needs a temporary replacement or must have other employees work overtime to "cover the lost hours"-- this can be an additional cost. The goal is to encourage employers to hire and retain Guardsmen and Reservists as the nation and Indiana needs them; yet "compensate" in a small way, the business for the additional costs associated with having these Hoosiers employed. The tax credit calculation could be based upon documented additional expenses of a business or a formula such as: 50% of hourly rate of absent NG / Reservists for the hours the NG / Reservists is away from work under normal work hours. An example: SGT Jones (a Guardsman) works at*

Business Furniture as an installer. He is ordered to duty at Camp Atterbury for 2 weeks. His hourly rate is \$20 per hour. Business Furniture could get a tax credit of $\$20 \times 80 \text{ hours} \times 50\% = \800 dollars. The logic is that they will have to pay time and a half to other employees to "cover the hours" while SGT Jones is gone. Note: If SGT Jones uses PTO or vacation then Business Furniture would NOT be entitled as they did NOT experience a loss of labor that they would have had Jones been sick or on vacation. One might ask-- why would SGT Jones take PTO or vacation-- the answer is because he wants to be paid by Business Furniture while off. If he goes to duty per the orders, he receives he is NOT entitled to his hourly wages. It is also noteworthy that some businesses make up the difference in pay when NG or Reservists go on duty. This is voluntary and should not be considered in determining tax abatement.

9. Job preference status to veterans applying for “unclassified” state jobs.

Synopsis: Provide job preference status to veterans applying for “unclassified” state jobs that do not require special requirements.

Rationale: *Veterans should be given preference in ALL state jobs as they have proven by their service their value to the state based upon the skills and experiences they have gained while serving in our military.*

10. Establish a “Catastrophic” disabled veteran hunting season.

Synopsis: Proposal to “establish a catastrophic disabled veteran hunting season” with the “youth hunting season”.

Rationale: *Veterans who are “catastrophically disabled have lost a significant portion of their quality of life. Allowing them to get a separate time to hunt insuring safety of them and the team of aids accompanying them would give them a little respite from the life situation they are in.*

<https://www.gohunt.com/read/life/western-hunting-opportunities-for-military-members#gs.cycrto>

11. Women Veteran Recognition Day Resolution.

Synopsis: Create and publish a Resolution designating June 12, 2024, as Women Veteran Recognition Day.