1. AN ACT CONCERNING THE ESTABLISHMENT OF JUDICIAL PROTECTIONS FOR SERVICE MEMBERS

To provide that a member of the armed forces who is entitled to a stay of proceedings in a family relations matter pursuant to the Servicemembers Civil Relief Act may seek relief and provide testimony by electronic means under certain conditions. (SENATE BILL 930, 2013; SENATE BILL 113, 2012)

Recommendation: Enact legislation to facilitate service by members of the armed forces who have pending family relations cases.

2. AN ACT CONCERNING MILITARY RECRUITER ACCESS TO MILITARY RECORDS.

Purpose: To allow military recruiters to access military records that veterans file with town clerks or public agencies in order to facilitate recruiting for the armed forces of the United States and the Connecticut National Guard (R.B. 836, 2013).

Recommendation: Enact legislation that will permit military recruiter access to government documentation for the purposes of military recruitment

3. AN ACT CONCERNING THE EXEMPTION OF MILITARY RETIREMENT PAY FROM STATE INCOME TAX

Connecticut currently exempts 50% of military retirement pensions from state income tax (12-701 (20) (B)). Nevertheless, upon retirement many members of Connecticut's armed forces relocate to states that do not tax military pensions.

Recommendation: To facilitate retention of and to attract military retirees, Connecticut should fully exempt military pensions from state income tax.



Agency Legislative Proposal - 2014 Session

Document Name (e.g. OPM1015Budget.doc; OTG1015Policy.doc):

CTMD 1 SERVICEMEMBERS CIVIL RELIEF ACT PROCEEDINGS

(If submitting an electronically, please label with date, agency, and title of proposal - 092611_SDE_TechRevisions)

State Agency:

CONNECTICUT MILITARY DEPARTMENT

Liaison: LTC TIM TOMCHO Phone: (860) 548-3203

E-mail: TIMOTHY.J.TOMCHO.MIL@MAIL.MIL

Lead agency division requesting this proposal:

ADJUTANT GENERAL

Agency Analyst/Drafter of Proposal:

Title of Proposal

AN ACT CONCERNING SERVICEMEMBERS CIVIL RELIEF ACT PROCEEDINGS

Statutory Reference

section 46b-1 of the general statutes

Proposal Summary

To provide that a member of the armed forces who is entitled to a stay of proceedings in a family relations matter pursuant to the Servicemembers Civil Relief Act may seek relief and provide testimony by electronic means under certain conditions.

Please ottach a copy of fully drofted bill (required for review)

PROPOSAL BACKGROUND

Reason for Proposal

Please cansider the following, if applicable:

- (1) Have there been changes in federal/state/local laws and regulations that make this legislation necessary? no
- (2) Hos this proposal or something similar been implemented in other stotes? If yes, what is the outcome(s)? yes/favarable outcome as to focilitating military service and justice
- (3) Have certain constituencies colled for this action? Yes ABA model legislation
- (4) What would happen if this was not enacted in law this session? Status quo results in service members either being removed from unit deployment roster, recalled or released from deployments in order to address pending family legal matters.

	Origin	of Pro	nocal
•	CICIPIN	OT Pro	DOSAL

	_
New	Proposal



If this is a resubmission, please share:

- (1) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package? Testimony was favoroble, questioned ovoilability of remote technology (battlefield) to facilitate electronic testimony and reservation was noted relative to telephonic testimony.
- (2) Have there been negotiations/discussians during or after the previous legislative session to improve this proposal? Limited proposal to deployed servicemember testimony by video teleconferencing only – eliminated provision for telephonic testimony.
- (3) Wha were the major stakeholders/advocates/legislotors involved in the previous work on this legislation? Military and veteran community, judicial personnel, Bar Association
- (4) What was the last action taken during the past legislative session?
 Consensus was that it was doable and gove judge discretion to control the applicability of electronic testimony.
 Favorable change of reference (from veterans affairs) to judiciary committee

PROPOSAL IMPACT Agencies Affected (please list for each affected agency) Agency Name: Judicial Branch Agency Contact (name, title, phone): Stephen N. Ment, liaison, (860) 757-2770 Date Contacted: March 7, 2013 NO __Talks Ongoing Approve of Proposal x YES **Summary of Affected Agency's Comments** See attached testimony Will there need to be further negotiation? ____ YES _x__NO Fiscal Impact (please include the proposal section that causes the fiscal impact and the anticipated impact) Municipal (please include any municipal mandate that can be found within legislation) N/A State N/A Federal N/A Additional notes on fiscal impact Nominal



Policy and Programmatic Impacts (Please specify the proposal section associated with the impact)

Proposal facilitates service in the armed forces. While deployed, service members traditionally have to stay proceedings until returning to state. Proposal will permit limited remote testimony to be used to continue family matter legal proceedings by use of video conferencing for case testimony.

AN ACT CONCERNING SERVICEMEMBERS CIVIL RELIEF ACT PROCEEDINGS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective July 1, 2014) (a) In a family relations matter, as defined in section 46b-1 of the general statutes, any member of the armed forces, as defined in section 27-103 of the general statutes, who is entitled to a stay of proceedings pursuant to the Servicemembers Civil Relief Act, 50 USC App. 501 et seq., as amended from time to time, may, subject to the approval of the court under subsection (b) of this section, elect to proceed with such matter while such member is unavailable to appear in the location in which the family relations matter is brought. Any such member who elects to proceed with such matter may seek relief and provide testimony through videoconferencing conducted over a secure video connection. Such testimony shall be (1) provided under oath, (2) in a manner observable by all parties, and (3) recorded by a qualified court reporter. In any family relations matter where a party who is physically present in the state is permitted to use affidavits to seek temporary relief, such member may submit testimony by affidavit.

(b) The court shall permit such member of the armed forces to proceed with such a family relations matter in the manner described in subsection (a) of this section unless, for good cause shown, the opposing party in such matter establishes that the use of the electronic means of presenting testimony would substantially prejudice such party.

This act shall take effect as follows and shall amend the following sections:

Section 1 | July 1, 2014 | New section



STATE OF CONNECTICUT JUDICIAL BRANCH

231 Capitol Avenue Hartford, Connecticut 06106 (860) 757-2270 Fax (860) 757-2215

Testimony of Stephen N. Ment Select Committee of Veterans' Affairs Public Hearing March 7, 2013

Senate Bill 930, An Act Concerning Servicemembers Civil Relief Act Proceedings

Thank you for the opportunity to submit written testimony on behalf of the Judicial Branch in regards to Senate Bill 930, An Act Concerning Servicemembers Civil Relief Act Proceedings. As drafted, the bill would allow for a service member to provide testimony in a family relations matter in any number of ways.

While the Judicial Branch is not conceptually opposed to this concept, we would respectfully submit that the bill is drafted too broadly in that it would allow for testimony to be presented via telephone or internet camera, in addition to videoconferencing.

In order to properly ensure that due process rights are protected for all parties, the court must be in a position to properly assess the testimony presented, and must also be properly satisfied that the testimony is authentic. We would note that telephonic testimony would not allow the court to witness the demeanor of the person testifying.

Should the Committee be inclined to act favorably on this bill, we would respectfully request that the bill be amended to reflect existing language found in C.G.S. 46b-15c.

Thank you for the opportunity to submit written testimony on this bill.



Agency Legislative Proposal - 2014 Session

Document Name (e.g. OPM1015Budget.doc; OTG1015Policy.doc):

CTMD 2 - MILITARY RECRUITER RECORDS ACCESS

(if submitting an electronically, please label with date, agency, and title of proposal - 092611_SDE_TechRevisions)

State Agency:

CONNECTICUT MILITARY DEPARTMENT

Liaison: LTC TIM TOMCHO Phone: (860) 548-3203

E-mail: TIMOTHY.J.TOMCHO.MIL@MAIL.MIL

Lead agency division requesting this proposal:

ADJUTANT GENERAL

Agency Analyst/Drafter of Proposal:

Title of Proposal

AN ACT CONCERNING MILITARY RECRUITER ACCESS TO MILITARY RECORDS

Statutory Reference Section 1-219 of the general statutes

Proposal Summary

To allow military recruiters to access military records that veterans file with town clerks or public agencies in order to facilitate recruiting for the armed forces of the United States and the Connecticut National Guard.

Please attach a capy of fully drafted bill (required for review)

PROPOSAL BACKGROUND

Reason for Proposal

Please consider the following, if applicable:

- (1) Have there been changes in federal/state/local laws and regulations that moke this legislation necessary? Yes change to state FOIA protected previously public records
- (2) Has this proposal or something similar been implemented in other states? If yes, what is the outcome(s)? no
- (3) Have certain constituencies colled for this action? Yes military recruiters
- (4) Whot would happen if this was not enocted in law this session? Reduction in the potential for military recruiting af former service members in state.

•	Origin	of Prop	เดรลไ

New	Proposal



If this is a resubmission, please share:

- (1) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package? Testimany was favorable, question raised as to criminal impersanation of a military recruiter to access persanally identifying information for purpose of identity theft.
- (2) Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?
- (3) Who were the major stakeholders/advocates/legislators involved in the previous wark on this legislation? Military and veteran communit, Freedom of Information Commission
- (4) What was the last action taken during the past legislative session?

Public hearing, did not JF from veterans committee. PROPOSAL IMPACT Agencies Affected (please list for each affected agency) Agency Name: Potentially Freedom of Information Committee Agency Contact (name, title, phone): **Date Contacted:** Approve of Proposal ___NO ___Talks Ongoing ____YES **Summary of Affected Agency's Comments** See attached testimony Will there need to be further negotiation? ____ YES Fiscal Impact (please include the proposal section that causes the fiscal impact and the anticipated impact) Municipal (please include any municipal mandate that can be found within legislation) N/A State N/A **Federal** N/A Additional notes on fiscal impact Nominal



Policy and Programmatic Impacts (Please specify the proposal section associated with the impact)

Proposal facilitates service in the armed forces. Military recruiters access to information on former service members is a valuable source of leads for recruiting. Proposal permits access to publically held records.

AN ACT CONCERNING MILITARY RECRUITER ACCESS TO MILITARY RECORDS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 1-219 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

- (a) As used in this section: (1) "Armed forces" means the Army, Navy, Marine Corps, Coast Guard or Air Force of the United States; (2) "veteran" means any person honorably discharged from, or released under honorable conditions from active service or reserve status in the armed forces; (3) "military discharge document" means a United States Department of Defense form, including, but not limited to, a DD 214 form, or any valid paper that evidences the service, discharge or retirement of a veteran from the armed forces that contains personal information such as a service number or Social Security number; (4) "military recruiter" means a member of the armed forces of the United States, as defined in section 27-103, or of the Connecticut National Guard whose primary job function, classification or specialty is recruiting individuals to enlist with the armed forces of the United States or the Connecticut National Guard; (5) "person" means any individual or entity, including, but not limited to, a relative of a veteran, a licensed funeral director or embalmer, an attorney-at-law, an attorney-in-fact, an insurance company or a veterans' advocate; and [(5)] (6) "public agency" or "agency" means a public agency, as defined in section 1-200.
- (b) A veteran or designee may file a military discharge document with the town clerk of the town in which the veteran resides or with any other public agency if the military discharge document is related to the business of the town or other agency, and the town or agency shall maintain and record the military discharge document in accordance with this section.
- (c) Notwithstanding any provision of chapter 55, or any provision of section 11-8 or 11-8a, any military discharge document filed by or on behalf of a veteran with a public agency before, on or after October 1, 2002, except a military discharge document recorded before October 1, 2002, on the land records of a town, shall be retained by the agency separate and apart from the other records of the agency. The contents of such



document shall be confidential for at least seventy-five years from the date the document is filed with the public agency, except that:

- (1) The information contained in the document shall be available to the veteran, or a conservator of the person of the veteran, or a conservator of the estate of the veteran or a military recruiter, at all times;
- (2) Any information contained in such military discharge document which is necessary to establish, or that aids in establishing, eligibility for any local, state or federal benefit or program applied for by, or on behalf of, the veteran, including, but not limited to, the name of the veteran, the veteran's residential address, dates of qualifying active or reserve military service, or military discharge status, shall be available to the public at all times; and
- (3) In addition to the information available under subdivision (2) of this subsection, any other information contained in the document shall be available to (A) any person who may provide a benefit to, or acquire a benefit for, the veteran or the estate of the veteran, provided the person needs the information to provide the benefit and submits satisfactory evidence of such need to the agency, (B) the State Librarian as required for the performance of his or her duties, and (C) a genealogical society incorporated or authorized by the Secretary of the State to do business or conduct affairs in this state or a member of such genealogical society.
- (d) The provisions of this section concerning the maintenance and recording of Department of Defense documents shall not apply to the State Library Board or the State Librarian.

This act shall	take effect as follow	s and shall amend the following
sections:		1
Section 1	October 1, 2014	1-219

Statement of Purpose:

To allow military recruiters to access military records that veterans file with town clerks or public agencies in order to facilitate recruiting for the armed forces of the United States and the Connecticut National Guard.



Raised S.B. No. 836 Session Year 2013

Printer-Friendly With Notes | Printer-Friendly No Notes | Add to My Bills

AN ACT CONCERNING MILITARY RECRUITER ACCESS TO MILITARY RECORDS.

To allow military recruiters to access military records that veterans file with town clerks or public agencies in order to facilitate recruiting for the armed forces of the United States and the Connecticut National Guard.

Introduced by: Veterans' Affairs Committee

New today

2-4 days old

5 days & older

Text of Bill Raised Bill [pdf]

Add Notes to SB-836

Bill History (in reverse chronological order)

Date

Action Taken

2/14/2013

Public Hearing 02/19

2/6/2013

Referred to Joint Committee on Veterans' Affairs

Please direct all inquiries regarding the status of bills to the House and Senate Clerks' Offices.

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FREEDOM OF INFORMATION COMMISSION STATEMENT ON SB 836, AN ACT CONCERNING MILITARY RECRUITER ACCESS TO MILITARY RECORDS.

The Freedom of Information Commission applauds the intent of this proposed legislation and supports its adoption.

The bill's goal is to broaden access to veterans' military records on file with town clerks or other public agencies in order to facilitate recruiting for the armed forces of the United States and the Connecticut National Guard.

Concern about identity theft led the legislature in 2002 (Public Act 02-137) to impose strict standards for the retention and storage of DD214 forms and related documents referenced in Section 1-219 of the FOI Act. The consequence was to severely curtail access to these records even to those who might be able to provide benefits to the veterans and/or the military. The proposal in SB 836 would broaden access to these records allowing military recruiters to use them in their duties.

The FOIC supports the increased access and supports the bill as written.

Contact: Colleen M. Murphy, Executive Director and General Counsel or Mary E. Schwind, Managing Director and Associate General Counsel at (860) 566-5682.

February 19, 2013, Hearing re Veterans and Military Matters, Room 1-E

Good afternoon.

Thank you for the opportunity to comment before your committee.

I am very interested in Raised Senate Bill 836 proposing to amend the current law protecting Veterans records. I received a number of requests a number of years ago from Washington to ask you to pass the current law which we prepared following discussions with legislative members, the association of Town Clerks, the Governor and members of his staff. The question arose because of a number of thefts of Veterans assets when information was taken from public records used as evidence to receive certain tax exemptions.

The requests came to me as a former national board member and Judge Advocate General of the Congressionally chartered Reserve Officers Association of the United States.

It is interesting to see the recruiting proposal coming up now when all information I am receiving through military newspapers and emails indicate the strength cuts that are probably coming!

I met with my town clerk and town assessor this morning to walk through our current privacy procedure which seems to be working well.

The only concern I have is accurate identification of the Recruiter. The Town Clerk also had that concern. During Vietnam a lot of recruiting was done in civilian clothing as you may recall. I know as I was doing some for the Major General who commanded the Army Reserve's 76th Division headquartered in Connecticut.

We also know that anyone can buy military uniforms and or may have them from prior service. Crooks often make misrepresentations! Thus appropriate identification would be desirable.

A normal Military ID card alone would not be sufficient because hundreds of thousands are outstanding and only a few are held by recruiters. Special ID for National Guard folks would be easy to prepare and distribute under the authority of the Adjutant General. Federal recruiters raise a different concern. I am not sure how to do it but it might be possible to get letters from recruiting station commanders as a start.

One possibility is to identify both federal and state recruiters by name and rank and have this information sent to Town and City Clerks directly or through the Secretary of the State. We must remember the five services, Army, Navy, Marines, Coast Guard and Air Force, both Active and Reserve, and the Army and Air National Guard.

Thank you for your consideration and if I may be of any assistance, please advise.

COL (RET) John K. Jepson USAR W 860-674-1600, H 860-675-6100



STATE OF CONNECTICUT

MILITARY DEPARTMENT WILLIAM A. O'NEILL ARMORY 360 BROAD STREET HARTFORD, CONNECTICUT 06105-3795

February 19, 2013

Honorable Carlo Leone, State Senator Honorable Jack F. Hennessy, State Representative Co-Chairmen, Veterans' Affairs Committee Hartford, CT 06106

SB 835, "AAC Military Leave From Employment"
SB836, "AAC Military Recruiter Access to Military Record"
HB 6348, "AAC State Military Service"
HB 6349, "AAC the State Military Relief Fund"

I write to express the Military Department's support for the above-noted bills. With the continuing reliance upon members of Connecticut's Armed Forces to conduct both federal and state military operations, this legislation is required to facilitate the efficient use of and access to government resources and to ensure effective military service by our citizen soldiers and airmen. I ask the members of the Veterans' Affairs Committee to support the enactment of these bills.

Connecticut consistently leads the way in many areas in her efforts to support our armed forces and to honor our veterans. Initiatives such as the Military Family Relief Fund, the Military Support Program, the Military Funeral Honors Program, the Wartime Service Medal and the recently activated state website (http://www.veterans.ct.gov) underscore Connecticut's commitment to military service and to the men and women who serve and have served in the military. Even with the progress we have made, many State statutes which govern the military have not kept pace with the development of our armed forces. As a result, various sections of the General Statutes of Connecticut, especially those within Chapter 504, "Militia," require revision.

Raised Bill No. 835 revises Section 27-33a of the General Statutes to ensure that each member of the armed forces of the state is permitted to take a leave of absence from work to attend all types of ordered military duty, including drills, meetings, specialized training and recruiting events, without being subjected to adverse employment repercussions. The revised statute provides a service member to take military leave without pay from their civilian job rather than to have to take paid leave or try to find someone to fill in for them (switch their hours). In extreme cases, a member may be forced into an unauthorized absence to attend military duty.

This statutory revision clarifies the authority of the state to order members of its armed forces to duty without causing an undue burden on the member or on the employer. It is akin to federal law which protects federal Reservists from employment discrimination (Uniform Services Employment Reemployment Rights Act). Most ordered duty is known well in advance, so that the employee may schedule around military obligations. However, in the case of emergency callups, when forces are ordered out to respond to exigent circumstances, the military member may absent him or herself from work without reprisal. This revision underscores the proposition that service members should not suffer employment discrimination due to military service obligations, whether those obligations are required by the state or federal government.

Raised Bill No. 836 revises Section 27-33a of the General Statutes to allow military recruiters to access military records that veterans file with town clerks or public agencies. Prior to the passage of Public Act 2-137, an act pertaining to the confidentiality and retention of military discharge documents (which addressed concerns of identity theft), such records were public documents. Military recruiters routinely accessed the documents to generate leads for military recruiting. The practice was a proven source of leads. Many prior-service members (a.k.a. "veterans") rejoin the ranks of the military after completing an initial tour or a period of active service. Approximately 30% of National Guard accessions are prior service. Access to military records held by our state and municipal agencies by recruiters does not pose a risk of identity theft. Documents in the possession of military recruiters are protected by federal law, including the Privacy Act and the Freedom of Information Act. Military recruiters must have a security clearance and are training in document handling and retention procedures. Passage of this act facilitates military recruiting in the state while protecting military personnel and veterans from the release of their personally identifying information.

HB 6348, "AAC State Military Service" revises the General Statutes to clarify statutory provisions pertaining to military service, including provisions pertaining to military pay and allowances, including provisions for voluntary gratuitous service; death, disability and injury benefits; special benefits provided to State employees who perform military duty; and for the erection of memorials to veterans and service members on State military property. Members of the State Armed Forces, whether in a National Guard or the Governor's Guards may perform gratuitous military service by performing duty without pay. Federal military pay statutes permit this for members of the National Guard (see 32USC502). State statutes permit the practice, but by reference to the federal statute. This bill revises the military pay statute to permit voluntary military service without reference to the federal statutes and updates the pay statute by deleting obsolete language. No member will be coerced to perform military duty without pay. To ensure informed consent, each member volunteering for gratuitous service is required to sign an acknowledgement apprising the member of his or her right to decline voluntary service.

In addition, the bill ensures that members of the armed forces are adequately covered by the Workers Compensation Act, applying coverage similar to that provided to members of volunteer fire companies. State military personnel performing state duty (i.e., paid for by comptroller) are already covered by Workers Compensation under 27-67 and 27-67a. This legislation clarifies the nature of coverage, aligning it with the coverage provided to other emergency response personnel (e.g., volunteer fire personnel or ambulance drivers). This revised coverage applies the no-fault coverage standard (as opposed to the military's negligence or misconduct standard) and includes a baseline income for coverage of members who cannot show lost wages (e.g., a college student who is a member of the state armed forces). To perfect the coverage, the bill considers state military personnel (while performing State Active Duty) as state employees for the sole purpose of coverage under Chapter 568 (Worker's Compensation Act) of the General Statutes. The coverage will apply to state military personnel whether they are performing state military duty with or without pay, so long as the member is performing ordered military duty.

The state of emergency caused by Winter Storm Nemo (February 8-9, 2013) required the state to call up over 200 Connecticut National Guard members in a State Active Duty status. Response operations required the performance of approximately 2,000 "man days" of duty, during which two members sustained injury that required reporting to worker's compensation. In response to

the emergency caused by Storm Sandy (October 29, 2012), the state ordered out over 1,000 Connecticut Guard members, who performed approximately 4,150 man days of State Active Duty. Seven members sustained injury during Storm Sandy operations that required worker's compensation reporting.

In response to state emergencies, Connecticut's armed forces are called up within hours and ordered out to perform a wide array of missions to be performed in virtually every community throughout the state. Whether the call to duty requires members to engage in snow removal, distribution of FEMA-supplied commodities, infrastructure protection, high water rescue, debris clearance or security patrol activities throughout the state, the risk of injury and death is a stark reality of military service. Revising the statutes to ensure our armed forces are adequately covered by worker's compensation is necessary, proper and timely.

This bill also revises section 27-75 of the General States to permit the Adjutant General to authorize the erection of military and veteran memorials on state military property. The proposal requires the memorial to be erected at no cost to the state. The Military Department possesses the resources to fully review and authenticate initiatives or requests for military and veteran memorials. Whether the memorial is a bronze plaque to memorialize a classroom in a military facility, a bench at a military training site or a statue to honor a fallen military hero, each request will be subject to review, authentication and approval by the Adjutant General. This provision continues the State's effort to honor and facilitate military service.

HB 6349 revises Section 27-100a by transitioning the Military Family Relief Fund (MFRF) into the Military Relief Fund (MRF). As currently designed, only family members (with cognizable hardships arising from the military service) of Connecticut's service members may apply for grants from the fund. This bill will permit Connecticut service members, who are enduring hardship due to their military service, to apply for grants as well. Since its inception, the MFRF has issued over 80 grants, totaling approximately \$200,000. To support the funding of the MFRF, Connecticut residents have donated almost \$500,000 through the state's income tax return charitable contribution program. The current balance of MFRF is approximately \$800,000. Based on application volume and the provision to limit grants to \$5,000, the MFRF appears more than adequate to support its transition to the MRF.

On behalf of Connecticut's nearly 5,000 citizen soldiers and airmen, their families and our veterans, I ask the Veterans' Affairs Committee to take favorable action on these bills and to work for their passage into law during this legislative session.

Sincerely,

The Adjutant General

Copy Furnished: Governor's Office



Agency Legislative Proposal - 2014 Session

Document Name (e.g. OPM1015Budget.doc; OTG1015Policy.doc):

CTMD 3 MILITARY RETIREMENT PAY EXEMPTION

(if submitting an electronically, please label with date, agency, and title of proposal - 092611_SDE_TechRevisions)

State Agency:

CONNECTICUT MILITARY DEPARTMENT

Liaison: LTC TIM TOMCHO Phone: (B60) 548-3203

E-mail: TIMOTHY.J.TOMCHO.MIL@MAIL.MIL

Lead agency division requesting this proposal:

ADJUTANT GENERAL

Agency Analyst/Drafter of Proposal:

Title of Proposal

AN ACT EXEMPTING MILITARY RETIREMENT PAY FROM THE STATE INCOME TAX.

Statutory Reference Subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes

Proposal Summary To exempt one hundred per cent of military retirement pay from the state income tax.

Please attach a capy of fully drafted bill (required for review)

PROPOSAL BACKGROUND

Reason for Proposal

Please cansider the fallowing, if applicable:

- (1) Have there been changes in federal/state/local laws and regulations that make this legislation necessary? Other states, including Massachusetts and Vermont exempt military pay from state income tax, creating an incentive for Connecticut's military retirees to relocate, mave gut of Connecticut.
- (2) Has this proposal or something similar been implemented in other states? If yes, what is the outcome(s)? Provides incentive for military veterans to remain in state where pension is exempt from state income tax.
- (3) Have certain canstituencies colled for this action? Yes military and veteran community.
- (4) What would happen if this was not enacted in law this session? Cannecticut's veterans would cantinue to relocate to states that exempt their pension from state income tax.



N/A

Nominal

Additional notes on fiscal impact

Origin of Proposal New Proposal X Resubmission
If this is a resubmission, please share:
(1) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package Testimony was favorable
(2) Have there been negatiotions/discussions during or after the previous legislative session to improve this proposal
No
(3) Who were the mojor stakeholders/advocates/legislators involved in the previous work on this legislation?
Military and veteron community
(4) What was the last oction taken during the past legislative session?
Public hearing, did not JF from veterans committee.
PROPOSAL IMPACT
Agencies Affected (please list for each affected agency)
Agency Name:
Agency Contact (name, title, phone):
Date Contacted:
Approve of ProposalYESNOTalks Ongoing
Summary of Affected Agency's Comments
See attached testimony, bill sheet for concept
see attached testimony, and sheet for contest
Will there need to be further negotiation?YESxNO
• Fiscal Impact (please include the proposal section that causes the fiscal impact and the anticipated impact)
The state of the state of the broken seeken was cooked to the state of
Municipal (please include any municipal mandate that can be found within legislation)
N/A
Photo:
State
Potential for Revenue Reduction, which could be offset by economic activity of military retirees remaining in st
or moving to state due to income exemption.
Federal

• Policy and Programmatic Impacts (Please specify the proposal section associated with the impact)

Proposal facilitates service in the armed forces and fosters retention of military retirees as Connecticut residents. Military personnel, upon retirement, have incentive to relocate to states where their military pensions are exempt from state income tax. This bill would eliminate incentive to leave and provide incentive to stay or to relocation to Connecticut.



AN ACT EXEMPTING MILITARY RETIREMENT PAY FROM THE STATE INCOME TAX.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage and applicable to taxable years commencing on or after January 1, 2015*):

(B) There shall be subtracted therefrom (i) to the extent properly includable in gross income for federal income tax purposes, any income with respect to which taxation by any state is prohibited by federal law, (ii) to the extent allowable under section 12-718, exempt dividends paid by a regulated investment company, (iii) the amount of any refund or credit for overpayment of income taxes imposed by this state, or any other state of the United States or a political subdivision thereof, or the District of Columbia, to the extent properly includable in gross income for federal income tax purposes, (iv) to the extent properly includable in gross income for federal income tax purposes and not otherwise subtracted from federal adjusted gross income pursuant to clause (x) of this subparagraph in computing Connecticut adjusted gross income, any tier 1 railroad retirement benefits, (v) to the extent any additional allowance for depreciation under Section 168(k) of the Internal Revenue Code, as provided by Section 101 of the Job Creation and Worker Assistance Act of 2002, for property placed in service after December 31, 2001, but prior to September 10, 2004, was added to federal adjusted gross income pursuant to subparagraph (A)(ix) of this subdivision in computing Connecticut adjusted gross income for a taxable year ending after December 31, 2001, twenty-five per cent of such additional allowance for depreciation in each of the four succeeding taxable years, (vi) to the extent properly includable in gross income for federal income tax purposes, any interest income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, (vii) to the extent properly includable in determining the net gain or loss from the sale or other disposition of capital assets for federal income tax purposes, any gain from the sale or exchange of obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, in the income year such gain was recognized, (viii) any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest on which is subject to tax under this chapter but exempt from federal income



tax, to the extent that such interest on indebtedness is not deductible in determining federal adjusted gross income and is attributable to a trade or business carried on by such individual, (ix) ordinary and necessary expenses paid or incurred during the taxable year for the production or collection of income which is subject to taxation under this chapter but exempt from federal income tax, or the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such expenses and premiums are not deductible in determining federal adjusted gross income and are attributable to a trade or business carried on by such individual, (x) (I) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than sixty thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than sixty thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes; and (II) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is sixty thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is sixty thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code, (xi) to the extent properly includable in gross income for federal income tax purposes, any amount rebated to a taxpayer pursuant to section 12-746, (xii) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, any distribution to such beneficiary from any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state, (xiii) to the extent allowable under section 12-701a, contributions to accounts established pursuant to any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by



this state or any official, agency or instrumentality of the state, (xiv) to the extent properly includable in gross income for federal income tax purposes, the amount of any Holocaust victims' settlement payment received in the taxable year by a Holocaust victim, (xv) to the extent properly includable in gross income for federal income tax purposes of an account holder, as defined in section 31-51ww, interest earned on funds deposited in the individual development account, as defined in section 31-51ww, of such account holder, (xvi) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, as defined in section 3-123aa, interest, dividends or capital gains earned on contributions to accounts established for the designated beneficiary pursuant to the Connecticut Homecare Option Program for the Elderly established by sections 3-123aa to 3-123ff, inclusive, (xvii) to the extent properly [included] includable in gross income for federal income tax purposes, [fifty per cent of the any income received from the United States government as retirement pay for a retired member of (I) the Armed Forces of the United States, as defined in Section 101 of Title 10 of the United States Code, or (II) the National Guard, as defined in Section 101 of Title 10 of the United States Code, and (xviii) to the extent properly includable in gross income for federal income tax purposes for the taxable year, any income from the discharge of indebtedness in connection with any reacquisition, after December 31, 2008, and before January 1, 2011, of an applicable debt instrument or instruments, as those terms are defined in Section 108 of the Internal Revenue Code, as amended by Section 1231 of the American Recovery and Reinvestment Act of 2009, to the extent any such income was added to federal adjusted gross income pursuant to subparagraph (A)(x) of this subdivision in computing Connecticut adjusted gross income for a preceding taxable year.

This act sha sections:	ll take effect as follows and shall amend the following	
Section 1	from passage and applicable to taxable years commencing	:
ļ	on or after January 1, 2015	:

Statement of Purpose:

To exempt one hundred per cent of military retirement pay from the state income tax.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]





State of Connecticut HOUSE OF REPRESENTATIVES

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Testimony of Representative Tom Reynolds Select Committee on Veterans' Affairs February 10, 2011

HB 5273, An Act Exempting Military Retirement Pay from the State Income Tax

Senator Maynard, Representative Hennessey, and distinguished members of the Select Committee on Veterans' Affairs, I am pleased to testify on HB 5273, An Act Exempting Military Retirement Pay from the State Income Tax.

I request that this bill be amended to include the concept contained in HB 6154, An Act Concerning Income Tax Exemptions for Former Members of the Armed Forces Collecting Federal Civil Service Pensions, which the committee did not raise. This bill changes the definition of eligible taxpayers who can receive the 50% income tax deduction for military retirement pay.

Public Act 05-251, Section 71, modified the definition of "Connecticut Adjusted Gross Income" to create a new subtraction modification related to military retirement income. It reads "...to the extent properly included in gross income for federal income tax purposes, fifty per cent of the income received from the United States government as retirement pay for a retired member of (I) the Armed Forces of the United States, as defined in Section 101 of Title 10 of the United States Code, or (II) the National Guard, as defined in Section 101 of Title 10 of the United States Code." This provision became applicable to income years starting on or after January 1, 2008.

This statute requires eligible taxpayers to meet one of the two service criteria referenced above and also receive "military retirement pay" from the U.S. Department of Defense as listed on Form W-2. I have learned from veterans in my district that some retirees of "uniformed" and military services who wore the uniform of an armed service are being denied this benefit.

Real Life Example #1:

My constituent served 20 years in the US Navy fulfilling the requirement for receiving military retirement pay. He chose to continue his service to our nation by working 18 years for the US Department of Defense in a civilian capacity. When this occurs the federal government combines the military and civilian service into a single civilian pension, thus making the veteran ineligible for the state income tax benefit by our law's definition. (Note: the bill would only make this veteran eligible for the state tax benefit for the military portion of this retirement pay.)

Real Life Example #2:

My constituent served 30 years in the US Public Health Service. During his entire career he wore the uniform of the US Coast Guard, subject to 24/7 duty call, running medivacs, lowered onto ships to provide medical services, participating in Haitian immigrant operations, responding to environmental disasters at sea, serving aboard cutters, and providing routine medical care to active duty military. When this occurs the federal government considers his career to be in a "uniformed service," not the "armed forces," thus making the veteran ineligible for the state income tax benefit by our law's definition.

As one of the co-authors of Connecticut's military retirement pay income tax exemption law, I am confident it was not our legislative intent to exclude those individuals who spent their careers wearing the uniform of our armed forces as in the scenarios described above.

If Connecticut's military installations are to survive a future round of base closures, we must continue to enhance our standing as a "military friendly" state that values the presence of the US military and its retirees. Our tax policy is one of the most important and visible ways to demonstrate this commitment.

Thank you for considering the inclusion of this modification to existing state tax law.



H.B. No. 5273 Session Year 2011

Printer-Friendly

AN ACT EXEMPTING MILITARY RETIREMENT PAY FROM THE STATE INCOME TAX.

To exempt one hundred per cent of military retirement pay from the state income tax.

Introduced by: Select Committee on Veterans Affairs

New today

2-4 days old

5 days & older

Text of Bill Committee Bill [pdf] Proposed Bill [pdf] Committee Actions
VA Vote Tally Sheet [pdf]

Bill History (in reverse chronological order)

(VA)

Date

Action Taken

2/3/2011

Public Hearing 02/10

2/1/2011

Referred to Joint Committee on Veterans Affairs

1/31/2011

Drafted by Committee

1/28/2011

Vote to Draft

1/13/2011

Referred to Joint Committee on Veterans Affairs

Co-sponsors of HB-5273 Rep. Al Adinolfi, 103rd Dist.

Please direct all inquiries regarding the status of bills to the House and Senate Clerks' Offices.

(11)

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	Search Results for <i>military retirement</i> Showing 1 to 23 of 23 document(s) retrieved					
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Item #	Year	<u>DB</u>	Num	Document Name	Document Title	# of Hits
1	1999	ТОВ	864	1999SB-00864 -R00-SB.HTM	An Act Exempting Certain Military Pension Benefits from the Personal Income Tax. Information on Underlying Bill: SB00864 Last Action: 1/25/1999 Referred to Joint Committee on FIN Sponsors: SEN. GAFFEY, T. S13 Committees: Finance, Revenue and Bonding Committee	4
2	2000	ТОВ	5082	2000НВ-05082 -R00-НВ.НТМ	An Act Concerning A Tax Exemption For Military Pensions. Information on Underlying Bill: H805082 Last Action: 2/9/2000 Referred to Joint Committee on FIN Sponsors: Rep. Garvey, J. 067; Rep. Dandrow, A. 030 Committees: Finance, Revenue and Bonding Committee	2
3	2000	ТОВ	5094	2000HB-05094 -R00-HB.HTM	An Act Concerning Exemption Of Military Retirement Pay From The Income Tax. Information on Underlying Bill: HB05094 Last Action: 2/9/2000 Referred to Joint Committee on FIN Sponsors: Rep. Stillman, A. 038; Rep. Tulisano, R. 029 Committees: Finance, Revenue and Bonding Committee	8
4	2000	тов	252	2000\$B-00252 -R00-\$B.HTM	An Act Concerning A Tax Exemption For Military Retirement Benefits. Information on Underlying Bill: SB00252 Last Action: 2/15/2000 Referred to Joint Committee on FIN Sponsors: Sen. Peters, M. S20 Committees: Finance, Revenue and Bonding Committee	8
5	2001	ТОВ	5275	2001нВ-05275 -R00-нВ.НТМ	AN ACT CONCERNING TAX TREATMENT OF MILITARY RETIREMENT PAY. Information on Underlying Bill: HB05275 Last Action: 1/10/2001 Referred to Joint Committee on FIN Sponsors: Rep. Klarides, T. 114; Rep. Rowe, T. 123 Committees: Finance, Revenue and Bonding Committee	6
6	2001	ТОВ	26		AN ACT CONCERNING TAX TREATMENT OF MILITARY PENSIONS. Information on Underlying Bill: SB00026 Last Action: 1/3/2001 Referred to Joint Committee on FIN Sponsors: Sen. Peters, M. S20; Rep. Stillman, A. 038; Rep. Orefice, G. 037 Committees: Finance, Revenue and Bonding Committee	2
7	2001	ТОВ	664	2001SB-00664 -R00-SB.HTM	AN ACT CONCERNING TAX TREATMENT OF MILITARY RETIREMENT BENEFITS. Information on Underlying Bill: SB00664 Last Action: 1/17/2001 Referred to Joint Committee on FIN Sponsors: Sen. Bozek, T. S06; Sen. Peters, M. S20; Rep. Kirkley -Bey, M. 005 Committees: Finance, Revenue and Bonding Committee	8
8	2001	ТОВ	790	20015B-00790 -R01-SB.HTM	AN ACT EXEMPTING MILITARY RETIREMENT INCOME FROM THE INCOME TAX. Information on Underlying Bill: SB00790 Last Action: 3/15/2001 Favorable Change of Reference, House to Committee on FIN Sponsors: Planning and Development Committee; Sen. Daily, E. S33; Rep. Davis, J. 050 Committees: Planning and Development Committee; Finance, Revenue and Bonding Committee	6
9	2001	ТОВ	790	2001SB-00790 -R02-SB.HTM	AN ACT EXEMPTING MILITARY RETIREMENT INCOME FROM THE INCOME TAX. Information on Underlying Bill: SB00790 Last Action: 3/15/2001 Favorable Change of Reference, House to Committee on FIN Sponsors: Planning and Development Committee; Sen. Daily, E. S33; Rep. Davis, J. 050	6

					Committees: Planning and Development Committee; Finance, Revenue and Bonding Committee	
10	2002	ТОВ	90	2002SB-00090 -R00-SB.HTM	AN ACT CONCERNING TAX TREATMENT OF MILITARY RETIREMENT BENEFITS. Information on Underlying Bill: SB00090 Last Action: 2/8/2002 Referred to Joint Committee on FIN Sponsors: Sen. Peters, M. S20; Rep. Hamzy, W. 078; Sen. Cook, C. S18 Committees: Finance, Revenue and Bonding Committee	8
11	2005	ТОВ	349	2005SB-00349 -R00-SB.HTM	AN ACT EXEMPTING MILITARY RETIREMENT PAY FROM THE STATE INCOME TAX. Information on Underlying Bill: SB00349 Last Action: 2/17/2005 Public Hearing 0222 Sponsors: Sen. Gaffey, T. S13; Rep. Adinolfi, A. 103; Sen. Cook, C. S18 Committees: Select Committee on Veterans Affairs	10
12	2005	ТОВ	351	2005SB-00351 -R00-SB.HTM	AN ACT EXEMPTING MILITARY RETIREMENT PAY FROM THE STATE INCOME TAX. Information on Underlying Bill: SB00351 Last Action: 2/17/2005 Public Hearing 0222 Sponsors: Sen. Cook, C. S18; Rep. Moukawsher, E. 040; Rep. Jutila, E. 037 Committees: Select Committee on Veterans Affairs	8
13	2006	ТОВ	5222	2006HB-05222 -R00-HB.HTM	AN ACT CONCERNING MILITARY RETIREMENT PAY. Information on Underlying Bill: HB05222 Last Action: 2/16/2006 Referred to Joint Committee on VA Sponsors: Rep. Adinolfi, A. 103; Rep. Mushinsky, M. 085 Committees: Select Committee on Veterans Affairs	10
14	2008	ТОВ	5078	2008HB-05078 -R00-HB.HTM	AN ACT CONCERNING THE EXEMPTION FROM THE INCOME TAX FOR MILITARY RETIREMENT PAY. Information on Underlying Bill: HB05078 Last Action: 2/14/2008 Vote to Draft Sponsors: Rep. Powers, C. 151 Committees: Select Committee on Veterans Affairs	10
15	2008	тов	5304	2008HB-05304 -R00-HB.HTM	AN ACT CONCERNING AN EXEMPTION FROM THE PERSONAL INCOME TAX FOR MILITARY RETIREMENT PAY. Information on Underlying Bill: HB05304 Last Action: 2/19/2008 Change of Reference, Senate to Committee on VA Sponsors: Rep. Adinoffi, A. 103 Committees: Public Safety Committee; Select Committee on Veterans Affairs	8
16	2008	тов	5445	2008HB-05445 -R00-HB.HTM	AN ACT CONCERNING THE TAXATION OF MILITARY RETIREMENT PAY. Information on Underlying Bill: HB05445 Last Action: 2/15/2008 Referred to Joint Committee on VA Sponsors: Rep. Frey, J. 111 Committees: Select Committee on Veterans Affairs	6
17	2008	ТОВ	153	2008SB-00153 -R00-SB.HTM	AN ACT CONCERNING AN EXEMPTION FROM THE INCOME TAX FOR MILITARY RETIREMENT PAY. Information on Underlying Bill: SB00153 Last Action: 2/14/2008 Referred to Joint Committee on VA Sponsors: Sen. Doyle, P. S09; Rep. Zalaski, B. 081 Committees: Select Committee on Veterans Affairs	10
	2008			2008SB-00258 -R00-SB.HTM	AN ACT CONCERNING EXEMPTION OF MILITARY RETIREMENT FROM THE STATE INCOME TAX. Information on Underlying Bill: SB00258 Last Action: 3/4/2008 Favorable Change of Reference, House to Committee on FIN Sponsors: Select Committee on Veterans Affairs Committees: Select Committee on Veterans Affairs; Finance, Revenue and Bonding Committee	8
19	2008	тов	258	2008SB-00258 -R01-SB.HTM	AN ACT CONCERNING EXEMPTION OF MILITARY RETIREMENT FROM THE STATE INCOME TAX. Information on Underlying Bill: SB00258 Last Action: 3/4/2008 Favorable Change of Reference, House to	6

					Committee on FIN Sponsors: Select Committee on Veterans Affairs Committees: Select Committee on Veterans Affairs; Finance, Revenue and Bonding Committee	
20	2009	ТОВ	509	2009SB-00509 -R00-SB.HTM	AN ACT EXEMPTING ALL PENSION INCOME AND MILITARY RETIREMENT PAY FROM THE INCOME TAX. Information on Underlying Bill: SB00509 Last Action: 1/23/2009 Referred to Joint Committee on FIN Sponsors: Sen. Boucher, A. S26 Committees: Finance, Revenue and Bonding Committee	10
21	2011	ТОВ	5273		AN ACT CONCERNING AN EXEMPTION FROM THE PERSONAL INCOME TAX FOR MILITARY RETIREMENT PAY. Information on Underlying Bill: HB05273 Last Action: 2/3/2011 Public Hearing 0210 Sponsors: Select Committee on Veterans Affairs; Rep. Adinolfi, A. 103 Committees: Select Committee on Veterans Affairs	8
22	2011	ТОВ	5273		AN ACT EXEMPTING MILITARY RETIREMENT PAY FROM THE STATE INCOME TAX. Information on Underlying Bill: HB05273 Last Action: 2/3/2011 Public Hearing 0210 Sponsors: Select Committee on Veterans Affairs; Rep. Adinolfi, A. 103 Committees: Select Committee on Veterans Affairs	8
23	2011	ТОВ	6154	2011НВ-06154 -R00-НВ.НТМ	AN ACT CONCERNING INCOME TAX EXEMPTIONS FOR FORMER MEMBERS OF THE ARMED FORCES COLLECTING FEDERAL CIVIL SERVICE PENSIONS. Information on Underlying Bill: HB06154 Last Action: 1/25/2011 Referred to Joint Committee on VA Sponsors: Rep. Reynolds, T. 042 Committees: Select Committee on Veterans Affairs	2
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