

State of Connecticut division of public defender services

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Testimony of Trevor Vroom, Certified Legal Intern Office of Chief Public Defender

VETERANS' AND MILITARY AFFAIRS COMMITTEE - MARCH 4, 2025

Raised Bill No. 7121 AN ACT EXCLUDING VETERANS' FEDERAL SERVICE-CONNECTED DISABILITY BENEFITS FOR PURPOSES OF ELIGIBILITY FOR ASSISTANCE FROM A PUBLIC DEFENDER

The Office of Chief Public Defender (OCPD) has <u>concerns</u> over *H.B. 7121, An Act Excluding Veterans' Federal Service-Connected Disability Benefits for Purposes of Eligibility for Assistance from a Public Defender.* As drafted, this income exclusion could vastly increase the number of individuals who would be eligible to receive public defender assistance. For a veteran with a 100% rating without dependents or a spouse, this bill would exclude \$45,975.60 of income, an amount which already exceeds the current eligibility threshold of \$37,650 for a public defender eligibility.

This Office is concerned because the exclusion may substantially increase current caseloads and impact upon the provision of effective legal representation. While this Office recognizes the importance of expanding benefits in acknowledgment of veterans' service, this Office also understands that such an expansion in eligibility would require additional resources to be properly implemented and would thus be incongruent with the current projected budget reductions for the Division of Public Defender Services.

Under current federal regulations, the Internal Revenue Service exempts federal service-connected disability benefits from being viewed as income for federal income tax. The Connecticut State Department of Revenue Services adopts the same position, also exempting

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federal service-connected disabilities from being classified as income for state income tax. Federal service-connected disabilities refer to certain monthly payments made to veterans by the Department of Veterans' Affairs; these payments are intended to compensate the veteran for injuries obtained while serving and for injuries worsened by serving, and the amount of compensation is determined by the service member's disability rating. This bill would exclude these veteran's service-connected disability payments from being viewed as income for purposes of determining public defender eligibility and align the current tax treatment with income eligibility treatment for a public defender.

In conclusion, although this Office respects and acknowledges the importance of expanding veterans' benefits, this Office requests that the Committee consider the fiscal impact upon this agency should this bill be implemented. Unless additional resources are appropriated, this Office respectfully requests that no action be taken on this bill.