

SOLDIERS, SAILORS, AND MARINES FUND

- The Soldiers, Sailors, and Marines Fund (SSMF) involves a partnership between state entities and the American Legion (Department of Connecticut), a private organization.
- The name “Soldiers, Sailors, and Marines Fund” is used in four different ways. It is:
 - a pool of money financed by the state and held in trust by the state treasurer;
 - an appropriated fund in the state budget that sets annual expenditure levels;
 - a state agency that administers an assistance program; and
 - a temporary assistance program for war veterans.
- The principal in the SSMF trust fund is currently worth approximately \$61 million and produces annual income of about \$3 million.
- The legislature establishes the amount of money in the SSMF appropriated fund based on estimated revenue expected from the trust fund. Allocations during the fiscal year are based on the appropriated fund rather than trust fund revenue. The total appropriation for FY 05 was \$3.6 million, including:
 - \$1.3 million for SSMF agency personnel and other operating expenses;
 - \$1.7 million for assistance awards;
 - \$252,000 to the Department of Veterans' Affairs for headstones; and
 - \$307,000 to the Military Department for honor guards at funerals.
- Day-to-day operation of the SSMF assistance program is handled by 13 state employees who work for the agency known as the Soldiers, Sailors, and Marines Fund. This staff is responsible for informing the public about the existence of the program, processing applications for assistance, and distributing awards. (Approximately 100 volunteers supplement the work of the paid field investigators.)
- Employees of the SSMF agency receive the same fringe benefits as other state employees, but the cost of those benefits is paid out of the SSMF appropriated fund rather than a General Fund account as is the case for most other state employees.
- Because the treasurer of the American Legion (Department of Connecticut) is statutorily responsible for disbursing the income from the SSMF trust fund, a special requirement in the job description of the SSMF administrator is that he or she be the treasurer of the American Legion (Department of Connecticut). Likewise, the assistant administrator must be the assistant treasurer of the American Legion (Department of Connecticut).

- The SSMF program offers veterans and their families a number of different forms of assistance, including vouchers for food and clothing, payment of medical and dental bills, weekly cash assistance, and payment of utility bills and funeral expenses.
- In order to be considered for assistance from the SSMF program, a person must meet criteria regarding military service and need. Allowable dates of war-time service are specified in statute, but need is not defined in statute, regulation, or bylaw.
- The SSMF program staff use a hands-on approach to process applications for assistance and deal with each person requesting aid on an individualized basis. The one-on-one approach begins during the initial application phase when an SSMF veterans' aid investigator or volunteer meets with the applicant to help him or her fill out the appropriate forms and gather documentation.
- The SSMF administrator and assistant administrator make all decisions about the amount and type of assistance an applicant will receive, based on guidelines established by the State Fund Commission. They do not meet with individual applicants.
- The extent to which an applicant's income and asset information is scrutinized depends on the amount and type of assistance requested. A request for multiple weeks of cash assistance or the payment of large medical bills will result in a more detailed financial review than a one-time request for a clothing voucher.
- Applicants do not necessarily receive all (or any) of the assistance they request. Depending on the type of help sought, the cost of that assistance, and the resources of the applicant, a person may be offered something different from what he or she requested.
- Anyone turned down completely for assistance can appeal the decision, but only one formal appeal hearing has been held since 2002.
- Since FY 00, the SSMF program has assisted between 1,800 and 2,000 unique veterans (and/or families) annually.
- The amount of assistance given to individual recipients varies widely. During each of the last six fiscal years, the amounts per person ranged from less than \$10 to more than \$12,000. The average annual award ranged between \$900 and \$1,000.
- In FY 05, approximately 1,900 unique veterans /families received \$1.7 million in assistance from the SSMF program. The recipients:
 - lived in 114 different towns;
 - served during eight periods of war (with 52 percent Vietnam era veterans, 21 percent World War II veterans, 16 percent Korean conflict veterans, and 7 percent Persian Gulf veterans);

- came from varied family circumstances (with 29 percent married, 22 percent widowed, and 45 percent single, divorced, or separated); and
- received help for a variety of needs (with 43 percent of the dollars awarded paying emergency non-medical needs such as rent, utilities, food, and clothing, 33 percent paying medical expenses, 17 percent providing weekly cash benefits, and 4 percent helping with funeral expenses).

Recommendations

- In order to support the successful operation of the SSMF program in the future, the program review committee believes the roles and responsibilities of all aspects of the Soldiers, Sailors, and Marines Fund should be consolidated within a single organization.
 - The changes recommended by the committee will mean the entity perceived of as operating the Soldiers, Sailors, and Marines Fund will in fact be fully responsible for all aspects of its operation, and enactment of legislation to use the principal in the trust fund for other purposes will be prevented. It is also possible the cost of administering the SSMF program will be reduced, thereby increasing the money available for assistance awards.
- 1. The Legislative Program Review and Investigations Committee recommends amending Part II of Chapter 506 of the Connecticut General Statutes to transfer the Soldiers, Sailors, and Marines Fund trust fund from the fiduciary control of the treasurer of the State of Connecticut to the American Legion (Department of Connecticut).**
 - 2. The program review committee recommends specifying the SSMF temporary financial assistance program for Connecticut veterans who served in times of war (and their dependents) will be administered by the American Legion (Department of Connecticut), which shall:**
 - a) employ any staff it deems necessary to operate the program;**
 - b) establish program eligibility criteria, application and assistance processing procedures, award levels, and an appeal process;**
 - c) pay all costs for program awards and administration out of the annual income earned by the trust fund; and**
 - d) prepare an annual report summarizing program statistics, including the number and type of awards granted.**
 - 3. The program review committee recommends dissolving the state agency called the Soldiers, Sailors, and Marines Fund.**
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- Income from the SSMF trust fund has been used to pay for military honor guards at the funerals of some veterans as well as the placement of headstones. After the SSMF fund is transferred, these expenses will remain the responsibility of the state.
- 4. The program review committee recommends, in order to cover the loss of SSMF funding, increasing state General Fund appropriations to:**
- a) the Department of Veterans' Affairs to cover the cost of transporting and installing headstones; and**
 - b) the Military Department to pay for honor guards at certain funerals.**