

Veterans' and Military Affairs Committee

JOINT FAVORABLE REPORT

Bill No.: HB-5402

AN ACT EXCLUDING FROM VETERANS' INCOME CALCULATIONS CERTAIN BENEFITS PAYMENTS FOR PURPOSES OF ELIGIBILITY FOR CERTAIN

Title: STATE AND MUNICIPAL PROGRAMS.

Vote Date: 3/14/2024

Vote Action: Joint Favorable

PH Date: 3/7/2024

File No.: 175

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SPONSORS OF BILL:

Veterans' and Military Affairs Committee

REASONS FOR BILL:

To exclude veteran's federal benefits from income when being considered for state and municipal benefits, so as to make such benefits more accessible.

RESPONSE FROM ADMINISTRATION/AGENCY:

No administration provided testimony on this bill.

NATURE AND SOURCES OF SUPPORT:

Alison Weir, Executive Director, Connecticut Veterans' Legal Center

Provided testimony in support of the bill, but suggests modification. Because this legislation would exclude from income calculations all disability benefits received by the Department of Veterans Affairs, but not pension benefits, only disabled veterans would receive untaxed compensation. Weir suggests the legislation clarify this clause by naming specific benefits excluded from calculation. Additionally, Weir finds that by including "all federal pension benefits administered by the U.S. Department of Defense," the bill would exclude military retirement pensions provided to those retiring after 20 years of service. Further, she suggests the bill specify that veterans' receipt of disability retirement from the DOD be excluded from income.

Martin Foncello, Representative, Connecticut General Assembly

Provided testimony in support of the bill. A veteran himself, Foncello often hears how helpful it would be if Connecticut excluded federal benefits from being considered income when determining eligibility for state benefits programs.

NATURE AND SOURCES OF OPPOSITION:

Matthew Festa, Legislative Analyst, CT Department of Social Services (DSS)

Provided testimony in opposition to the bill. DSS finds that disregarding income from veterans' pensions and disability benefits would result in increased eligibility, caseloads, and expenditures estimated to cost more than \$40 million annually, more than half of which paid directly by the state. While the intentions of the bill are good, the funding required falls outside of the proposed budget's ability to pay.

Reported by: Garrett Smith

Date: March 29, 2024