



Veterans Benefits

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This Informational Brief focuses on Nebraska veterans. In it we review some current demographic data, highlight key veterans' issues, and provide a brief overview of recent veteran-related legislation enacted by the Nebraska Legislature.

Dwindling Veteran Numbers

For the past 20 years, the number of veterans in the United States has been dropping. In fact, between 2000 and 2020 the nation's veteran population decreased by 26.3 percent. Over the period, every state in the country saw a decline in the number of veterans calling it home. Nebraska's veteran population decreased by approximately 26 percent. Neighboring states also saw sizeable drops. Only Alaska, Hawaii, Nevada, and South Carolina had single digit decreases in their veteran populations. The percent of decrease in veteran population between 2000 and 2020 is set out in the following table by state.¹

Percentage Decrease in Veteran Population Between 2000 and 2020 by State			
Alabama	-19%	Kansas	-26%
Alaska	-6%	Kentucky	-24%
Arizona	-11%	Louisiana	-26%
Arkansas	-28%	Maine	-29%
California	-35%	Maryland	-27%
Colorado	-13%	Massachusetts	-42%
Connecticut	-45%	Michigan	-37%
Delaware	-16%	Minnesota	-32%
Florida	-19%	Mississippi	-25%
Georgia	-11%	Missouri	-28%
Hawaii	-5%	Montana	-17%
Idaho	-10%	Nebraska	-26%
Illinois	-39%	Nevada	-8%
Indiana	-30%	New Hampshire	-29%
Iowa	-31%	New Jersey	-48%
Indiana	-30%	New Mexico	-21%
		New York	-44%
		North Carolina	-13%
		North Dakota	-12%
		Ohio	-34%
		Rhode Island	-38%
		South Carolina	-6%
		South Dakota	-18%
		Tennessee	-18%
		Texas	-11%
		Utah	-17%
		Vermont	-32%
		Virginia	-10%
		Washington	-18%
		West Virginia	-30%
		Wisconsin	-31%

Even with their numbers declining, veterans still have a sizeable presence in the state of Nebraska. In 2020, the National Center for Veterans Analysis and Statistics (NCVAS) estimated there were 126,951 veterans living in Nebraska.² The Nebraska Legislature frequently takes up veterans' issues. In recent years, multiple pieces of legislation have been adopted to reward veterans for their service as well as encourage them to stay in the state, especially once they retire.

¹ U.S. Dept. of Veterans Affairs, National Center for Veterans Analysis and Statistics. (n.d.) Veteran populations. https://www.va.gov/vetdata/Veteran_Population.asp

² U.S. Dept. of Veterans Affairs, National Center for Veterans Analysis and Statistics. (n.d.) Expenditures. <https://www.va.gov/vetdata/expenditures.asp>

Nebraska Department of Veterans' Affairs

The use of veterans' benefits in the U.S. is growing. Approximately half (49 percent) of veterans used at least one VA benefit or service in FY 2017 according to a survey by the NCVAS. This is up by almost 11 percent over FY 2008.³ Veterans in Nebraska have access to many services, benefits, and programs through the Nebraska Department of Veterans' Affairs (NDVA).

The NDVA was created by the Nebraska Legislature in 1947 (LB 187). The role of the NDVA is to assist Nebraska veterans in obtaining the benefits, services, and programs to which they are entitled. In 2017, the Legislature adopted the Nebraska Veterans Services Act (LB 340) to give the NDVA additional authority. The bill shifted responsibility for Nebraska's veterans' homes from the Department of Health and Human Services Division of Veterans' Homes to the NDVA.



The NDVA has offices spread throughout the state to help serve Nebraska veterans. The State Veterans Service Office and the Central Veterans Service Office are in Lincoln. These offices have staff available to help veterans and their families apply for state and federal benefits and handle problems that arise. In addition, all 93 counties have a dedicated Veterans Service Office to assist veterans with benefit issues.

Nebraska Legislation for Veterans

The following sections highlight recent Nebraska legislation focused on the state's veterans.

Tax Breaks

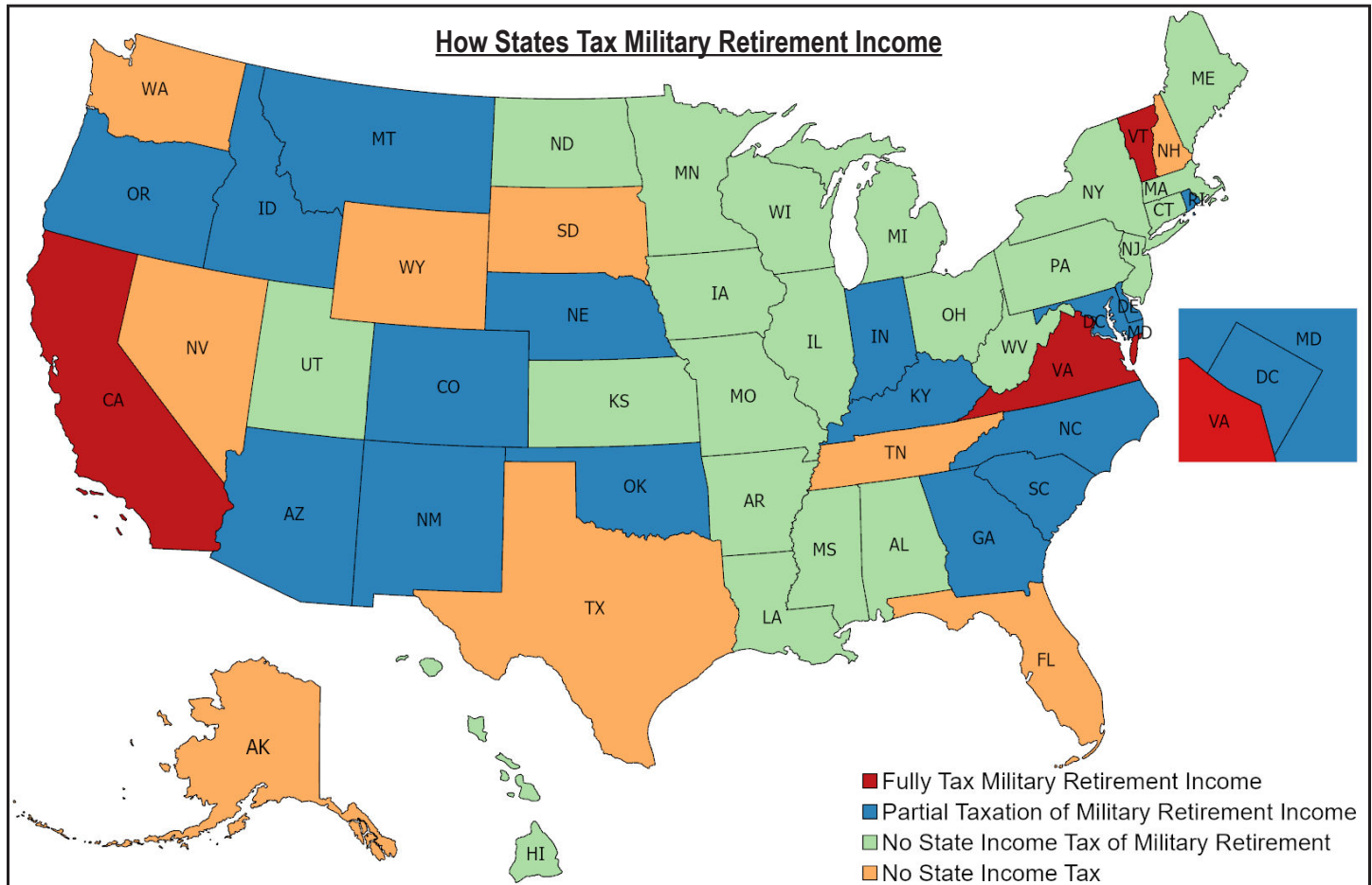
Military retirees can choose to live anywhere. One of the factors influencing their decision may be whether they will have to pay taxes on their retirement income. There are currently 22 states that have an income tax but do not tax military retirement income. There are nine states that have no state income tax.

Addressing the need to exempt military retirement benefits from Nebraska income tax has been a recurring topic for the Legislature. As of September 30, 2020, there were an estimated 14,630 military retirees living in the state, and 93 percent of them were receiving retirement pay totaling over \$33.1 million per month from the Department of Defense.⁴

In 2020, LB 153 was enacted allowing retired military in Nebraska to exempt 50 percent of their military retirement pay from state income taxes. This legislation was followed by LB 387 in 2021 permitting military retirees to exclude 100 percent of their military retirement income from state taxes beginning in the 2022 tax year.

³ U.S. Dept. of Veterans Affairs, National Center for Veterans Analysis and Statistics. (n.d.). VA utilization profile. https://www.va.gov/vetdata/docs/Quickfacts/VA_Utilization_Profile_2017.pdf

An earlier piece of legislation passed in 2017 (LB 20) simplified the homestead exemption recertification process for disabled veterans (those classified as totally disabled by a non-service-connected accident or illness). Previously, a disabled veteran was required to certify annually to be eligible to receive a homestead exemption. Under LB 20, certification is only required if the veteran has a change in their medical condition or if verification is requested by a county assessor or the Tax Commissioner.



Source: Military Retirement and State Income Tax⁴

Note: Beginning in the 2022 tax year, Nebraska will be categorized as No State Income Tax of Military Retirement

Education Benefits

In 2021, the Veteran Promise Act was created by LB 669. The bill requires each public postsecondary institution in Nebraska to automatically accept, as an undergraduate student, any eligible veteran who otherwise meets the admissions requirements. The Act applies to veterans who graduated from a Nebraska high school on or after January 1, 2002 or graduated from high school in another state on or after the same date and served in a uniformed service while assigned to a location in Nebraska.

The Legislature adopted the Veteran and Active Duty Supportive Postsecondary Institution Act in 2019 (LB 486). The bill directs the NDVA to implement a process to designate postsecondary institutions in Nebraska as “Veteran and Active Duty Supportive” if they meet at least five of the following criteria.

⁴ U.S. Department of Defense, Office of Actuary. (2021, Sept.). Statistical report on the military retirement system. [https://media.defense.gov/2021/Sep/29/2002864217/-1/-1/0/MRS_STATRPT_2020%20\[SEPT%202021\].PDF](https://media.defense.gov/2021/Sep/29/2002864217/-1/-1/0/MRS_STATRPT_2020%20[SEPT%202021].PDF)

⁵ Absher, J. (2021, Mar. 16). Military retirement and state income tax. <https://www.military.com/benefits/military-pay/state-retirement-income-tax.html>

The institution must:

- Have personnel specifically trained and assigned to work with military students and veteran students;
- Have a student organization that is dedicated to helping veterans, active-duty military, and their families;
- Give college credit for certain types of military training;
- Have a military leave-of-absence policy;
- Have counseling and advising services for military and veteran students;
- Have an accredited Reserve Officer Training Corps program;
- Have a clearly identifiable listing on its website of services provided to military and veteran students; and
- Specifically recognize military and veteran students during graduation or in other ways intended to demonstrate the institution's respect for such student service.

Other Benefits

LB 93 (2013) gave military veterans that served in an active-duty capacity the option to display a veteran designation on their driver's license or state issued identification card. In 2019, veterans serving in the reserves and national guard were also given this option with the passage of LB 192.

Vets Get Pets is a program offered by the Nebraska Department of Veterans' Affairs. Former active-duty veterans may receive up to \$350 to adopt a pet from an authorized animal rescue organization. In 2020, the Legislature authorized the creation of a specialty "Vets Get Pets" license plate (LB 944) with part of the proceeds going to the Vets Get Pets Cash Fund. Both alphanumeric and personalized plates are available.



⁶ Nebraska Department of Veterans' Affairs. (n.d.) Vets get pets. <https://veterans.nebraska.gov/vetsgetpets#:~:text=The%20Vets%20Get%20Pets%20program%20will%20disburse%20up,Pets%20program.%20Register%20here%20if%20you%20haven%27t%20already.>

⁷ Moore, S. (2021, Oct. 5). Veterans treatment court: Guide to court diversion programs. <https://veteranaddiction.org/laws-acts/treatment-court/#:~:text=What%20is%20Veterans%20Treatment%20Court%3F%20A%20veterans%20treatment,to%20work%20through%20substance%20abuse%20and%20maintain%20recovery.>

A study done by the U.S. Department Veterans Affairs examining the benefits of canine companionship found that veterans who participated in the study felt calmer, less lonely and depressed, and less worried about the safety of themselves and their families.⁶

Nebraska Game and Parks offers several benefits to disabled military veterans. LB 770 (2020) authorizes issuance of disabled veteran permits allowing Nebraska veterans who were discharged under honorable conditions and who have a service-related disability rating of 50 percent or more, or a 100 percent disability rating not related to military service who receive a pension from the U.S. Department of Veterans Affairs, to receive a perpetual state park motor vehicle entry permit free of charge. Disabled veterans meeting the same discharge and disability standards may also receive a lifetime combination fishing, fur harvesting, and hunting permit; habitat stamp; aquatic habitat stamp; and Nebraska migratory waterfowl stamp without charge. LB 41(2011), LB 745 (2016).

Veterans Treatment Courts

Veterans treatment courts are designed to help provide treatment resources to veterans who struggle with substance use or mental health issues. Veterans are at a higher risk for substance use disorder compared with civilians, with one in ten veterans struggling with substance abuse which puts them at greater risk for entering the criminal justice system.⁷ This is especially the case for veterans returning from tours of duty, with almost 27 percent of incarcerated veterans in a 2016 U.S. Department of Justice survey being combat veterans.⁸

Veterans treatment courts were first established in the U.S. in 2008 to increase public safety while helping provide veterans a structured and safe environment in which to seek recovery. Nebraska began operating veterans treatment courts in 2016 (LB 919).

Today, Douglas County and Lancaster County are the only two locations providing veterans treatment courts in the state. Plans are in place to add a Central Nebraska Veterans Treatment Court which would extend services to veterans in Adams, Buffalo, and Hall counties.

The Douglas County Veterans Treatment Court (DCVTC) was established in 2016 and the Lancaster County Veterans Treatment Court (LCVTC) followed in 2017. They offer an alternative to traditional court systems to eligible justice-involved veterans. Both current members of the U.S. military and veterans are eligible to participate. The target population is veterans that have been charged with a felony and are diagnosed with substance use disorder, a mental health condition, or both. The goal of treatment and rehabilitation is to allow veterans to return to their communities upon completion of the program.

The courts offer monitored programs of treatment and rehabilitation ranging from 18 to 24 months in length. Participants are required to enter a plea before the court prior to admittance to the program. Sentencing is withheld while the individual is participating in the program. If the participant graduates from the program, charges are dismissed. If the participant fails to successfully complete the program, they may be sentenced per normal practice.

⁸ Bureau of Justice Statistics, U.S. Department of Justice (n.d.). Survey of prison inmates <https://www.bjs.gov/index.cfm/content/content/pub/ascii/content/data/index.cfm?ty=dcdetail&iid=488>