

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 25-95—HB 6438

*Veterans' and Military Affairs Committee
Appropriations Committee*

**AN ACT CONCERNING ASSORTED PROPOSALS TO RECOGNIZE AND
HONOR THE MILITARY SERVICE OF MEMBERS OF THE ARMED
FORCES AND VETERANS IN CONNECTICUT**

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Requires the DVA commissioner, in consultation with others, to conduct a study on unaccredited businesses or agents that assist or advise on veteran benefit matters and report to the Veterans' and Military Affairs Committee and the governor by February 1, 2026

SUMMARY: This act makes various changes to state law concerning veteran and military affairs. A section-by-section analysis follows below.

EFFECTIVE DATE: July 1, 2025, and for provisions disregarding veteran disability benefits as income, applicable to applications filed on or after July 1, 2025, except that provisions on the (1) veteran disability benefit waiver for public defender services and (2) disabled veteran preference for the Small Business Express Program (EXP) are effective July 1, 2026.

§ 1 — JOINT ENLISTMENT ENHANCEMENT PROGRAM

Appropriates \$169,000 for FY 26 for the Military Department's Joint Enlistment Enhancement Program

The act appropriates \$169,000 for FY 26 from the General Fund to the Military Department for the Joint Enlistment Enhancement Program (JEEP). JEEP provides a monetary incentive of \$1,000 (or \$1,500 for certain in-demand positions) to soldiers, airmen, and retirees who give National Guard recruiters a lead that results in an enlistment.

**§§ 2-8 — DISREGARDING CERTAIN FEDERAL VETERANS' BENEFITS
AND INCOME ELIGIBILITY DETERMINATIONS FOR CERTAIN PUBLIC
ASSISTANCE PROGRAMS**

Disregards certain federal veterans' benefits when determining income for several means-tested public assistance programs

To the extent federal law allows, the act requires the Department of Social Services (DSS) commissioner, when determining income for certain means-tested public assistance programs, to disregard (1) U.S. Department of Veterans Affairs (U.S. DVA) administered non-service-connected pension benefits and (2) housebound pension benefits granted to a veteran, or to a surviving spouse. Under the act, the income disregards apply to the following programs:

1. HUSKY A and D (§§ 2 & 6),
2. Medicare Savings Program (§§ 2 & 5),
3. Connecticut Energy Assistance Program (§ 2),
4. State Supplement Program (§ 3),
5. Temporary Family Assistance (§ 3),
6. State-Administered General Assistance (§ 4),
7. Connecticut Home Care Program for Elders (§ 7), and
8. State-Appropriated Fuel Assistance Program (§ 8).

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Under existing law, because a veteran's or surviving spouse's pension payments for disabilities (such as aid and attendance and housebound allowance payments) are not subject to federal or state income tax, they are disregarded when determining eligibility for Medicaid coverage groups that must use federal modified adjusted gross income (MAGI) rules to calculate income limits (such as HUSKY A and D). For coverage groups that do not use MAGI rules (e.g., the Medicare Savings Program), and other assistance programs listed above, prior law only required DSS to disregard aid and attendance benefits.

As under existing law for other income disregards, DSS may apply to the federal Centers for Medicare and Medicaid Services to amend the state Medicaid plan or seek a waiver from federal law, if necessary, to exempt these veterans' benefits.

Background — Aid and Attendance and Housebound Allowance

Individuals receiving a U.S. DVA-administered pension may also receive aid and attendance benefits or housebound allowances, which both provide additional monthly payments. Aid and attendance is for qualified veterans and surviving spouses who need assistance performing daily activities, are bedridden, have limited eyesight, or are in a nursing home due to mental or physical incapacity. Housebound benefits are for individuals who spend most of their time in their homes due to a permanent disability.

§§ 9-13 — FEE WAIVERS AT PUBLIC HIGHER EDUCATION INSTITUTIONS

Expands the higher education tuition waiver program for eligible National Guard members and veterans with wartime service to cover (1) higher education extension fees and (2) tuition at Charter Oak State College

The act expands the higher education tuition waiver program to cover certain extension fees for eligible National Guard members and veterans with wartime service (see *Background — Veterans' Service in Time of War*).

It requires the regional community-technical colleges, the Connecticut State University System, and UConn to waive fees for educational extension programs, including for courses taken during summer and winter school sessions or intersessions. Prior law required these institutions to waive eligible veterans' and National Guard members' tuition, which did not include these fees.

The act makes various conforming changes, including incorporating these extension fee waivers into the calculation of waiver amounts that the state must annually reimburse to these institutions' operating funds through an appropriation. Under prior law, the reimbursement amount was based only on tuition waivers.

The act also establishes a tuition fee waiver for eligible National Guard members and veterans with wartime service who attend Charter Oak State College, with generally the same eligibility requirements and reimbursement mechanism as the tuition waiver program described above.

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Background — Veterans' Service in Time of War

By law, to be eligible for state benefits (including tuition waivers) that require service in a time of war, a veteran must generally have served at least 90 cumulative days during a statutorily defined period of war, as described in the table below. A veteran who served fewer days may qualify if he or she (1) was separated from service earlier because of either a service-connected U.S. DVA-rated disability or an injury incurred or aggravated in the line of duty or (2) served for the duration of a period of war that lasted fewer than 90 days (CGS § 27-103(a)(3)).

The table below shows post-1940 periods of war and service condition criteria for veterans' benefits (CGS § 27-103(a)(4)).

Post-1940 "Periods of War"

Operation	Covered Period	Service Condition
World War II	12/7/41—12/31/46	Active service during the covered period
Korean conflict	6/27/50—1/31/55	Active service during the covered period
Lebanon conflict	7/1/58—11/1/58 or 9/29/82—3/30/84	Combat or combat-support role in Lebanon during the covered periods
Vietnam era	2/28/61—7/1/75	Active service during the covered period
Grenada invasion	10/25/83—12/15/83	Combat or combat-support role in Grenada during the covered period
Operation Earnest Will (escort of Kuwaiti tankers flying U.S. flag in the Persian Gulf)	7/24/87—8/1/90	Combat or combat-support role in the operation during the covered period
Panama invasion	12/20/89—1/31/90	Combat or combat-support role in the invasion during the covered period
Persian Gulf War	8/2/90 until a date prescribed by the President or law	Active service during the covered period
Afghanistan	10/24/01—8/30/21	Active service during the covered period
Iraq	3/19/03—12/31/11 or 6/1/14—12/9/21	Active service during the covered period

§ 14 — VETERAN DISABILITY BENEFIT DISREGARD FOR PUBLIC DEFENDER SERVICES

Requires public defender income eligibility guidelines to disregard service-connected veteran disability benefits

The act requires the guidelines used to determine whether someone qualifies as an indigent defendant for public defender services to exclude a person's U.S. DVA service-connected disability benefits from consideration.

§ 15 — OFFICE OF ADVOCACY AND ASSISTANCE STAFFING

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Increases the required number of staff at the OAA from 10 to 19

The act increases (1) the overall number of required staff at the state Department of Veteran Affairs' (DVA) Office of Advocacy and Assistance (OAA) from 10 to 19 and (2) the number of certain positions that must be hired within the office.

Prior law required that the office employ at least eight veteran services officers (VSO), as well as clerical personnel. The act requires the office to employ at least 14 VSOs and at least three clerical personnel. It does not specify what the remaining two positions must be.

§ 16 — SMALL BUSINESS EXPRESS PROGRAM PREFERENCE FOR DISABLED VETERAN-OWNED BUSINESSES

Authorizes DECD to give preference to disabled veteran-owned businesses applying for the EXP

The act allows the Department of Economic and Community Development (DECD) to give preference to disabled veteran-owned businesses that apply for the Small Business Express Program (EXP). To qualify for this preference, the small business must be majority-owned by one or more disabled veterans with a U.S. DVA disability rating of at least 30%.

By law, to be eligible for EXP financial assistance, a business must (1) employ no more than 100 employees, (2) operate in Connecticut, and (3) be in good standing with all state and local tax payments and with all state agencies.

§ 17 — VETERAN STUDIES

Requires DVA to enter into an MOU with UConn's School of Public Policy to study (1) veteran property tax exemptions and (2) the municipal veteran representative program, and submit reports on these studies to the legislature by January 1, 2027

The act requires DVA to enter into a memorandum of understanding (MOU) with UConn for their School of Public Policy, with the advice of the advisory committee the act creates (see below), to conduct veteran-related studies on (1) veteran property tax exemptions and (2) the municipal veteran representative program. The act also reserves up to \$75,000 of DVA's FY 26 appropriations and transfers the funds to UConn for conducting these studies.

Veteran Property Tax Exemption Study

The act requires the School of Public Policy, in consultation with the Veterans' and Military Affairs Committee, to study the projected impact on state and municipal finances of changing (1) the exemption amounts of various veteran property tax exemptions and (2) any limits on the amount of property belonging to or held in trust for an eligible taxpayer in order to qualify for these exemptions. The study must also evaluate modifications to the income-based exemptions and increase factors applicable to these exemptions triggered by property revaluations.

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(By law, municipalities must increase these exemption amounts after revaluations that increase their grand lists by a certain amount (i.e. increase factors) (CGS § 12-62g). Additionally, taxpayers that qualify for these exemptions are also entitled to an additional exemption based on income or disability status (CGS § 12-81g).)

By January 1, 2027, the School of Public Policy must report its findings and recommendations for legislation to the Appropriations; Finance, Revenue and Bonding; Planning and Development; and Veterans' and Military Affairs committees.

Municipal Veteran Representative Program Study

The act also requires the School of Public Policy, in consultation with the OAA manager, to study how efficiently municipalities provide assistance under the municipal veteran representative program. The study must identify the program's strengths and limitations and develop solutions to address areas needing improvement, broken down by municipality.

By January 1, 2027, the OAA manager and the School of Public Policy must jointly report on this study and its recommendations for legislation to the Veterans' and Military Affairs Committee.

Advisory Committee

The act requires the DVA commissioner to convene an advisory committee to advise the School of Public Policy in conducting these studies and coordinating their design and scope. The committee's membership is as follows:

1. the commissioner, or his designee;
2. the chairpersons and ranking members of the Veterans' and Military Affairs Committee;
3. a representative of a statewide organization of municipal leaders;
4. a representative of an association representing assessors' interests; and
5. a veteran representing a veterans' advocacy organization in the state.

§ 18 — STUDY ON UNACCREDITED ASSISTANCE, GUIDANCE, OR ADVICE ON VETERAN BENEFIT MATTERS

Requires the DVA commissioner, in consultation with others, to conduct a study on unaccredited businesses or agents that assist or advise on veteran benefit matters and report to the Veterans' and Military Affairs Committee and the governor by February 1, 2026

The act requires the DVA commissioner, in consultation with the Office of Policy and Management secretary, attorney general, and consumer protection commissioner, to study the impact on Connecticut residents of (1) unaccredited businesses or agents that advise, guide, or assist on veterans benefits matters and (2) their fee structures. The study must also evaluate whether predatory practices exist in providing this advice, guidance, or assistance and whether Connecticut residents have been harmed by these practices. Under the act, "veterans benefits

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matters” are generally the preparation, presentation, or prosecution of active or potential claims for veteran-related benefits, programs, services, commodities, functions, or statuses authorized under the laws administered by U.S. DVA or DVA.

By February 1, 2026, the DVA commissioner must submit a report to the governor and the Veterans’ and Military Affairs Committee detailing the studies’ findings and recommendations for legislation to protect state residents from identified predatory practices.