

MINUTES
STATE OF NEBRASKA
COMMISSION ON MILITARY AND VETERAN AFFAIRS
301 Centennial Mall South, PO Box 95083, Lincoln, NE 68509-5083

Monday, November 13, 2017 - 10:00 a.m.
301 Centennial Mall South, Lower Level Conference Room D

The Commission on Military and Veteran Affairs met on November 13, 2017 at 10:00 a.m. in the Lower Level Conference Room D of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

In compliance with the provisions of *Neb. Rev. Stat. §84-1411*, printed notice of this meeting was posted at the Nebraska Department of Veterans' Affairs. In addition the notice was published in the Omaha World Herald on page 12C on October 30, 2017, and posted to the Nebraska Public Meeting Calendar (nebraska.gov) on October 27, 2017.

In compliance with the provisions of *Neb. Rev. Stat. §55-602 and §55-603*, a quorum was established with four of six voting members and a written notice of the time and place of the meeting was mailed to all members. The aim of these minutes is to comply with the Nebraska Open Meetings Act, specifically *Neb. Rev. Stat. §84-1413*.

Commissioners present:

Major General Daryl Bohac, Adjutant General of the Nebraska National Guard
John Hilgert, Director, Nebraska Department of Veterans' Affairs
Rita Sanders, 1st Congressional District
Dave Bloomfield, 3rd Congressional District
Paul Cohen, Chair of the State Committee Employer Support of the Guard and Reserve
Colonel J. David Norton, 55th Wing Designee and 557th Weather Wing Designee
Major General Richard Evans, U.S. Strategic Command Designee

Excused Commissioners:

Courtney Dentlinger, Director, Nebraska Department of Economic Development
Bill Williams, 2nd Congressional District

Non-Voting Representative:

Mr. Joseph Lauber, on behalf of the Nebraska Department of Economic Development

I. CALL TO ORDER

II. ROLL CALL

The Commission convened at 10:00 a.m. in Lower Level Conference Room D of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

III. ENTRY OF PUBLIC NOTICE INTO THE RECORD IN ACCORDANCE WITH THE OPEN MEETINGS ACT. ADVISE THE PUBLIC THAT THE OPEN MEETINGS ACT APPLIES AND IS PUBLICALLY POSTED.

Military Affairs Liaison, Phil O'Donnell, announced the location of the Open Meetings Act on the south wall of Lower Level Conference Room D. O'Donnell also noted the public notice of the meeting was posted on October 30, 2017 in the Omaha World Herald, and on the nebraska.gov calendar on October 27, 2017.

IV. MOTION TO DESIGNATE ENTRY OF PUBLIC NOTICE IN THE OMAHA WORLD HERALD AND ON THE NEBRASKA.GOV CALENDAR – Action/Vote

Moved by Sanders and seconded by Bohac to designate entry of public notice in the Omaha World Herald and the Nebraska Public Meeting Calendar on nebraska.gov. Voting Aye: Bohac, Hilgert, Sanders, Bloomfield. Motion carried.

V. APPROVAL OF MAY 31, 2017 COMMISSION MEETING MINUTES – Action/Vote

Moved by Bohac and seconded by Hilgert to approve the May 31, 2017 Commission Meeting Minutes. Voting Aye: Bohac, Hilgert, Sanders, Bloomfield. Motion carried.

VI. PUBLIC COMMENT PERIOD

In accordance with provisions of Neb. Rev. Stat. § 84-1412, the public shall have the right to attend meetings of the Commission and to speak on matters related to Commission business. Any person may appear before and address the Commission concerning any item on the agenda for that meeting. Further, any person may appear before and address the Commission at any annual or scheduled meeting on any matter concerning the Commission not on the agenda by notifying the Commission Secretary in advance of the meeting at which the person desires to address the Commission. A reasonable time limit [usually five (5) minutes] shall be placed upon each individual appearance before the Board, and no more than thirty (30) minutes shall be allowed for public comment, unless a majority of the quorum present shall extend such time limit. The Chairperson shall have the right to prohibit appearances by persons presenting needlessly repetitious or redundant testimony.

Penny Warren: County Veteran Service Office Association of Nebraska President and County Veteran Service Officer for Burt and Thurston County.

Gregg Hanson: County Veteran Service Officer for Madison County, Vice President County Veteran Service Office Association of Nebraska and American Legion Rehab and Employment Committee.

Nebraska Veterans Coalition:

Ronald Dupell, Chief Master Sergeant, United States Air Force (Retired)

Steve Stevens, Colonel, United States Air Force (Retired) and past commander of the 55th Wing

Dean Kenkel, Chief Warrant Officer, United States Army (Retired)

Distributed Nebraska Veterans Coalition (NVC) handout dated November 13, 2017.

Dupell, on behalf of the NVC, noted that incentives for benefits to Veterans should be based on the needs of Nebraska and that Nebraska should make an effort to retain Veterans. Dupell noted that incentives for veterans could be used to shore up Nebraska's workforce. Dupell noted that the NVC firmly believes that "military retired pay (the full exemption of military retired pay from state income taxation) is at the top of the list." Dupell noted research regarding the Home Base Iowa program, a network to assist Veterans in communicating job opportunities. Dupell also noted a Massachusetts program which helps Veterans with PTSD and housing. Dupell noted that a "Home Base Nebraska" program could be implemented to address issues for Veterans. Dupell urges the State to make a long-term effort to retain Veterans as an effort to help expand and develop its workforce.

Sanders thanked Dupell for his comments and is pleased to work together.

Dupell stated that he was pleased with the Commission and with Senator Crawford for creating the Commission.

Bohac asked Dupell if the NVC had interacted with the Governors' Task Force on Veteran employment led through the Department of Labor and noted that the NVC may be able to add value to that Task Force.

Dupell responded that he was unaware of that Task Force; however, he noted that the NVC has been working with the Nebraska Department of Economic Development and that the NVC would like the opportunity to present to the Commission in the future.

Hilgert asked County Veterans Services Officers (Peggy Warren and Gregg Hanson) to comment on their expectations for the Commission.

Gregg Hanson noted that they are here to learn and help drive things forward for Veterans.

Hilgert noted that the Nebraska Department of Veterans' Affairs wants to work together with the County Veterans Services Officers.

VII. ACTIVITY UPDATE – Military Affairs Liaison

On May 31, 2017, the Commission elected Hilgert as the Chair, Bloomfield as Vice-Chair, Sanders as Secretary, established public comment rule, discussed options and contracted with UNL-Bureau of Business Research to assess the economic impact of Nebraska Military Assets. The Commission received briefings from Teri Clark regarding the VetSET project and Jeff Mikesell regarding efforts to attract and retain missions and personnel to Offutt Air Force Base. On behalf of the Commission, we joined Association of Defense Communities.

Sanders and O'Donnell attended the Association of Defense Communities' National Summit in Washington DC June 18-21, 2017 where they met Marcus Lingenfelter with the National Math + Science Initiative (NMSI).

Following October 27, 2017 guidance for spending restraint, O'Donnell did not participate in the Association of Defense Communities Policy Forum, nor the DoD Energy and Water Forum. The Association of Defense Communities will host an Installation Innovation Forum February 12-14, 2018 and a National Summit in June 18-20, 2018.

Per the Commission's guidance on May 31, 2017, O'Donnell carefully followed potential Base Realignment and Closure (BRAC) legislation, especially the McCain/Reed amendment.

O'Donnell executed speaking engagements with the Omaha Chamber's Military Target Advisory Group (MilTAG), the Heartland Chapter of the Military Officers Association of America, the Lincoln Chamber of Commerce's Military Affairs Committee, and Rotary 14's Veterans event.

O'Donnell intends to continue participation in the NMSI stakeholder meetings, Offutt Advisory Council, the Nebraska Veterans Council, the Nebraska Veterans and Families Task Force, the State Council on Educational Opportunity for Military Children, and the Omaha Chamber's MilTAG.

Future activities may include SWOT analysis (pending decisions regarding who should participate and to what purpose); exploring a workforce development program; and defense supply chain analysis.

VIII. BRIEF – Dr. Jeff Rippe, Superintendent Bellevue Public Schools – National Math + Science Initiative (NMSI) Department of Defense (DoD) Science Technology Engineering & Math (STEM) Grant Application Update

Dr. Jeff Rippe, Superintendent of Bellevue Public Schools, and Robert Moore, Assistant Superintendent of Bellevue Public Schools briefed the context and background of the NMSI program. Rippe had previous conversations with NMSI for several years to bring their program to Nebraska, specifically Bellevue Public Schools. Rippe thanked Sanders and O'Donnell for

their efforts which led to a stakeholders meeting where NMSI presented their proposal for Bellevue Public Schools and Papillion Public Schools.

Robert Moore, who implemented NMSI in Arkansas prior to his role at Bellevue Public Schools, shared his experience with the program. Of note, the U.S. Strategic Command is the only Unified Combatant Command that did not have a NMSI program near its base. Moore considers the Advanced Placement (AP) curriculum to be the most rigorous. Elements of the NMSI program include teacher training, Saturday study sessions, funding for equipment, and encouragement for all students to take AP courses and earn credit for qualifying scores. The program also has financial incentives for teachers and students with the goal of fundamentally changing a school's culture over the three year program focusing on access, rigor, college and career success.

Rippe explained that the grant would provide about \$1.2 million over three years for teacher professional development and incentives. Rippe noted that the program is something military families would consider and draw them to Bellevue. NMSI analysts would assess Bellevue Public School's readiness and interest in the program.

O'Donnell asked if any other school districts are participating. Rippe noted that Papillion was looking into the program.

O'Donnell noted and Rippe confirmed that a minimum of 2 high schools, potentially 4 would participate. Additionally, O'Donnell noted and Rippe confirmed that this is a Department of Defense (DoD) Science Technology Engineering and Mathematics (STEM) grant.

Cohen asked if there are any restrictions to those who are not military connected given that it is a DoD initiative. Rippe noted that all students in BPS would be able to participate; however, Rippe noted that he was still trying to find a way to cover the full cost of the AP tests.

Sanders, Cohen, and Norton noted their support. The next steps include follow-on briefings and discussions with Papillion.

Bohac asked how broad is the term "college?" Bohac noted that the issue across the State is developing a skilled workforce. Bohac asked to what degree is Bellevue (Public Schools) connected with higher education? Moore noted that higher education institutions want students on their campuses for developing college and career readiness. Bellevue Public Schools partners with Bellevue University to develop skill sets to be college and career ready. Rippe noted that math class is a stumbling block for graduating from community colleges. Increasing the rigor of math classes would benefit students who do not pursue AP credit.

Bloomfield asked who pays for the test costs after the three year grant. Rippe and Moore acknowledged that they would likely be looking for partners to assist with those costs.

O'Donnell noted that this effort aligns with state statute (§55-602) to optimize a DoD initiative which supports military families and education.

IX. BRIEF – Teri Clark – Nebraska Veterans and Families Task Force Update

Teri Clark, VetSET Project Director for the Nebraska Association of Local Health Directors (NALHD) and Susan Bockrath, Executive Director of NALHD, briefed the capacity and capabilities of local health directors. Clark noted that veterans and family members can go to the 19 local health departments representing 92 of 93 counties in Nebraska for resources when in need. Clark highlighted a focus on increasing the military cultural competence throughout the state through “No Wrong Door” training developed in conjunction with the Nebraska Veterans and Family Task Force. This training addresses military culture, the U.S. Department of Veterans Affairs, Post-Traumatic Stress Disorder, Traumatic Brain Injury, family readiness, and suicide awareness. Clark noted that local health departments serve as conveners, building networks with community organizations, and connecting veteran families. Clark noted recent focus groups and surveys, to include the Nebraska Behavioral Risk Factor Surveillance System, indicating a sense of isolation, poor access to care, and higher incidence of depression among spouses and significant others of veterans.

NAHLD is working with the Nebraska Veterans Family Task Force, a cross-sector group of 40 active members sharing resources, networks, and statistics on a bi-monthly basis.

Hilgert asked and Clark confirmed that the U.S. Department of Veterans Affairs Community Engagement Board (CVEB) reached out to the Nebraska Veterans and Family Task Force. Clark indicated that the CVEB would potentially fold into the task force in order to eliminate some redundancy.

Hilgert asked and Clark confirmed that the Nebraska Veterans and Family Task Force is engaged with the 13 student veterans organizations across the state.

Bockrath noted increased participation outside of Lincoln and Omaha while recognizing the advantage of Lincoln being a state-wide point for a number of organizations.

Hilgert asked how the local public health departments fit in with the Behavioral Health Regions across the state. Bockrath noted that the task force is a great point of convening for behavioral health in the regions. Bockrath noted how the Behavioral Health Regions fall under the Behavioral Health Division (of DHHS) while the local health departments are independent (but interdependent with the Public Health Division). Recognizing the role of county government as the governing boards of these regions along with CVSOs, Bockrath noted varying degrees of collaboration across boundaries.

Hilgert noted and Bockrath agreed of the broader need to coordinate behavioral health resources across the state.

Sanders asked and Bockrath confirmed that Douglas County is not a member of NALHD.

X. BRIEF – Dave Salak – Nebraska Veterans Council Update

Fred Craige, President of the Nebraska Veterans Council, noted O'Donnell's position on the council as an ex officio advisor, in addition to Nebraska Department of Veterans Affairs Director John Hilgert and Deputy Director John McNally.

Craige briefed the organization and structure of the Nebraska Veterans Council. Comprised of eight service organizations to include the American Legion, Veterans of Foreign Wars, Disabled American Veterans, American Veterans, Vietnam Veterans of America, Paralyzed Veterans of America, Military Order of the Purple Heart, and the Nebraska Association for Professional Veterans Advocates, this Council meets quarterly and hosts a legislative day in February. The Council sets priorities on State of Nebraska legislation and is led by the state commanders of all of the organizations.

Hilgert asked Craige what is the expectation for the Commission on Military and Veteran Affairs. Craige noted that anything which makes life better for veterans in the State through a central focus and cooperation would be welcome.

Bohac asked to what degree has the Council reached out to other professional associations such as the Military Officers Association of America (MOAA), the Reserve Officers Association, et al? Hilgert noted that historically the Council was comprised of the recognized veterans organizations noted in statute (§80-401.01). The statute also provides a mechanism to become recognized (do claims representation, presence in each congressional district, maintain a state headquarters sanctioned by its national organization).

Bohac noted the potential for informal collaboration on legislative agendas to which Craige agreed.

XI. BRIEF – Jeff Mikesell – Greater Omaha Chamber of Commerce Military Target Advisory Group (MilTAG) Update

Retired Air Force Colonel Jeff Mikesell who serves as the Senior Military Affairs Liaison for the Greater Omaha Chamber of Commerce briefed the Commission on his key projects and priorities. Mikesell discussed the status of Offutt AFB runway repairs, mission expansion, and local levy improvements.

Mikesell discussed LB 121, which would change provisions relating to the taxation of military retirement pay from Nebraska income tax. Notionally, increasing the tax exemption would incentivize military retirees to stay or move to Nebraska.

Mikesell discussed efforts to draw a Mission Control Element of approximately 400 billets to Offutt AFB. The next opportunity to compete for this mission will be the summer of 2018.

Mikesell noted that Offutt AFB competes well in site survey analysis.

Sanders encouraged Mikesell to keep up his efforts which are good not just for Offutt but for all of Nebraska.

XII. PRESENTATION – Dr. Eric Thompson – University of Nebraska-Lincoln Bureau of Business Research

Dr. Eric Thompson, Director of the University of Nebraska Lincoln's Bureau of Business Research (UNL-BBR) and Dr. Mitch Herian, Research Associate, UNL-BBR, presented the executive summary of *The Economic Impact of Nebraska Military Assets*. The report assessed the economic impact of military installations, Department of Defense retirement spending, U.S. Department of Veterans Affairs spending, the settlement and migration patterns of veterans and retirees leaving the service, and a conceptual model to analyze the potential impacts of income tax incentives. Furthermore, the report included an assessment of the eight recommendations from the 2008 BRAC Task Force report.

Spending at military bases and installations accounts for \$2.55 billion in economic output, \$1.38 billion in employee compensation, and 26,368 jobs generated in Nebraska.

Retirement and pension spending by the 13,746 Department of Defense retirees in Nebraska generates 2,783 new jobs in Nebraska (in addition to the 26,368 noted above), resulting in \$114.2 million in compensation to these employees.

When considering the multiplier impact of Veterans Affairs spending, estimates show that VA spending results in \$1.58 billion in economic output and the employment of 12,712 workers with a total salary of \$612.3 million.

Estimates indicate that there are 15,067 additional veterans living in Nebraska because of Offutt Air Force Base, including about 13,000 veterans and spouses of working age (representing a potential supply of labor). An estimate of the economic impact of this population suggests that an additional 1,900 jobs are created in Nebraska, with an annual economic impact of \$357 million.

Thompson also noted that UNL-BBR did look into the feasibility of tax assessments. Thompson proposed using the current population survey over a 16 month period to produce an economically rigorous and statistical assessment of location choice following military retirees as they leave the service.

Bohac commented on the summary and asked if UNL-BBR could work with the Legislative Research Office on its modeling recommendation specific to the exemption of military retiree pay from state taxation. Thompson acknowledged that UNL-BBR would look at all sources in this effort.

Dupell asked and Thompson confirmed that property values could be taken into consideration.

Dupell asked and Thompson confirmed that only DoD specific pay was included in the direct impact. Additional family income (from the retiree or spouse), savings, and such was not included.

Evans appreciated the work of the authors and commented that the report illustrated a more complete picture. Historically, the conversation focused on what the State would lose in revenue without accounting for what the State might gain. Thompson confirmed that as a policy choice the State uses static analysis for all policies reviewed and does not address economic growth which would mitigate a loss in revenue. Thompson confirmed that this analysis and further analysis could address the dynamism of the economy to inform policy makers.

Bloomfield noted that Senators are concerned about losing people to other states and that it would be important to show this in the future.

Thompson noted that it would be possible to look at migration nationally at similarly sized bases and that retiree data should be available at the three digit zip code level. Thompson noted that while Iowa had a higher state income tax exemption for retired military pay, Iowa's tax rates are higher in general which leads to more exemptions.

Norton noted that there are other factors that contribute to location choice and retirement income.

Bohac noted that the Commission could benefit from a factual report on border state benefits with the understanding that an exemption in one state may not be the same as an exemption in another.

Evans noted that personnel do look at and discuss state rankings from publications such as the Military Times. With the completion of a bridge to Glenwood Iowa and I-29, a person could live in Missouri and have a similar commute to someone living in Lincoln or west Omaha.

Thompson noted that Missouri does have lower tax rates which would motivate some to live in Missouri.

Hilgert noted that the Commission could benefit from a complete picture regarding border state taxes by describing how some confuse Wyoming's lack of state income tax as an exemption for retired military pay. Additionally, the Commission could benefit from research on how the legislature does their analysis of benefits citing the case of the "throwback" tax associated with

the development of the Quest Center. Finally, Hilgert noted that it may be useful to explore a “Doomsday” scenario illustrating what could be lost.

O’Donnell noted that we would incorporate these comments into future proposals. Bohac asked that the final report include recommendations for future research.

Cohen noted that the report is really just the beginning from which to build and refine.

Sanders asked and Norton confirmed that the economic impact results aligned with the economic impact analysis produced by the 55th Wing. Thompson noted that there were some methodological differences.

O’Donnell confirmed that the report would be submitted online and shared with other interested parties. The report would be part of the public record once submitted in its final form to the Governor and Legislature.

XIII. MOTION TO AMMEND AND SUBMIT THE COMMISSION REPORT – Action/Vote

Neb. Rev. Stat. §55-606. Report; contents.

The Commission on Military and Veteran Affairs shall prepare an annual report summarizing the military assets of Nebraska, including installations and missions, and the economic impact of the military assets in Nebraska. The report shall also include recommendations for preserving and sustaining military assets and missions existing in Nebraska and recommendations for actions which the state can take to encourage expanding such assets and missions. The commission shall submit the report electronically to the Legislature, the Governor, and the commanding officer of every military base in Nebraska on or before November 15 of each year.

Moved by Hilgert and seconded by Sanders to amend and submit the Commission Report. Voting Aye: Bohac, Hilgert, Sanders, Bloomfield. Motion carried.

XIV. COMMISSIONER COMMENTS

Maj Gen Evans – U.S. Strategic Command

Evans stated on behalf of General Hyten, the U.S. Strategic Command appreciates the opportunity to engage with the Governor and community leaders with the understanding that U.S. Strategic Command is a tenant at Offutt AFB. The 55th Wing serves as the primary purveyor of discussions associated with the runway, levee, and other topics of community interest. Construction continues at the new \$1.2 billion building with the move in starting in 2018 and continuing into 2019. Evans noted that it will be important to remember the 55th Wing

and the runway project which support alert operations. Evans also suggested that community leaders need to take a long-term view and identify a vision for the future of Offutt AFB given the aging platforms operating out of Offutt AFB.

Evans described the multiple mission changes at USSTRATCOM. Of note, the Countering Weapons of Mass Destruction (CWMD) mission is now with U.S. Special Operations Command and the Intelligence, Surveillance, and Reconnaissance (ISR) mission is with the Joint Staff. Additionally, the U.S. Cyber Command will become its own functional combatant command. These mission changes should have minimal impact on the number of personnel serving at USSTRATCOM. Finally, USSTRATCOM has reorganized and is very interested in the national conversation associated with warfighting in space.

Col Norton – 55th Wing / 557th Weather Wing

Norton appreciates the local and state level community support. Service members and community members are proud of the missions and tend to spend a more significant portion of their career at Offutt and are therefore more intertwined with the community.

Paul Cohen – State Committee Employer Support of the Guard and Reserve

Cohen described how the role of the Guard and Reserve continues to evolve leading to considerable additional training time and the expectation that the country cannot go to war today without the Guard and Reserve. The Employer Support of the Guard and Reserve (ESGR) organization communicates this role and works to ensure that employers support these service members in meaningful ways. The job aspect for a Reservist must be guaranteed with the law applied fairly and equitably.

Bill Williams – 2nd Congressional District

O'Donnell noted that Williams sends his regards from Columbia University in New York City where the Remembering the Fallen exhibit is on display.

Maj Gen Bohac – Adjutant General Nebraska National Guard

Bohac expanded on the importance of aligning the Commission's work with the Governor's vision to grow Nebraska. With respect of Offutt AFB and the National Guard, the 55th Wing is the Nebraska National Guard's biggest fan specifically as it relates to expanding National Guard presence at Offutt for the long-term. Typically the National Guard force stays in place with missions being brought to the force (in lieu of attracting for new missions). Thus there are multiple ways of growing Nebraska. The Nebraska National Guard serves as connective tissue across the state.

Courtney Dentlinger – Nebraska Department of Economic Development

Joe Lauber thanked the Commission for the opportunity to participate on behalf of the Director of Economic Development and will share information and comments with Director Dentlinger.

Mayor Rita Sanders – 1st Congressional District

Sanders described her role in building relationships between Offutt AFB and the community. Sanders emphasized recruiting and expanding missions in addition to helping veterans within the community. As mayor she is fully engaged in Bellevue.

Dave Bloomfield – 3rd Congressional District

Bloomfield noted that from the report Offutt is the crown jewel of the State and its most important installation. Bloomfield expressed concern that there may not be enough attention to needed improvements for Nebraska National Guard facilities. Bloomfield described the significance of National Guard units to their local communities. Bloomfield stated that National Guard facilities should be maintained or modernized so they can serve the public. Bloomfield recommended that the Commission should assess the condition of each installation on behalf of the taxpayers.

O'Donnell noted the establishment of a new Reserve unit at Offutt AFB with 19 full time positions. O'Donnell explained how 19 full time jobs would be more significant in rural Nebraska relative to the Omaha metro.

John Hilgert – Nebraska Department of Veterans Affairs

Hilgert thanked the public for their contributions. Hilgert believes the Commission is a great forum for continuing to grow Nebraska and address matters of military and veteran affairs.

XV. MOTION TO HOLD THE NEXT MEETING – Thursday, April 5th, 2018 – Action/Vote

Moved by Bohac and seconded by Hilgert to hold the next meeting of Nebraska's Commission on Military and Veteran Affairs on Thursday, April 5th, 2018. Voting Aye: Bohac, Hilgert, Sanders, Bloomfield. Motion carried.

XVI. MOTION TO ADJOURN – Action/Vote

O'Donnell thanked Charlene Sheltraw, Deputy Director John McNally, Capt Doug Carlson for their support. O'Donnell welcomes any advice or feedback.

Moved by Sanders and seconded by Bloomfield to adjourn, 12:12 p.m. Voting Aye: Bohac, Hilgert, Sanders, Bloomfield. Motion carried.