



**SEN. GEORGE RUNNER (RET.)**

MEMBER  
STATE BOARD OF EQUALIZATION  
**CALIFORNIA'S TAX BOARD**

April 18, 2016

Senator Robert Hertzberg, Chair  
Senate Committee on Governance and Finance  
State Capitol, Room 408  
Sacramento, CA 95814

**RE: SENATE BILL 1458 (BATES) – PROPERTY TAXATION: EXEMPTION: DISABLED VETERANS • SPONSOR •**

Dear Senator Hertzberg,

I am pleased to sponsor Senate Bill 1458, which ensures that veterans with a 100% service-connected disability rating or 100% disability compensation are not denied California's disabled veterans' exemption. In short, the bill expands the disabled veterans' exemption eligibility by changing the requirement that a veteran's character of discharge from military service be under "honorable" conditions to the standard of under "other than dishonorable" conditions.

Currently, there are different types of discharges from active duty: Honorable Discharge, General Discharge Under Honorable Conditions, Discharge Under Other than Honorable Conditions (OTH), Bad Conduct and Dishonorable. Under federal law, various veteran benefits depend on the type of discharge. Generally, to receive disability compensation benefits from the United States Department of Veteran Affairs (USDVA) requires an Honorable Discharge, a General Discharge and, on occasion, an OTH.

Under current state law, only veterans who receive an Honorable Discharge can receive the property tax exemption, which means that although a veteran may have received a 100% disability rating from the USDVA, they are unable to qualify for the state's disabled veterans' property tax exemption because they did not receive an Honorable Discharge.

A veteran should qualify for the state property tax exemption if he/she received a 100% disability rating, did not receive a dishonorable or bad conduct discharge, and qualifies for USDVA disability compensation benefits. While the number of veterans who will qualify under SB 1458 is minimal, the legislation is necessary to give veterans who were discharged under "other than dishonorable" conditions access to a benefit offered to them by a grateful state. For this reason, I am proud to sponsor SB 1458.

Sincerely,

A handwritten signature in dark ink, appearing to read "G. Runner", written over a light blue horizontal line.

GEORGE RUNNER  
1<sup>st</sup> District

cc: Senator Bates  
Scott Chavez, Policy Consultant, Senate Republican Caucus