



SEN. GEORGE RUNNER (RET.)

MEMBER
STATE BOARD OF EQUALIZATION
CALIFORNIA'S TAX BOARD

May 20, 2016

Senator Ricardo Lara, Chair
Senate Appropriations Committee
State Capitol, Room 2206
Sacramento, CA 95814

RE: SENATE BILL 1458 (BATES) – REQUEST FOR REMOVAL FROM SUSPENSE FILE

Dear Senator Lara,

I respectfully request that Senate Bill 1458 be removed from the Suspense File. The bill conforms state law to federal law to ensure veterans with 100% service-connected disability rating or 100% disability compensation are not denied California's disabled veterans' property tax exemption as California's Constitution intends.

Statutory state law conditions exemption eligibility on the veteran's *initial* discharge from military service status. However, federal law allows a re-evaluation of that discharge to ensure those veterans who suffer a debilitating service-connected disability receive full medical and health benefits otherwise disallowed. Regrettably, because of the manner "veteran" was defined via cross-reference to an unrelated statute, state law does not honor the subsequent discharge re-evaluation. The constitutional provision granting this benefit does not impose a discharge-status condition. Rather it requires that a veteran incurred service-connected total disability, but the law requires property tax administrators to turn these veterans down when they request the exemption. SB 1458 will expand eligibility to a small number of disabled veterans by allowing an "other than dishonorable" discharge to be considered when determining eligibility as long as the veteran's military service has been reviewed and the federal government has ruled that full health and medical benefits should be extended to the disabled veteran.

I believe strongly a veteran should qualify for the state property tax exemption if he/she received a 100% service-connected disability rating, did not receive a dishonorable or bad conduct discharge, and qualifies for USDVA disability compensation benefits. Not only does the bill align state and federal law, but it aligns statute with the Constitution. California veterans returning from service to our country with disabilities deserve our support. For this reason, I am proud to sponsor SB 1458 and hope you will consider removing it from the Suspense File.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Runner".

GEORGE RUNNER
1st District

cc: Senator Bates
Anthony Archie, Policy Consultant, Senate Republican Caucus