



South Dakota Department of Military and Veterans Affairs

Introduction

The South Dakota Department of Military and Veterans Affairs includes both the South Dakota Army and Air National Guard; the Adjutant General, who heads the Department and commands the South Dakota National Guard; and the Division of Veterans Affairs, which deals with veterans issues, oversees the county and tribal veterans service officers, and serves as staff to the South Dakota Veterans Commission; and the Michael J. Fitzmaurice State Veterans Home. There is significant variation from state to state as to how veterans affairs at the state level are handled and whether the state veterans agency is organized as a separate department in state government or combined with the administration of the state's National Guard units. The organization of South Dakota's Division of Veterans Affairs and Veterans Commission, and how best to deliver services to South Dakota's veterans, have become issues at times in recent years.

History – South Dakota Veterans' Agencies

South Dakota's military and veterans agencies evolved over the years along two basic tracks: the creation and operation of the state militia and the National Guard and the development of programs to assist South Dakota's veterans.

The National Guard and the position of Adjutant General date back to territorial times. The Adjutant General serves as the commander of the South Dakota National Guard and its predecessors. In 1887, the Territorial Legislature clarified the role and structure of the territorial militia and specified that the organized militia would be known as the "Dakota National Guard." The Department of Military Affairs was created in 1955 to administer the South Dakota National Guard, with the Adjutant General designated as the head of the department. The 1955 legislation also created the Board of Military Affairs.

Special provisions to assist South Dakota's veterans also date back to the territorial period, in the form of preference in hiring and burial benefits for veterans of the Civil War. These types of provisions, as well as veterans' bonuses and provisions to assist veterans with federal pensions and claims, and the creation of a state soldiers' home, have continued in force through statehood. In 1919, after World War I, the Legislature directed the Adjutant General to "conduct a Bureau of Pensions" to assist veterans in

obtaining back pay, pensions, and other claims from the U.S. government. The Adjutant General was authorized to employ a special clerk to perform the work of the Bureau of Pensions. In 1935, legislation directed the Governor to appoint a "State Contact Officer" to assist disabled veterans and their dependents in presenting their claims to the U.S. Veterans Bureau. The State Contact Officer was to be a World War I veteran recommended by the American Legion, Veterans of Foreign Wars, and the Disabled Veterans of America.

The demands of World War II, however, led to a more comprehensive approach by the State to address the needs of South Dakota veterans. In 1944, a special session of the Legislature was convened in anticipation of the huge numbers of veterans who would be returning home from World War II, and the 1944 legislation laid much of the groundwork for South Dakota's current programs and agencies that deal with veterans' affairs. The 1944 law created the South Dakota Veterans Department and the current South Dakota Veterans Commission.

The current Department of Military and Veterans Affairs was created in 1973 by combining the previous Department of Military Affairs with the Veterans Department, thus joining the National Guard and the administration of veterans' affairs. The 1973 legislation moved the Veterans Department to the new Department of Military and Veterans Affairs and designated it as the Division of Veterans Affairs within the department. The new department would be headed by the Adjutant General.

South Dakota Department of Military and Veterans Affairs

The current Department of Military and Veterans Affairs, headed by the Adjutant General, includes, oversees, or acts in conjunction with the South Dakota National Guard, the Board of Military Affairs, the Division of Veterans Affairs, the South Dakota Veterans Commission, county and tribal veterans service officers, the South Dakota State Veterans Home, the South Dakota National Guard Museum, and the Civil Air Patrol.

South Dakota National Guard. The Adjutant General commands the South Dakota National Guard, which consists of the South Dakota Army National Guard and the South Dakota Air National Guard. The Army National Guard and the Air National Guard are each under the command of assistant adjutants general for the respective branches. The Air National guard also oversees South Dakota's Civil Air Patrol units. The National Guard has a complex relationship with the U.S. Department of Defense with respect to functions, activities, and standards, some of which are under state control and some that are under federal control.

The South Dakota National Guard has a long history of service to this state and to the nation, including combat duty in the Spanish-American War and Philippine Insurrection, World War I, World War II, Panama, the Persian Gulf, Iraq, and Afghanistan. The National Guard was also called into federal service during the Mexican Border Conflict, the Korean War, the Berlin Crisis, and Operation Noble Eagle, and participated in peacekeeping operations in Bosnia and Kosovo. Over the years, the Guard, in its state role under the control of the Governor, has also responded to emergencies and natural

disasters such as the 1972 Rapid City flood, the Blizzard of 1975, the 1998 Spencer tornado, and many others.

Division of Veterans Affairs. The Division of Veterans Affairs deals with issues affecting South Dakota's veteran population. The Director of the Division of Veterans Affairs is nominated by the Veterans Commission and appointed by the Adjutant general. As with the National Guard, the Division of Veterans Affairs deals with a complex mix of federal and state veterans benefits and attempts to assist veterans and their families in accessing federal benefits, as well as administering state veterans benefits.

The division lists its core functions as follows:

“(1) Provide ongoing training and supervision to our state's network of County and Tribal Veterans Service Officers in all areas of federal and state laws and programs pertaining to veteran's benefits.

(2) Counsel and assist veterans and their family members with preparing and submitting claims for benefits they are eligible for through the US Department of Veterans Affairs (VA) and any other state or federal agencies.

(3) Advocate for the claimants by ensuring that all award actions and decisions by the VA or other agencies are accurate and in compliance with existing laws and regulations.

(4) Evaluation, approval, and supervision of all programs and schools that offer educational opportunities to those eligible for VA educational benefits; also provide overview for those programs offered at training establishments.

(5) Provide public relations and outreach efforts to properly promote and educate the public on all programs and services available to our veterans, military service personnel and their families.

(6) The Division serves as primary liaison between state agencies, the SD Veterans Commission, the veterans community, and other service partners (federal, national, state).

(7) Ensure the protection, privacy and integrity of all veteran and claimant personal identity data, medical information, and VA claim/military data entrusted to the Division staff and the state's network of County and Tribal Veterans Service Officers, as an ethical and legal obligation. “

In addition, the Division of Veterans Affairs serves as South Dakota's State Approving Agency. Federal law requires each state to designate a State Approving Agency for the purpose of reviewing and approving educational programs in which veterans may enroll using veterans education benefits.

The Division has two offices with a total staff of seventeen employees. The Administrative Office is located in Pierre in the Soldiers and Sailors War Memorial Building. In addition to the Director, this office has six employees, including the field supervisor, two veterans education representatives, and three veterans field officers. The Division's other office, referred to as the Claims Office, is located in Sioux Falls with a staff of nine employees. The Claims Office staff includes the claims office supervisor, six state veterans service officers, a veterans claims examiner, and a secretary. In addition, the Division has one veterans field officer located in Sturgis. The Division's FY2011 budget is \$1.45 million and 17.0 FTE, of which \$1.12 is general funds, compared with the Department's overall budget of \$47.7 million (196.1 FTE and \$6.2 million in general funds).

County and Tribal Veterans Service Officers. Another important function of the Division of Veterans Affairs associated with providing services to South Dakota's veterans involves supervision and training of the state's county and tribal veterans service officers (VSO's). The veterans service officers are county or tribal employees, but they serve as an extension of the Division and play an important role in providing services to veterans, dependents, and survivors, often as the first point of contact for a veteran seeking help. Veterans service officers work under the supervision and direction of the Division of Veterans Affairs.

South Dakota law (SDCL 33-16-24) requires each county to employ a county veterans service officer. Counties may join with other counties in employing a VSO. Indian tribes, under SDCL 33-16-28.1, may appoint tribal veterans service officers who serve under the same terms and conditions as county veterans service officers. Since tribes are not under State jurisdiction, they are authorized, but not required, to appoint veterans service officers who serve under the direction of the Division of Veterans Affairs, as do their county counterparts. Currently, there 61 county veterans service officers and 7 tribal veterans service officers. The division operates a training program for veterans service officers, as required by SDCL 33-16-27.1. VSO's must undergo training on an annual basis and successfully complete a test administered by the division.

Veterans service officers provide information, assistance, counseling, and referrals on a wide range of subjects, benefits, and veteran programs. Services are provided to veterans, widows of veterans, dependent children of veterans, as well as dependent parents who lost a son or daughter in military service. VSO's work with lending agencies, realtors, county and state officials, and veterans organizations, in such areas as GI loans, compensation, pensions, education, on-the-job training, apprenticeship training, rehabilitation, medical and dental treatment, hospitalization, outpatient treatment, nursing home care, residency at the State Veterans' Home, other state benefits, Social Security, alcoholism and drug dependency treatment, employment and unemployment, small business loans, corrections of military records, review of discharges, burial in a national cemetery, expense reimbursement, headstone or burial allowance, obtaining flags, as well as the protection of veterans' and widows' preferences. County and tribal veterans service officers have an important yet difficult role obtaining information for their clients and assisting them in cutting government red tape. The importance of the veterans service officer continues to increase with the aging of our veteran population.

State law (SDCL 33-16-28.4) establishes a basic salary schedule for veterans service officers. The basic salary schedule for county veterans' service officers, which may be adopted by any board of county commissioners, is as follows:

- For counties with population of 50,000 and over, \$18,750 per year;
- For counties with population of 20,000 to 50,000, \$17,500 per year;
- For counties with population of 10,000 to 20,000, \$15,000 per year;
- For counties with population of 5,000 to 10,000, \$11,250 per year;
- For counties with population up to 5,000, \$7,500 per year.

SDCL 33-16-28.3 allows the Division of Veterans Affairs to establish a program for providing financial assistance to counties in paying the salaries of county veterans' service officers. Counties are paid on the basis of one dollar of state funds for each four dollars of county funds. No county may be reimbursed in excess of twenty-five percent of the basic salary schedule outlined in § 33-16-28.4 for any fiscal year. Indian tribes and tribal veterans service officers receive the same salary reimbursement and services from the division as those available to county commissioners and county veteran service officers. Indian tribes are responsible for all other financial obligations accrued by tribal veterans service officers.

Veterans Commission. The South Dakota Veterans Commission was created in 1944 to provide direction on issues and programs for South Dakota's veterans and to supervise and control the newly created Veterans Department, including the appointment of the director of the department. In 1973, with the merging of the Department of Military Affairs and the Veterans Department, the commission was transferred to the new Division of Veterans Affairs, but was given the responsibility of nominating the director of the division for appointment by the Adjutant General.

Under SDCL 33-16-4.1, the Veterans Commission is administered under the direction and supervision of the Division of Veterans' Affairs, but retains quasi-judicial, quasi-legislative, advisory, other nonadministrative and special budgetary functions and exercises those functions independently of the director of veterans affairs. The commission nominates the director of veterans affairs, who is then appointed by the Adjutant General pursuant to SDCL 1-46-7. Both the commission and the division are granted rulemaking authority in certain subject areas. SDCL 33-16-7.1 authorizes the commission to promulgate rules governing procedures for division personnel to act as agents for veterans pursuant to SDCL 33-16-14; recordkeeping procedures to protect the rights of disabled veterans; procedures and standards related to the burial of veterans; procedures and requirements to assist in securing veterans' benefits and to train county service officers to provide related assistance; procedures for division employees to act as conservators for certain persons; and procedures for certain investigations.

SDCL 33-16-4 specifies that the Veterans Commission consists of six members appointed by the Governor. Members of the commission must be citizens of the United States and of South Dakota and must be veterans who have been discharged from the armed forces honorably or under honorable conditions. Members are appointed to six-

year terms. Current members of the Veterans Commission are Wade Hubbard, Chair, Pierre; John Noyes, Vice Chair, Pierre; Michael Birnbaum, Rapid City; William Locken, Spearfish; Don Loudner, Mitchell; and Gene Murphy, Sioux Falls.

In its current configuration, the Veterans Commission is an advocate for veterans, their families and their survivors and is a partner with county, state, tribal, and federal agencies and service organizations and their auxiliaries to ensure that the highest quality of services are provided. The goals of the commission include the following: study all federal and state legislation affecting veterans, their spouses, their dependents and their beneficiaries; establish liaison with agencies dealing with veterans affairs; and make recommendations to the Legislature and to the Governor concerning veterans, their families, and their survivors.

Michael J. Fitzmaurice Veterans Home. The South Dakota State Veterans' Home, located in Hot Springs, is governed by SDCL Chapter 33-18 and is under the control and general supervision of the Department of Military and Veterans Affairs. The Dakota Territorial Legislature in 1889 established the Dakota Soldiers' Home in Hot Springs to provide care and subsistence for veterans and their wives and widows. The first building, which was constructed in 1889, remains in service and houses the home's administrative offices and recreational facilities. The complex covers 193 acres and includes three major structures for residents. In 1998, the veterans home was renamed in honor of Michael J. Fitzmaurice who was awarded the Medal of Honor for service in Vietnam.

The State Veterans Home attempts to provide a quality living environment and medical support in an independent living and long-term care setting for eligible South Dakota veterans and their spouses, widows, or widowers. To be eligible, the applicant must be an honorably discharged veteran whose period of service qualifies for veteran benefits or the spouse, widow, or widower of such a veteran. In addition, the veteran must be ambulatory and able to take care of self and living quarters, not be addicted to drugs or alcohol and not be mentally ill, have been a resident of South Dakota at any time in the previous five years, and be incapacitated from earning a livelihood. In the case of a married couple, the spouse of the veteran must be admitted with the veteran, unless the veteran is institutionalized, in order to be able to reside at the home.

Currently, the State Veterans Home houses approximately 130 residents (approximately 100 veterans and 30 spouses, widows, and widowers), with a total budget of \$6.9 million (\$2.3 million general funds), and 82.7 FTE. There has been recent discussion about the need to upgrade the facilities at the State Veterans Home to meet various federal and state requirements and the possibility of moving the veterans home out of Hot Springs to a new facility in Rapid City or elsewhere. The effects of these proposals on the veterans home and on the economy of Hot Springs will be debated, but it is recognized that the facility is in need of upgrading to meet current standards in a variety of areas.

State and Federal Roles – Veterans Affairs and Veterans Benefits

The vast majority of benefits for military veterans in the United States are provided by the federal government, but all states also provide veterans benefits in one form or another, and all states assist veterans in accessing federal benefits.

The US Department of Veterans Affairs (VA) administers a wide array of benefits for US military veterans including compensation for service-connected disabilities, dependency and indemnity compensation for the surviving spouse or child of a service member or veteran who dies while on active duty or as the result of a service-connected disability, hospital care for veterans at VA Medical Centers and other health benefits, GI Bill and other veterans education benefits, pension benefits for certain wartime veterans, VA home loan programs, small business development, and burial benefits. Veterans preference in hiring for federal jobs is also provided. These are broad categories that include numerous subcategories of related benefits for veterans, such as adaptive automobile or home equipment for veterans with disabilities and many others.

The South Dakota Division of Veterans Affairs assists veterans and their dependents in preparing claims for benefits from the US Department of Veterans Affairs (VA). In addition, county and tribal veterans service officers serve as the local contact person for veterans and their dependents, and they provide assistance with making application for the various federal VA benefit programs.

The Division of Veterans Affairs also administers state veterans benefits, with the veterans service officers serving as local contact persons for veterans inquiring about or applying for benefits. Veterans benefits provided by the State of South Dakota include the following:

- Veterans Preference in Employment for State Positions
- Free Certified Copies of Veterans Records
- Burial Allowance for Veterans, Wives or Widows
- Headstone Setting Fee
- Bonus Programs for Veterans of Various Conflicts
- Free Tuition for Veterans
- Free Tuition for Children of Veterans Who Die During Service
- Free Tuition for Dependents of POW's and MIA's
- Reduced Tuition for South Dakota National Guard members
- Free Tuition to Child or Spouse of National Guard member Disabled or Died in Line of Duty
- Special License Plates:
 - Disabled Veteran, Prisoner of War, Pearl Harbor Survivor, Purple Heart, Medal of Honor, Veteran, Organization, Gold Star Plate
- Game and Fish Licenses and Permits:
 - Hunting and Fishing Cards for Disabled Veterans, Free Admission and Reduced Camping Fees for Veterans, Special Provisions for Handicapped Hunters
- Taxation Benefits:

Property Tax Exemption for Paraplegic Veterans and Surviving spouse,
Property Tax Exemption for Totally Disabled Veterans and Surviving
Spouse, Property Tax Exemption for Aged and Disabled Persons, Sales
Tax Refund for Certain Elderly and Disabled Persons.

Veterans organizations constitute another important group involved in the provision of veterans benefits and promoting the well-being of veterans. The best known veterans organizations are the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans, but there are many other veterans organizations that advocate for veterans, become involved in legislation and public policy affecting veterans, and assist individual veterans in dealing with federal and state military and veterans policy and programs.

Veterans Affairs in South Dakota – Recent Issues and Legislation

Military experience and the trials and sacrifices of war and military service have been basic fundamental life experiences for many generations of Americans, and Americans place a high value on military service, so it is not surprising that veterans issues sometimes become contentious and emotional.

In recent years, legislation has been introduced in South Dakota on several recurring ideas. HB 1298 (2008) and SB 138 (2009) both addressed the qualifications of the Director of the Division of Veterans Affairs to require that all of the director's previous discharges from the armed forces be under honorable conditions, so that an applicant who had an honorable discharge for previous service but also had a less than honorable discharge for a different period of service would not be eligible for the position. Both of these bills failed, but in 2010, HB 1049, which had the same effect, was passed (SDCL 33-16-8).

Another recent topic of interest has been the composition of the Veterans Commission. SB 76 (2010) would have increased the membership of the commission from six to seven members and given the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans a specific role in appointing three of the seven members. The bill would also have required that one member of the commission be an enrolled member of a South Dakota Indian tribe. SB 76 failed, but it should be noted that veterans commissions or similar bodies in some states do specify a role for specific veterans organizations.

The creation of a separate Department of Veterans Affairs in South Dakota as a cabinet-level department has also received discussion in recent years and has generated legislative activity. In 2009, the Legislature adopted Senate Concurrent Resolution 3, which supported a study to evaluate the feasibility and advisability of creating an independent, cabinet-level department to address veterans affairs. Currently, the Department of Military and Veterans Affairs is a cabinet-level agency, but the Division of Veterans Affairs, located within the department, is not a cabinet-level office. SCR 3 was passed by the Legislature, but as a concurrent resolution, it did not carry the force of law, and the proposed study was not conducted. In 2010, the

Legislature defeated SB 150, which would have required a legislative interim study of the potential creation of a Department of Veterans Affairs as a cabinet-level department and listed several subject areas to be studied, including whether veterans are receiving the benefits to which they are entitled, homeless veterans, the status of the proposed East River veterans nursing facility study and East river veterans cemetery study, the status of the military funeral honors program, a review of county veterans service officer activities, and other issues. SB 150 was defeated in committee.

In 2006, the Legislature conducted an agency sunset review of the Department of Military and Veterans Affairs, as part of a statutory program that requires a periodic review of all state departments by legislative study committees. The committee met once in Pierre for an overview of department programs and activities. The committee also held a two-day meeting in Rapid City and Hot Springs and toured National Guard facilities at Camp Rapid and the State Veterans Home. The committee also heard presentations on services provided for recent veterans deployed to the Middle East and on issues related veterans service officers and took public testimony. The committee sent a letter to the department requesting the department to study the issue of salaries for veterans service officers. Legislation was introduced by the department in 2009 to increase the basic salary schedule for VSO's (SDCL 33-16-28.4). The committee also introduced legislation to modernize and make form and style revisions to statutes governing military and veterans affairs. The committee did not pursue the topic of creating a separate veterans affairs department. The review committee's methods and conclusions were similar to agency reviews of other state departments in recent years.

As noted above, an issue that has surfaced recently is the need to upgrade facilities at the State Veterans Home and the possibility of moving the veterans home out of Hot Springs to Rapid City.

Veterans Affairs Agencies in Other States

In considering the structure and organization of state veterans affairs agencies, it is helpful to compare South Dakota's system to veterans agencies in other states. All states have an organized National Guard, and all have an agency of some type to deal with veterans affairs. Most have a veterans commission, although the membership and composition of veterans commissions vary widely from state to state. Some states, like South Dakota, house the National Guard and the state's veterans agency within the same department. Colorado, Montana, and Wyoming are examples in this region. North Dakota, Minnesota, Iowa, and Nebraska have stand-alone departments of veterans affairs, although North Dakota's department is not cabinet-level.

The South Dakota Department of Military and Veterans Affairs surveyed all fifty states for information on the structure of their military and veterans affairs agencies. Their survey includes veteran population, budget for the veterans affairs agency, number of employees dealing with veterans affairs, whether the state operates a state veterans home or a state veterans cemetery, whether the veterans affairs agency is a stand-alone department (rather than being combined with the National Guard), and whether the veterans affairs agency is cabinet-level. The department received responses from all fifty states. Results are presented in the following tables.

Table 1. Veterans Affairs Agencies by State – 2010.

State	Veteran Population	Budget	Employees	State Homes	State Cemetery	Stand Alone Dept	Cabinet Level
Alabama	420,000	\$100,000,000	130	4	0	Yes	No
Alaska	77,000	\$1,700,000	5	***	0	No	No
Arizona	600,000	\$2,854,400	362	1	1	Yes	Yes
Arkansas	260,000	\$13,200,000	227	2	1	Yes	Yes
California	2,100,000	\$300,000,000	1,700	3	2	Yes	Yes
Colorado	434,000	\$700,000	10	***		No	No
Connecticut	277,560	\$33,500,000	333	1	3	Yes	Yes
Delaware	80,592	\$2,200,000	22	***	2	Yes	No
Florida	1,683,899	\$72,023,453	960	6	0	Yes	No
Georgia	770,000	\$47,400,668	135	2	2	Yes	No
Hawaii	120,587	\$1,815,459	19	0	1	No	No
Idaho	137,152	\$24,000,000	310	1	3	Yes	Yes
Illinois	1,200,000	\$120,000,000	1,264	4	1	Yes	No
Indiana	509,313	\$3,000,000	15	1	1	Yes	No
Iowa	265,000	\$1,300,000	17	***	1	Yes	Yes
Kansas	240,000	\$20,000,000	330	1	4	Yes	No
Kentucky	340,000	\$43,800,000	760	3	4	Yes	No
Louisiana	325,000	\$48,900,000	800	5	1	Yes	Yes
Maine	150,000	\$2,600,000	40	***	4	No	No
Maryland	476,202	\$23,428,833	77	1	5	Yes	Yes
Massachusetts	425,000	\$56,300,000	50	***	2	No	No
Michigan	725,000	\$20,015,700	603	2	1	No	No
Minnesota	410,000	\$116,893,000	1,300	5	1	Yes	Yes
Mississippi	212,508	\$33,008,651	738	4	1	Yes	No
Missouri	523,000	\$77,469,293	1,756	7	4	No	No
Montana	108,000	\$1,500,000	30	***	3	No	No
Nebraska	150,394	\$1,021,750	18	***	1	Yes	Yes
Nevada	339,000	\$18,700,000	230	1	2	Yes	Yes
New Hampshire	135,000	\$425,000	6	***	***	Yes	No
New Jersey	480,000	\$90,000,000	1,500	3	1	No	No
New Mexico	200,000	\$6,000,000	45	***	0	Yes	Yes
New York	988,217	\$17,707,000	107	***	0	Yes	Yes
North Carolina	775,000	\$32,612,506	92	2	3	No	No
North Dakota	57,703	\$1,040,837	7	***	***	Yes	No
Ohio	935,440	\$62,000,000	866	2	0	Yes	Yes
Oklahoma	333,877	\$36,000,000	1,866	7	0	Yes	Yes
Oregon	341,000	\$3,400,000	96	1	0	Yes	Yes
Pennsylvania	1,000,000	\$100,000,000	2,065	6	0	No	No
Rhode Island	79,616	\$27,000,000	300	1	1	No	No
South Carolina	410,000	\$800,000	21	***	1	No	No
South Dakota	74,273	\$1,109,870	17	1	0	No	No
Tennessee	532,000	\$5,050,100	92	3	3	Yes	Yes
Texas	1,700,000	\$21,931,323	359	***	***	Yes	No
Utah	162,000		11	2	1	Yes	Yes
Vermont	56,000	\$650,000	6	***	1	No	No
Virginia	807,326	\$40,000,000	523	2	3	Yes	No
Washington	670,000	\$55,000,000	700	3	1	Yes	Yes
West Virginia	177,000	\$1,000,000	200	1	1	No	No

Wisconsin	427,527	\$141,800,000	1,200	2	3	Yes	No
Wyoming	54,000	\$1,600,000	12	***	1	No	No
Total	23,755,186	\$1.83 billion	22,332			33	19
Average	475,104	\$37,397,099	447				

***State has veterans home or state cemetery under jurisdiction of another agency.

Source: South Dakota Department of Military and Veterans Affairs.

Table 1 indicates that 33 states have stand-alone veterans affairs departments and 19 states have cabinet-level veterans affairs departments. The average state veteran population is 475,104, and the average state veterans affairs agency has 447 employees with a budget of \$37.4 million. The South Dakota Division of Veterans Affairs has 17 employees and a general fund budget of \$1.1 million. South Dakota's veteran population is 74,273, the fourth smallest in the nation, with only North Dakota, Wyoming, and Vermont having fewer veterans.

State	Veteran Population	Budget	Employees	State Homes	State Cemetery	Stand Alone Dept	Cabinet Level
North Dakota	57,703	\$1,040,837	7	***	***	Yes	No
Delaware	80,592	\$2,200,000	22	***	2	Yes	No
Idaho	137,152	\$24,000,000	310	1	3	Yes	Yes
Nebraska	150,394	\$1,021,750	18	***	1	Yes	Yes
Utah	162,000		11	2	1	Yes	Yes
New Mexico	200,000	\$6,000,000	45	***	0	Yes	Yes
Mississippi	212,508	\$33,008,651	738	4	1	Yes	No
Kansas	240,000	\$20,000,000	330	1	4	Yes	No
Arkansas	260,000	\$13,200,000	227	2	1	Yes	Yes
Iowa	265,000	\$1,300,000	17	***	1	Yes	Yes
Connecticut	277,560	\$33,500,000	333	1	3	Yes	Yes
Oklahoma	333,877	\$36,000,000	1,866	7	0	Yes	Yes
Nevada	339,000	\$18,700,000	230	1	2	Yes	Yes
Oregon	341,000	\$3,400,000	96	1	0	Yes	Yes
Minnesota	410,000	\$116,893,000	1,300	5	1	Yes	Yes
Alabama	420,000	\$100,000,000	130	4	0	Yes	No
Wisconsin	427,527	\$141,800,000	1,200	2	3	Yes	No
Maryland	476,202	\$23,428,833	77	1	5	Yes	Yes
Indiana	509,313	\$3,000,000	15	1	1	Yes	No
Tennessee	532,000	\$5,050,100	92	3	3	Yes	Yes
Arizona	600,000	\$2,854,400	362	1	1	Yes	Yes
Virginia	619,000	\$40,000,000	523	2	3	Yes	No
Washington	670,000	\$55,000,000	700	3	1	Yes	Yes
Ohio	935,440	\$62,000,000	866	2	0	Yes	Yes
New York	988,217	\$17,707,000	107	***	0	Yes	Yes
Illinois	1,200,000	\$120,000,000	1,264	4	1	Yes	No
Florida	1,683,899	\$72,023,453	960	6	0	Yes	No
Texas	1,700,000	\$21,931,323	359	***	***	Yes	No

California	2,100,000	\$300,000,000	1,700	3	2	Yes	Yes
New Hampshire	135,000	\$425,000	6	***	***	Yes	No
Kentucky	340,000	\$43,800,000	760	3	4	Yes	No
Georgia	770,000	\$47,400,668	135	2	2	Yes	No
Louisiana	325,000	\$48,900,000	800	5	1	Yes	Yes
Total	17,898,384	\$1,415,585,015	15,606				
Average	542,375	\$44,237,032	473				

***State has veterans home or state cemetery under jurisdiction of another agency.

Source: South Dakota Department of Military and Veterans Affairs.

State	Veteran Population	Budget	Employees	State Homes	State Cemetery	Stand Alone Dept	Cabinet Level
Idaho	137,152	\$24,000,000	310	1	3	Yes	Yes
Nebraska	150,394	\$1,021,750	18	***	1	Yes	Yes
Utah	162,000		11	2	1	Yes	Yes
New Mexico	200,000	\$6,000,000	45	***	0	Yes	Yes
Arkansas	260,000	\$13,200,000	227	2	1	Yes	Yes
Iowa	265,000	\$1,300,000	17	***	1	Yes	Yes
Connecticut	277,560	\$33,500,000	333	1	3	Yes	Yes
Oklahoma	333,877	\$36,000,000	1,866	7	0	Yes	Yes
Nevada	339,000	\$18,700,000	230	1	2	Yes	Yes
Oregon	341,000	\$3,400,000	96	1	0	Yes	Yes
Minnesota	410,000	\$116,893,000	1,300	5	1	Yes	Yes
Maryland	476,202	\$23,428,833	77	1	5	Yes	Yes
Tennessee	532,000	\$5,050,100	92	3	3	Yes	Yes
Arizona	600,000	\$2,854,400	362	1	1	Yes	Yes
Washington	670,000	\$55,000,000	700	3	1	Yes	Yes
Ohio	935,440	\$62,000,000	866	2	0	Yes	Yes
New York	988,217	\$17,707,000	107	***	0	Yes	Yes
California	2,100,000	\$300,000,000	1,700	3	2	Yes	Yes
Louisiana	325,000	\$48,900,000	800	5	1	Yes	Yes
Total	9,502,842	\$768,955,083	9,157				
Average	500,150	\$42,719,727	482				

***State has veterans home or state cemetery under jurisdiction of another agency.

Source: South Dakota Department of Military and Veterans Affairs.

Tables 2 and 3 present data for states that have stand-alone veterans affairs departments and cabinet-level veterans affairs departments, respectively. Veterans affairs departments in these states serve state veterans populations that are larger than the national average and have larger budgets and larger staff than the national average. A number of these states actually have veteran populations larger than South Dakota's

general population. With a few exceptions, these states are much larger and more urban than South Dakota and have veterans affairs departments as large or larger than most full departments in South Dakota.

Table 4. Budgets of South Dakota State Government Departments – FY2010			
Department	FTEs	General Funds	Total Budget
Labor	429	\$872,003	\$42,536,849
Revenue	326	\$1,136,728	\$71,324,866
Agriculture	233	\$6,239,755	\$44,349,937
Tourism	255	\$8,756,506	\$86,502,198
Game Fish & Parks	565	\$5,114,128	\$82,525,668
Social Services	998	\$247,964,703	\$872,435,452
Health	405	\$7,762,876	\$79,436,083
Transportation	1,040	\$519,825	\$597,085,531
Education	140	\$406,320,762	\$675,249,729
Public Safety	417	\$3,654,598	\$51,656,885
Military and Veterans	196	\$6,314,503	\$31,867,040
Corrections	889	\$75,861,452	\$106,212,920
Human Services	1,220	\$101,377,766	\$248,648,825
Environment & Natural Resources	176	\$5,795,361	\$60,311,296
Total	7,289	\$877,690,966	\$3,050,143,279
Average	521	\$62,692,212	\$217,867,377

Source: South Dakota Department of Military and Veterans Affairs.

Table 5. Budget South Dakota Department of Military and Veterans Affairs Budget by Division – FY 2010.		
Division of Department	FTEs	General Fund Budget
Air/Army Guard	89	\$2,119,865
Veterans Home	83	\$2,304,622
Division of Veterans Affairs	17	\$1,109,870
Adjutant General	6	\$780,146
Total	195	\$6,314,503

Source: South Dakota Department of Military and Veterans Affairs.

Tables 4 and 5 present budget and FTE information for South Dakota state government departments and for the various components of the Department of Military and Veterans Affairs. At 17 FTE, the division is much smaller than any other state department or cabinet agency, although its general funds budget is comparable to three to four departments and cabinet agencies.

The Issue of Creating a Cabinet-Level Department of Veterans Affairs in South Dakota

The issue of creating a separate, cabinet-level Department of Veterans Affairs in South Dakota has received attention in recent years. South Dakota's World War II and Korean War veterans are dwindling in numbers but face increased medical needs and issues associated with elderly care. Vietnam-era veterans are nearing or are at retirement age and also face increasing medical needs as time goes by. In addition, recent combat and peacekeeping operations in the Middle East and the Balkans have given the United States and South Dakota a new generation of younger combat veterans who are in need of other types of veterans benefits and services, such as education, employment, and housing, as well as medical and health-related assistance. The need for services to veterans continues, even as our older veterans pass on.

Proponents of a separate Department of Veterans Affairs argue that a separate department would increase the visibility of the agency and of veterans and veterans benefits and that cabinet status would provide better access to the Governor and high-level policy makers in the state, which would better serve our veteran population. Separating veterans affairs from the National Guard would also allow the Adjutant General and his staff to focus on military affairs and the needs of the National Guard, particularly as South Dakota continues to deploy National Guard units to serve in combat in Afghanistan and the Middle East.

Opponents state that South Dakota's small population makes the current organizational structure, with the veterans affairs agency located within the Department of Military and Veterans Affairs, more practical and economical without sacrificing services to veterans. Seventeen other states do not have stand-alone veterans affairs departments, and thirty-one other states do not have cabinet-level veterans affairs agencies. Many of the states that do have separate, cabinet-level departments are larger and more urban states and have significantly larger veteran populations than South Dakota has. The South Dakota Department of Military and Veterans Affairs is a cabinet agency at the present time and has represented veterans at that level.

Another factor to consider is the changing nature of the National Guard in South Dakota and the nation. Deployments of National Guard troops during the Vietnam War were extremely limited and even during the Korean War were much less than during World War II. National Guard service, without activation for federal service, does not meet the state or federal requirements for veteran status. For many years, most National Guard members were not veterans under state or federal law and did not qualify for veterans benefits, which tended to make the National Guard leadership at the state level somewhat less attuned to veterans issues and the needs of veterans. However, that changed drastically in 1990 and 1991 with the deployment of large numbers of National Guard units to the Persian Gulf. These were followed by peacekeeping operations in the Balkans and additional major combat deployments to Iraq and Afghanistan. Most South Dakota Guard units have had combat deployments at one time or another in the last twenty years, and many have had multiple deployments. The U.S. military, in its current configuration, cannot engage in major combat operations without making significant use of the National Guard and Reserves. Today's National Guard contains many active

members who are veterans who are or will be entitled to veterans benefits in the future. Because of the large number of veterans under his command, the Adjutant General and his staff are very familiar with veterans issues and veterans benefits and take their duties with respect to veterans needs seriously. A significant number of South Dakota's veteran population now comes from the National Guard. Opponents of creating a separate veterans affairs department maintain that the Adjutant General, because of these factors and because of the needs of Guard members under his command, does a very good job of advocating for veterans with the current department structure.

Another consideration related to the creation of a separate veterans affairs department has to do with additional cost and possible duplication associated with a new department, although most existing activities and personnel would continue in their current roles. A separate stand-alone department could require some additional support personnel now shared with the Department of Military and Veterans Affairs, so there would be some additional cost.

Summary

The Department of Military and Veterans Affairs or its predecessors and the South Dakota National Guard, as well as laws to provide for services to South Dakota's veterans, have been in place in South Dakota law since before statehood. Over time, the role of the state with respect to veterans affairs has increased, particularly after the huge numbers of service men and women who served during World War II, followed by more recent conflicts and a continuing emphasis on national defense. The role of the federal government in providing increased levels of benefits for veterans, particularly in the years following World War II, has also led to increased activity by state governments in providing services to veterans. States have used several models in structuring their veterans service agencies, and South Dakota's organizational structure is not unusual when compared with other states. Many states use stand-alone, cabinet-level veterans affairs departments; many do not. A number of states, like South Dakota combine their National Guard command in a department that also includes veterans affairs. Recent National Guard mobilizations have left South Dakota Guard units with a large percentage of veterans in their membership and have created a natural synergy between the National Guard and veterans affairs, a trend that can be expected to continue with further mobilizations.

The issue of creating a separate veterans department comes down to which structure best fits South Dakota's situation and whether a separate department would be a more effective advocate for veterans and could more effectively deliver services to veterans. The issue also hinges on whether the improvement in services would be sufficient to justify the expense and disruption involved in creating a new department. There are good arguments on both sides of this question, and there are many examples from other states of both organizational types.

This issue memorandum was written by Tom Magedanz, Principal Research Analyst for the Legislative Research Council. It is designed to supply background information on the subject and is not a policy statement made by the Legislative Research Council.
