

Governor's Budget Hearing

Tuesday, November 29, 2022

DEPARTMENT OF MILITARY AFFAIRS & VETERANS SERVICES

Members of the Committee; Good afternoon and thank you for the opportunity to speak with you today on our State Operating Budget submission for Fiscal Years 2024-2025.

As we discuss the State Operating Budget for the Department of Military Affairs and Veterans Services (DMAVS), it's important to note that we also have a Federal Budget for the New Hampshire National Guard (NHNG) that you do not see. The Federal Military Budget provides for Soldier and Airman pay, training, equipment, and uniforms. These two separate budgets must complement and support each other, or we'll be unable to perform our mission.

Our current Operating Budget Submission is prudent, reasonable and meets the governor's efficiency budget targets. We kept in mind our two overarching objectives: 1) supporting the \$200-million federal military budget at the State level by providing facilities and support to the men and women in the NHNG and 2) supporting our State's veteran community by providing the necessary resources for the State Veterans Cemetery, Division of Veterans Services and the Division of Community Based Military Programs.

MILITARY AFFAIRS – FACILITIES MODERNIZATION: We continue to realize improvements to our infrastructure through improvements and replacements of our aging facilities in both the Army (ARNG) and Air (ANG) National Guard. We've been able to maximize a combination of Capital Budget Funding (both General and Federal funds) along with minor construction funds to put millions of dollars into our various ARNG facilities. We've been able to bring in over \$143 million in federal funding to support the NHNG. This includes the Edward Cross Training Complex in Pembroke, both the Hooksett and Rochester Field Maintenance Shops, new armories in Pembroke and Concord, and two new buildings in Concord on the state military reservation. Up next will be a new Field Maintenance Shop in Littleton, a new armory in Plymouth, Nashua and Milford additions, and a new hangar and aviation operations building in Berlin. With the arrival of the KC-46 refueler at Pease, new simulator buildings have been constructed, hangars retrofitted, and the flight line modernized to accommodate twelve new KC-46 planes.

The challenge within this federal/state fiscal landscape is to ensure sufficient funding of our State operating budget to maintain these new facilities in addition to maintaining and repairing our Cold War era geographically dispersed facilities statewide. This includes sufficient funding to maintain these facilities and keep up with the cost of snowplowing, grounds maintenance, HVAC, electrical, plumbing, overhead door maintenance, fire alarms, burglar alarms, trash removal and utilities.

VETERAN SERVICES – In this budget submission, we offer minimum changes to our existing portfolio of veteran programs and services that include the State Veterans Cemetery and Division of Veteran Services. We continue to fund the Division of Community Based Military Programs to support programs relative to aid Veterans’ access to employment, housing, health care and college degrees as created by this legislation, as well as continuing with Suicide Prevention and Housing/Homelessness programs.

We continue to improve our support to New Hampshire’s veteran population. We have sustained outreach programs such as the “Ask the Question” campaign and establishment of a Veteran Friendly Business Recognition Program. These programs are opportunities to build the veteran brand as we establish the “Service Member for Life” campaign. In recent years there have been several notable statutory changes that allow us to increase the breadth of services we provide. We have implemented the Burial Equity Act for the Guard and Reserves allowing certain members of the reserve components to be buried in our veterans cemetery. We are working closely with the Office of Professional Licensure and Certification to ensure military training and experience is credited in the licensing process. We are working to end veteran homelessness and contracting to address our veterans needs associated with mental health and isolation.

ENDURING PARTNERSHIPS: In the coming year, we will work with our federal and state partners to expand our influence and improve the quality of life for New Hampshire’s citizens. We are establishing a STARBASE program where students participate in challenging “hands-on, minds-on” activities in Science, Technology, Engineering, and Math (STEM). We are working with the Department of Education to accept the responsibilities of the State Approving Agency and hiring the state’s School Certifying Official in order to assist students who are using VA benefits to pursue education and training programs. Additionally, we are continuing our work with law enforcement agencies on the state’s counterdrug program.

SUMMARY: Our Service men & women continue to answer our Nation’s call, both at home and abroad. At home, we have supported the citizens of New Hampshire during localized weather events, and numerous search and rescue missions. Overseas, we continue to deploy to the Middle East and hotspots around the globe. This past year, deployments included the countries of Iraq, Syria, Jordan, and the United Arab Emirates (UAE). This coming year will include similar deployments around the globe. Our dedicated state employees continue to find innovative and effective ways to provide services for our service members, veterans and their families. In closing, I would like to thank you for your continued support of our service members and their families, and our veteran community. My staff and I are available to answer any questions or provide clarification.

Highlights to changes in our 2024-2025 budget include:

Efficiency Budget:

- 1) Abolished 35 state employee positions for manning the Pease Fire Department that were converted to Title 5 Federal civilian positions – This action closes out Appendix 24 – Air National Guard Fire Protection Activities of Federal and State Cooperative Agreement due to a mission change (KC-46).
 - \$5M salaries and benefits **100% Federal – AU2256**
- 2) Increase Utilities – Due to increases in utility costs, the Department is requesting additional funds:
 - \$1.2M Pease Air National Guard Facilities **75% Federal - AU2233-\$900,000**
25% General - AU2233-\$300,000
 - \$205,000 Army National Guard Facilities **50% Federal - AU2240-\$102,500**
50% General - AU2240-\$102,500
 - \$200,000 Army National Guard Facilities **75% Federal – AU3003-\$150,000**
25% General – AU3003-\$ 50,000
 - \$30,000 STARBASE (new program) **100% General - AU2220**
- 3) Overtime – The Department established an on-call policy to provide 24-7 service to monitor and maintain facilities statewide.
 - \$75,000 **100% Federal - AU2245**
- 4) STARBASE –This is a new program to New Hampshire that is sponsored by the Department of Defense that is 100% federally reimbursed. Referred to as STARBASE, this program utilizes the National Guard to raise interest and educate at-risk youth in Science, Technology, Engineering and Mathematics (STEM).
 - \$880,883 **100% Federal - AU8166**
- 5) Contracts for Operating Services – The Department anticipates additional Federal funds for construction, maintenance and renovation projects. This increase is due to an Exception to Policy authorization by National Guard Bureau to use 100% Federal funds for projects that traditionally had a 50%/50% federal/state cost share.
 - \$2M **100% Federal - AU2245**
- 6) Workers Compensation – Pay to Dept. of Administrative Services
 - \$200,000 **100% General - AU8148**