CHAPTER 96--H.F.No. 3522

An act relating to veterans; establishing standards for legislatively directed competitive and direct grants; providing for honor guard detail; modifying benefits available to veterans of the Secret War in Laos; modifying eligibility for burial in state veterans cemeteries; establishing the Commanders Task Force; modifying pay for state active service; allowing the commissioner of veterans affairs to temporarily close veterans homes under certain circumstances; requiring reports; appropriating money; amending Minnesota Statutes 2024, sections 171.07, subdivision 15; 197.231; 198.01; Minnesota Statutes 2025 Supplement, sections 192.49, subdivision 1; 197.236, subdivisions 8, 9; 197.448, subdivisions 1, 2, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 196; 197; repealing Minnesota Statutes 2025 Supplement, section 192.49, subdivision 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2024, section 171.07, subdivision 15, is amended to read:

Subd. 15. **Veteran designation.** (a) At the request of an eligible applicant and on payment of the required fee, the department must issue, renew, or reissue to the applicant a driver's license or Minnesota identification card bearing a graphic or written designation of:

(1) Veteran; ~~or~~

(2) Veteran 100% T&P; or

(3) SGU Veteran.

(b) At the time of the initial application for the designation provided under this subdivision, the applicant must:

(1) be one of the following:

(i) a veteran, as defined in section 197.447; ~~or~~

(ii) a retired or honorably discharged member of the National Guard or a reserve component of the United States armed forces; or

(iii) a veteran of the Secret War in Laos, as defined in section 197.448, subdivision 1, paragraph (e);

(2) provide a certified copy of the applicant's discharge papers that confirms an honorable or general discharge under honorable conditions status, ~~or~~ a military retiree identification card, a veteran identification card, ~~or~~ a veteran health identification card, or an eligibility certificate under section 197.448 if the applicant seeks the designation under paragraph (a), clause (3); and

(3) if the applicant is seeking the disability designation under paragraph (a), clause (2), provide satisfactory evidence of a 100 percent total and permanent service-connected disability as determined by the United States Department of Veterans Affairs.

EFFECTIVE DATE. This section is effective January 1, 2027.

Sec. 2. Minnesota Statutes 2025 Supplement, section 192.49, subdivision 1, is amended to read:

Subdivision 1. **Officers and enlisted members.** Every commissioned officer and enlisted member of the military forces ~~shall~~ must receive from the state, while engaged in state active service as defined in section 190.05, subdivision 5a, pay and allowances at the rate now or hereafter paid or allowed by law to officers or enlisted members of the same grade and length of service in the armed forces of the United States, but basic pay must not be less than ~~$130 a day~~ basic pay of an E-5 pay grade according to the military basic pay tables maintained by the federal Defense Finance and Accounting Service.

Sec. 3. **[196.055] REQUIREMENTS FOR LEGISLATIVELY DIRECTED COMPETITIVE AND DIRECT GRANTS.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Active service member" means a person currently serving in the uniformed services of the United States:

(1) on active duty who is a resident of the state or stationed in the state; or

(2) in a reserve component who is a resident of the state.

(c) "Commissioner" means the commissioner of veterans affairs.

(d) "Dependent child" means a child under the age of 22 who is a biological or adopted child of a veteran.

(e) "Immediate family member" means a spouse or dependent child of a veteran.

(f) "Veteran" means a person who is a resident of Minnesota and who served in the armed forces of the United States of America.

Subd. 2. **Grantee eligibility.** (a) To be eligible to receive a legislatively directed competitive or direct grant administered by the commissioner, the grantee must:

(1) be a Minnesota-based nonprofit organization that has been operating for at least five years;

(2) be in good standing with the Office of the Attorney General; and

(3) have a current federal tax form 990 on file with the federal Internal Revenue Service.

(b) Grants made by the commissioner pursuant to sections 190.19, subdivision 2a, paragraph (a), clauses (5) and (6); 197.608; and 197.61 are exempt from the requirements of this section.

Subd. 3. **Limitations on use of grant money.** (a) A grantee may only use grant money subject to this section to provide services to:

(1) Minnesota veterans;

(2) active service members;

(3) immediate family members of a Minnesota veteran or active service member; and

(4) immediate family members of a deceased Minnesota veteran who died in the line of duty.

(b) When there are insufficient resources to serve all eligible applicants, a grantee must prioritize serving veterans with a service-connected disability.

Subd. 4. **Grant application scoring system.** The commissioner must develop a grant application scoring system that evaluates grant applications based upon an applicant's demonstrated history of serving veterans. The scoring system must include measurable outcomes for veterans previously served by the applicant.

Subd. 5. **Grant amounts.** The commissioner shall determine the amount of each legislatively directed competitive grant awarded based on the results of the scoring system developed pursuant to subdivision 4. The commissioner may not use a grantee's request for a designated grant amount as a factor to determine the amount of the grant awarded to the grantee.

Subd. 6. **Suspension of grant money.** The commissioner may withhold amounts awarded to a grantee if the commissioner determines that the grantee has committed fraud, is under criminal investigation, has conducted itself in a manner that brings the state of Minnesota or the Department of Veterans Affairs into disrepute, or is incapable of delivering the services required under the grant agreement.

Subd. 7. **Reports.** (a) Beginning in 2027, by February 15 of each year a grantee must submit a report to the commissioner that includes the following information:

(1) a summary of the purpose of the grant;

(2) the grant amount provided to the grantee;

(3) the amount of previous grants issued by the commissioner to the grantee;

(4) the amount of other state and federal grants received by the grantee in the most recent fiscal year;

(5) the number of veterans, active service members, and immediate family members served by the grantee;

(6) the number of veterans, active service members, and immediate family members who successfully completed the grantee's programming and the criteria used to determine successful completion of the program; and

(7) the grantee's charitable giving ratio.

(b) The commissioner may require a grantee to report information in addition to the required information under paragraph (a) if specified in the grantee's grant agreement with the state.

(c) Beginning in 2027, by March 1 of each year the commissioner must submit a report on grantees that received legislatively directed competitive or direct grants from the agency in the preceding year to the chairs and ranking minority members of the legislative committees with jurisdiction over veterans affairs policy and finance. The report must summarize the information and aggregate the data provided by grantees under paragraph (a).

Subd. 8. **Administrative costs.** The commissioner may retain up to five percent of the amount appropriated for legislatively directed competitive and direct grants to fund administrative and compliance monitoring costs related to the grants.

Subd. 9. **Interaction with other law.** Notwithstanding any law to the contrary, the requirements for grants established in this section are in addition to the applicable grants management requirements imposed under sections 16B.97 to 16B.991.

Sec. 4. Minnesota Statutes 2024, section 197.231, is amended to read:

197.231 HONOR GUARDS.

The commissioner of veterans affairs shall pay, within available funds and upon request by a local unit of a congressionally chartered veterans organization or its auxiliary, up to $50 to the local unit for each time that local unit provides an honor guard detail at the funeral of a:

(1) deceased veteran;

(2) veteran of the Secret War in Laos, as defined in section 197.448, subdivision 1; or

(3) member of a reserve component of the armed forces, and any member of the Army National Guard or the Air National Guard, as defined in section 197.236, subdivision 8, paragraph (b), clause (3).

If the local unit provides a student to play "Taps," the local unit may pay some or all of the $50 to the student.

Sec. 5. Minnesota Statutes 2025 Supplement, section 197.236, subdivision 8, is amended to read:

Subd. 8. **Eligibility.** (a) For purposes of this subdivision, the following terms have the meanings given:

(1) "minor child" means an unmarried child under 21 years of age or under 23 years of age and pursuing a full-time course of instruction at an approved educational institution;

(2) "unmarried adult child" means an unmarried child who became permanently physically or mentally disabled and incapable of self support before 21 years of age or before 23 years of age and pursuing a full-time course of instruction at an approved educational institution; and

(3) "willful misconduct" means an act involving conscious wrongdoing or known prohibited action as described in United States Code, title 38, section 3.1, paragraph (n).

(b) Cemeteries must be operated solely for the burial of the following persons:

(1) service members who die on active duty, eligible veterans, and ~~their spouses and dependent children,~~ other persons as ~~defined~~ listed in United States Code, title 38, section 2402, paragraph (a), subparagraphs 1 to ~~5~~ 4 and 7~~.~~;

(2) veterans of the Secret War in Laos;

(3) beginning January 1, 2027, members of a reserve component of the armed forces, and any member of the Army National Guard or the Air National Guard when:

(i) the member completed at least one full term of service and received an honorable discharge; or

(ii) the member's death occurs while in good standing with their assigned component and was not due to their willful misconduct;

(4) spouses, surviving spouses, minor children, or unmarried adult children of a person listed in United States Code, title 38, section 2402, paragraph (a), subparagraphs 1 to 4 and 7; and

(5) beginning January 1, 2027, spouses, surviving spouses, minor children, or unmarried adult children of a person listed in clause (3).

For purposes of this section, a surviving spouse includes a surviving spouse who had a subsequent marriage.

(c) An honorable discharge under this section does not include a general discharge under honorable conditions.

(d) Applicants with convictions under United States Code, title 18, section 704, are ineligible for burial in state veterans cemeteries. By January 1, 2027, the commissioner must establish a process to verify that applicants for burial have not been convicted of stolen valor.

Sec. 6. Minnesota Statutes 2025 Supplement, section 197.236, subdivision 9, is amended to read:

Subd. 9. **Burial fees.** (a) The commissioner of veterans affairs shall establish a fee schedule, which may be adjusted from time to time, for the interment of ~~eligible spouses and dependent children~~ qualified persons under subdivision 8, paragraph (b), clauses (2) to (5). The fees shall cover as nearly as practicable the actual costs of interment~~, excluding the value of the plot~~.

(b) Upon application, the commissioner may waive or reduce the burial fee for an indigent eligible person. The commissioner shall maintain a policy, eligibility standards, and application form for requests to waive or reduce the burial fee to indigent eligible applicants.

(c) No plot or interment fees may be charged for the burial of service members who die on active duty or eligible veterans, as defined in United States Code, title 38, section 2402, paragraph (a), subparagraphs 1 to 4 and 7.

Sec. 7. Minnesota Statutes 2025 Supplement, section 197.448, subdivision 1, is amended to read:

Subdivision 1. **Definition.** ~~As used in~~ (a) For purposes of this section, the ~~term~~ following terms have the meanings given.

(b) "Commissioner" has the meaning given in section 197.61, subdivision 2, paragraph (c).

(c) "Department" has the meaning given in section 197.61, subdivision 2, paragraph (e).

(d) "VA" has the meaning given in section 197.61, subdivision 2, paragraph (g).

(e) "Veteran of the Secret War in Laos" or "SGU veteran" means a person who resides in Minnesota and who:

(1) was naturalized as provided in section 2(1) of the federal Hmong Veterans' Naturalization Act of 2000, Public Law 106-207; or

(2) is a person who the commissioner of veterans affairs determines served honorably with a special guerrilla unit or with irregular forces that operated from a base in Laos in support of the armed forces of the United States at any time during the period beginning February 28, 1961, and ending May 14, 1975, and is a citizen of the United States or an alien lawfully admitted for permanent residence in the United States.

Sec. 8. Minnesota Statutes 2025 Supplement, section 197.448, subdivision 2, is amended to read:

Subd. 2. **Eligibility for benefits and privileges.** (a) A veteran of the Secret War in Laos, as defined in subdivision 1, paragraph (e), clause (1), is entitled to the benefits and privileges listed in paragraph (d) on July 2, 2025.

(b) A veteran of the Secret War in Laos, as defined in subdivision 1, paragraph (e), clause (2), is entitled to the benefits and privileges listed in paragraph (d) after the commissioner of veterans affairs verifies the person's veteran status. ~~The commissioner must not begin accepting applications for verification under this paragraph until the legislature enacts criteria and a protocol to determine:~~

~~(1) which Minnesotans served in special guerilla units or with irregular forces in Laos; and~~

~~(2) which of the Minnesotans who served in special guerilla units or with irregular forces in Laos are deserving of Minnesota veterans benefits.~~

(c) If the commissioner verifies a person's status as a veteran of the Secret War in Laos, the commissioner must provide the person with a certificate of eligibility for the benefits and privileges listed in paragraph (d) on a form developed by the commissioner for this purpose. The commissioner must develop the form required under this paragraph no later than September 15, 2025.

(d) The following statutory benefits and privileges available to a veteran, as defined in section 197.447, are also available to a veteran of the Secret War in Laos: ~~section 171.07, subdivision 15 (veteran designation on drivers' licenses and state identification cards);~~ section 43A.09 (civil service recruitment); section 43A.11 (veterans preference in state employment); section 43A.111 (certain disabled veterans); section 197.23 (purchase of grave markers); section 197.231 (honor guards); section 197.236 (state veterans cemeteries); section 197.455 (veterans preference); section 197.4551 (permissive preference for veterans in private employment); section 197.46 (writ of mandamus); section 197.48 (application); section 197.481 (enforcement by commissioner); and section 197.63 (vital records, certified copies)~~; section 197.65 (renewal of professional licenses, motor vehicle registration, and drivers' licenses); and section 197.987 (honor and remember flag)~~.

Sec. 9. Minnesota Statutes 2025 Supplement, section 197.448, is amended by adding a subdivision to read:

Subd. 3. **Eligibility determination.** (a) The commissioner must establish an application process to determine a veteran's eligibility for the benefits in subdivision 2, paragraph (d).

(b) To establish eligibility, an applicant must submit a completed application for preneed determination of eligibility for burial in a VA national cemetery. County veteran service officers and the commissioner must provide assistance to applicants filling out the application. The commissioner must make copies of the application and any successor form available on the department's website and at the department's offices.

(c) After the VA makes a determination on the application, the applicant must submit the determination to the commissioner. If the VA determines that an applicant is eligible to receive benefits under subdivision 2, paragraph (d), the commissioner must issue a certificate of eligibility to the applicant for the benefits and privileges under subdivision 2, paragraph (d).

Sec. 10. Minnesota Statutes 2025 Supplement, section 197.448, is amended by adding a subdivision to read:

Subd. 4. **Special consideration.** (a) If the VA determines that an applicant is not eligible, the applicant may request special consideration from the commissioner. The commissioner must establish a process to request special consideration consistent with the requirements of this subdivision. The commissioner must make applicable forms to request special consideration available on the department's website and at certain department offices.

(b) An applicant seeking special consideration under this subdivision must submit the following to the commissioner:

(1) documentation from the VA regarding the determination of ineligibility; and

(2) at least two different forms of documentation supporting the applicant's claim of veteran status, which may include:

(i) original service-related documents;

(ii) an affidavit from a commissioned officer, noncommissioned officer, or other member of the applicant's chain of command who has direct knowledge of the applicant's service;

(iii) two affidavits from individuals who served with the applicant in a special guerrilla unit or irregular force and who have personal knowledge of the applicant's service; or

(iv) other appropriate and relevant proof of the applicant's service as determined by the commissioner, including but not limited to:

(A) photographs taken during the applicant's service in Laos;

(B) newspaper articles featuring or citing the applicant's service in a special guerrilla unit or irregular force;

(C) certificates of membership from a veteran's organization such as the Lao-Hmong American Coalition; Lao Veterans of America; SGU Veterans and Families of USA, Inc.; and Royal Lao Armed Forces and SGU;

(D) congressional recognition certificates;

(E) certificates of training;

(F) letters of commendation; or

(G) an affidavit from a case officer or former case officer in the United States intelligence services.

(c) The commissioner must review an application for special consideration submitted under this subdivision. The commissioner may request additional information from an applicant to validate the contents of an application for special consideration. If the commissioner determines that an applicant is eligible to receive benefits under subdivision 2, paragraph (d), the commissioner must issue a certificate of eligibility to the applicant for the benefits and privileges under subdivision 2, paragraph (d).

(d) If an application for special consideration is denied by the commissioner, an applicant may request a contested case hearing to challenge the commissioner's denial by filing a request with the commissioner within 60 days of the date of the denial notice. The request must state specific reasons for contesting the

denial. A contested case hearing on a timely and properly filed request must be conducted according to the procedures in sections 14.57 to 14.62.

(e) The deadline to submit an application for eligibility under this subdivision is December 31, 2030.

Sec. 11. **[197.581] COMMANDERS TASK FORCE.**

Subdivision 1. **Establishment.** The Commanders Task Force is established to advise the legislature, the governor, and the commissioner on matters pertaining to veterans and veterans' families.

Subd. 2. **Membership.** The task force must consist of the elected leaders from the following congressionally chartered veteran service organizations in Minnesota:

(1) The American Legion;

(2) American Veterans;

(3) Disabled American Veterans;

(4) Jewish War Veterans;

(5) Marine Corps League;

(6) Military Order of the Purple Heart;

(7) Paralyzed Veterans of America; and

(8) Veterans of Foreign Wars.

Subd. 3. **Organization.** (a) The task force shall adopt standing rules and an order of business for conducting regular meetings.

(b) The task force shall annually elect a chair and a vice-chair from among current task force members.

Subd. 4. **Duties.** The task force shall:

(1) advise the commissioner, the legislature, and the governor on matters relating to veterans, the families of veterans, and the Minnesota Department of Veterans Affairs; and

(2) serve as a liaison between state government and the organizations that make up the task force membership.

Subd. 5. **Compensation.** Notwithstanding section 15.059, subdivision 6, members are not entitled to compensation, per diem, reimbursement for child care expenses, or other expense reimbursement from state funds.

Subd. 6. **Expiration.** Notwithstanding section 15.059, subdivision 6, the task force shall not expire.

Sec. 12. Minnesota Statutes 2024, section 198.01, is amended to read:

198.01 VETERANS HOME; ELIGIBILITY OF VETERANS.

(a) The Minnesota veterans homes shall provide nursing care and related health and social services for veterans and their spouses who meet eligibility and admission requirements of the Minnesota veterans homes. The commissioner may not permanently close a veterans home unless closure of the home is specifically

authorized or required by a law enacted by the legislature after July 1, 2015. The word "veteran" as used in this section has the meaning provided in section 197.447.

(b) The commissioner may temporarily close a veterans home in compliance with Centers for Medicare and Medicaid Services requirements upon receiving an involuntary termination notice. The commissioner must not temporarily close a veterans home until the veterans home has transferred, relocated, or discharged every resident according to section 144A.161, subdivision 6, in a safe and orderly manner to the most appropriate setting for the resident. Before temporarily closing a veterans home, the commissioner must provide notice of a closure under this paragraph to the governor and the chairs and ranking minority members of the legislative committees with jurisdiction over veterans affairs.

Sec. 13. **APPROPRIATIONS.**

(a) $59,000 in fiscal year 2027 is appropriated from the general fund to the commissioner of veterans affairs for the purposes of this act.

(b) $141,000 in fiscal year 2027 is appropriated from the general fund to the commissioner of public safety for the purposes of this act. This is a onetime appropriation.

Sec. 14. **REPEALER.**

Minnesota Statutes 2025 Supplement, section 192.49, subdivision 2, is repealed.

Presented to the governor May 13, 2026

Signed by the governor May 14, 2026, 9:58 a.m.