



*Maryland Department of Veterans Affairs*

*Office of the Secretary*

WES MOORE  
GOVERNOR

ARUNA MILLER  
LT. GOVERNOR

ANTHONY WOODS  
SECRETARY

**Maryland Department of Veterans Affairs**

**FY 2025 Capital Budget**

**Response to Department of Legislative Services Analysis**

HOUSE APPROPRIATIONS COMMITTEE

CAPITAL BUDGET SUBCOMMITTEE

Delegate Mark Chang

February 19, 2024

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SENATE BUDGET AND TAXATION COMMITTEE

CAPITAL BUDGET SUBCOMMITTEE

Senator Craig Zucker

February 20, 2024

## ***Introduction***

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The Maryland Department of Veterans Affairs (MDVA) appreciates this opportunity to update the Committee on the activities of the Department over the past year as we fulfill our mission: to deliver services and programs to assist veterans, their families and survivors in obtaining Federal, State, and local benefits provided by law in recognition of their service to state and country. We also welcome this chance to respond to the Department of Legislative Services' (DLS) analysis of the FY 2025 Governor's Allowance.

This document contains the following information:

- A letter from Secretary Anthony Woods
- The Department's responses to questions and recommendations from the Department of Legislative Services.
- A summary of capital funding for the second State veterans Home in Sykesville.
- A summary of PAYGO, GO Bond and capital funding in the Department's Cemeteries Program since FY 2006.
- A profile of the Maryland Department of Veterans Affairs.
- A summary of services provided by the Department in the Service, Cemetery, and Veterans Home Programs.
- A brief history of the Department.
- Demographic trends among Maryland's veterans.

***MDVA concurs with the Governor's Allowance for FY 2025.***

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Dear Senator Zucker, Delegate Chang, and members of the Subcommittees:

The past year has been marked by transformation within the Maryland Department of Veterans Affairs.

In October, Maryland lost a great veteran, veterans' advocate and State leader, Secretary George W. Owings III. Everywhere I look, I see Secretary Owings' legacy: from his co-creation of the Department in 1999 while serving in the Maryland General Assembly, to the effective programs he led so that veterans across the State could receive the benefits to which they are entitled through uniformed service, to the quality of the team he led for eight years at the Department, to the respect veterans all across our State felt for him. The State's second veterans home in Sykesville, Maryland, was his dream for many years. **I am delighted to have the chance to update you on progress toward completion of this vital second home to serve our aging veterans and their spouses, as well as toward the ongoing expansion and improvement efforts at our State veterans cemeteries.**

This past year, it's been a privilege to lead this team in writing a new chapter and transforming the Department to be even more responsive to the needs of the military connected community.

We are supporting legislation introduced by Senator Gile and Delegate Pruski to change our name to the Maryland Department of Veterans and Military Families. This is a name that highlights a sometimes forgotten part of our mission—to those not only who serve, but to the families who sacrifice that they may do so. Our new initiative, Maryland Joins Forces, which was modeled on the Joining Forces initiative championed by First Lady Jill Biden, has resulted in a growing number of partnerships between the Department and other organizations, especially non-profits, who are experts in their respective fields of service to veterans and military families: employment and entrepreneurship, military families and caregivers, veteran health and wellness, and justice-involved veterans.

Charlotte Hall Veterans Home is undergoing its own transformation. After the highly publicized challenges of the past couple years, some of which resulted in a 1-star rating from the Centers for Medicare & Medicaid Services (CMS), a new partnership with PruittHealth Veteran Services—Maryland, Inc., is transforming the delivery of care to the veterans and spouses that call Charlotte Hall their home.

What has not changed is the dedication the Department's staff and leadership demonstrate every day, whether filing a claim on a veteran's behalf; interacting with grieving family members coming to see their loved one buried with dignity in one of our State veterans cemeteries; serving our residents at Charlotte Hall; maintaining our veterans memorials; communicating with thousands of veterans across the State; working to prevent veteran suicide; writing grants to keep veterans from eviction, repossession and other financial crises; serving from behind the scenes to ensure fiscal responsibility and care for our employees; and so much more. I am honored to lead this Department into the year that lies ahead.

I want to thank you, the members of the General Assembly, and Governor Moore for your support as we strive to make Maryland the best state in the nation to be a member of the veteran and military-connected community.

Respectfully,

Anthony (Tony) Woods  
Secretary

## *DLS Questions / MDVA Responses*

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**Page 6:** *The project is eligible for a USDVA State Home Construction Grant, a federal program that shares the cost of new veterans homes with states. In June 2023, the project was listed on the priority one list but was not selected for funding in fiscal 2024. The federal fiscal 2025 USDVA grant priority list is expected to be published between January and April 2024, which will be the next opportunity to receive federal funding for this project. The final award of the USDVA grant is contingent upon certain requirements, including having final drawings and specifications completed. A conditional grant award is contingent upon certain requirements including having at least 35% drawings and environmental assessment review completed. MDVA received the schematic design drawings on February 1, 2024, and intends to meet all project requirements for a conditional award in the first quarter of calendar 2024. **MDVA should provide an update on the environmental assessment review and if it is on track to submit all the required documents for the conditional award. MDVA should also comment on its contingency plan if the project is not selected for federal funding in federal fiscal 2025.***

### **Agency Response:**

The environmental consultant is in the process of completing the Phase 2 for the Environmental Site Assessment (ESA). The consultant needs to perform additional soil testing on nearby properties. The assessment should be completed in the next few weeks. The NEPA report should be completed two weeks after the ESA.

If the project is not selected for federal funding in federal fiscal year 2025, MDVA will continue to work with our federal delegation to stress the urgency and ensure funding as soon as possible. We will also review our federal grant application for opportunities to make adjustments that might move the project up the federal priority list. Additionally, we will explore other options within the State to address the bed shortage that meet the needs of our veterans, are cost-effective, and are likely to leverage federal funds.

**Page 6:** *The first A/E cost estimate was received by MDVA. However, the estimates were higher than the design-to-budget estimate, and MDVA reported that the DGS project manager is working with the A/E to revise the drawings to identify efficiencies. **MDVA should comment on the impact of this revision on its submission of required documents for the federal grant and the overall project schedule.***

**Agency Response:**

While the A/E needed to reduce the square footage after the Schematic Design submission, the A/E is still on track with the Design Development submission. This is not unusual early in the design process. The A/E team worked diligently to bring the project back into the programmed square footage. Reducing the square footage will help to bring the cost estimate back to an acceptable range.

**2ND VETERANS HOME—CAPITAL BUDGET  
(000)**

FY	Project	GF	FF	TF
2025	2 <sup>ND</sup> Veterans Home - Sykesville		47,881	47,881
2024	2 <sup>ND</sup> Veterans Home - Sykesville	6,326		6,326
2023	2 <sup>ND</sup> Veterans Home - Sykesville	63,261		63,261
TOTAL Funds		69,587	47,881	117,468

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**CEMETERY PROGRAM—CAPITAL BUDGET  
(000)**

FY	Project	PAYG O or GO Bond	FF	TF
2025	Crownsville Veterans Cemetery – Expansion and Improvements Phase IV	1,112		1,112
2024	Garrison Forest Veterans Cemetery–Expansion Phase VI	1,111		1,111
2021	Cheltenham Veterans Cemetery–Expansion		1,227	1,227
2020	Cheltenham Veterans Cemetery–Expansion		11,538	11,538
2019	Cheltenham Veterans Cemetery–Expansion		2,000	2,000
2018	Garrison Forest Veterans Cemetery–Expansion		7,720	7,720
2017	Cheltenham Veterans Cemetery–Burial Expansions and Improvements	1,360		
	Garrison Forest Veterans Cemetery–Expansion	820		
	Eastern Shore Veterans Cemetery–Columbaria and Gravesite Expansion		259	2,439
2016	Rocky Gap Veterans Cemetery–Columbaria and Gravesite Expansion	80	3,811	
	Crownsville Veterans Cemetery burial grounds expansion Phase III		484	
	Eastern Shore Veterans Cemetery–Columbaria and Gravesite Expansion	26		4,401
2015	Rocky Gap Veterans Cemetery–Columbaria and Gravesite Expansion	400		
	Crownsville Veterans Cemetery burial grounds expansion Phase III		930	
	Eastern Shore Veterans Cemetery–Columbaria and Gravesite Expansion	45	2,980	4,355
2014	Eastern Shore-Cemetery Columbaria Installation	414		
	Crownsville Veterans Cemetery burial grounds expansion Phase III		5,983	6,397



2013	Crownsville Veterans Cemetery burial grounds expansion Phase III	700		700
2010	Eastern Shore-Cemetery Columbaria Installation	Canceled		
	Rocky Gap-Cemetery Columbaria Installation	Canceled		
2009	Garrison Forest-Administration and Alterations to Administration / Maintenance Complex		6,912	6,912
2008	Garrison Forest-Administration and Alterations to Administration / Maintenance Complex	210		
	Garrison Forest Cemetery burial grounds expansion		3,488	3,698
2007	Cheltenham Veterans Cemetery burial grounds expansion		3,743	
	Crownsville Veterans Cemetery burial grounds expansion		1,009	
	Garrison Forest Veterans Cemetery burial grounds expansion	575		5,327
2006	Cheltenham Veterans Cemetery burial grounds expansion	379		
	Crownsville Veterans Cemetery burial grounds expansion	252		631
TOTAL Funds		7,484	52,084	59,568

## Agency Profile

### Purpose

The mission and purpose of the Maryland Department of Veterans Affairs is to assist veterans, active duty service members, and their families and dependents in securing benefits earned through military service. The agency fulfills this mission through **veterans benefits services**; a robust **veterans cemetery program**; maintenance of the **State's veteran memorials**; provision of **skilled nursing and assisted living care** for veterans and eligible spouses at the State's veterans home; **communications, outreach and advocacy**; and administration of the **Maryland Veterans Trust Fund**, all while exercising responsible management of available resources.

### Core Functions

- Provide the most effective possible **statewide benefits services** to veterans, their dependents and survivors; assist in the preparation, development, and submission of claims for adjudication to the U.S. Department of Veterans Affairs.
- Honor the memory of Maryland veterans through providing interment in **State veterans cemeteries** that will come to be considered as national shrines.
- Maintain and protect the **State's veteran memorials**.
- Provide the finest assisted living and skilled nursing residential care to qualified Maryland veterans and eligible spouses at the **Charlotte Hall Veterans Home**.
- Ensure through effective **communication, outreach and advocacy** that veterans and their dependents, including Maryland's **women, minority, and underserved veteran populations**, are increasingly informed and educated about the various benefits and services to which they are entitled as a result of their service.
- Provide **non-emergency, temporary monetary assistance** to veterans facing financial hardship, through the Maryland Veterans Trust Fund.

### FY 2023 At A Glance

Maryland Veteran Population (2023 projection): 348,000\*

- The Service Program *filed 4,423 claims on behalf of Maryland veterans (a 19% increase from FY 2022) and achieved a record \$37.8 million in veterans benefits awards (a 1.6% increase from FY 2022 and a 23% increase from FY 2021).*
- The Cemetery Program performed a **3,389 interments: 2,079 veterans and 1,310 dependents**. The Memorials Program continued its **100% satisfactory record** with events held at the State's veterans memorials.
- **PruittHealth Veteran Services—Maryland, Inc. took over operations at Charlotte Hall Veterans Home** and began the long process of improving quality of care, rebuilding census, and making Charlotte Hall a destination of choice for Maryland's veterans.
- Among its many roles and initiatives, MDVA's small Communication, Outreach and Advocacy team *continued its vital participation in the Governor's Challenge to Prevent Suicide among Service Members, Veterans and Families (SMVF); set new records with 4.2 million client contacts and 2.45 million newsletters distributed; and recorded 859,000 social media views.*
- MDVA continued *progress toward the longstanding goal of establishing a second State veterans home in Sykesville.*

\*Source: United States Department of Veterans Affairs VETPOP2020

## ***Summary of Services Provided***

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Our **Service Program** requires knowledge of relevant US Department of Veterans Affairs (USDVA) rules and operating policies and procedures. Employees must have the skills to apply the required knowledge within USDVA systems to successfully provide veterans and their families with all the services needed to obtain their benefits and entitlements. Each veterans benefits specialist must be certified as a veterans' services counselor by the United States Department of Veterans Affairs.

Our **Cemetery Program** requires knowledge of relevant U.S. Department of Veterans Affairs National Cemetery Administration policies and procedures regarding capital construction, land management, and building and equipment maintenance and procurement. These increasingly demanding standards provide direction for the Program's operations and the pursuit of national shrine status for Maryland's veterans' cemeteries.

Our **Memorials Program** requires the skills necessary to maintain such landmarks as reverent symbols of the sacrifices made by veterans.

Our **Veterans Home Program**, which provides assisted living and skilled nursing residential care program for veterans and eligible spouses, requires knowledge of relevant U.S. Department of Veterans Affairs and State of Maryland laws, operating policies and procedures, and facility management standards to ensure safe and proper health care to an aging, predominantly male, veteran resident population. The challenge of providing this care has increased exponentially during the COVID pandemic.

Our **Communications, Outreach and Advocacy (COA) Program** requires not only a constantly growing understanding of the needs of veterans but also the communication skills and tools to reach Maryland's estimated 365,000 veterans and to advocate for them.

The **Maryland Veterans Trust Fund** exists to help meet non-emergency, temporary financial needs of veterans in hardship situations, with the goal of helping veterans in need to achieve self-reliance.

The Maryland Department of Veterans Affairs strives daily to fulfill its mission to a veteran constituency comprising 7.2% of the total adult population of our State (1), as well as to the eligible dependents and survivors of those veterans. We are proud to honor Maryland's veterans by bringing our best to their service every day.

(1) Source: U.S. Department of Veterans Affairs VETPOP2020(veteran population); [www.census.gov](http://www.census.gov) (accessed 2/2/2024)  
(Maryland population 18+ years old).

## *History*

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The Maryland Veterans Commission was created by the General Assembly in 1924. Initially it was charged with the responsibility of providing financial relief to indigent veterans and widows. The Commission's objective remained essentially the same until the beginning of World War II. At that time the Veterans Administration began to recognize the need for providing adequate counsel for veterans in claims before the Veterans Administration. To assist in providing this service, the Veterans Administration provided the Maryland Veterans Commission with free office space in their principal offices.

In 1946, the Veterans Administration eliminated all of their offices serving Maryland except for the regional offices located in Washington D.C. (which housed the claims files for Prince George' and Montgomery Counties) and the Baltimore Regional Office which serviced the veterans' claims for all other counties in Maryland. To fill the void created by the consolidation, increased service had to be provided by the Commission. Today Veterans Affairs maintains 12 service offices across the State.

In 1973, the Legislature authorized the beginning of the State Veterans Cemetery Program.

In 1999, the Legislature created the Maryland Department of Veterans Affairs as an executive agency with the mission of assisting veterans, active-duty service members, their families and dependents, in securing benefits earned through military service.

In 2006, the Legislature authorized the beginning of the State Veterans Outreach and Advocacy program.

In 2021, Governor Hogan created the Women/Veterans Inclusion Program within MDVA. This initiative aims to raise awareness of the needs of Maryland's women, minority, and underserved veteran populations. Also, in 2021, MDVA identified the site of the State's second veterans home and developed facility plans for this vital capital addition, which will expand our ability to serve those who served.

## **Demographic Trends Among Veterans**

A projected 365,000 veterans live in Maryland as of 2023, according to the U.S. Department of Veterans Affairs (USDVA). According to the USDVA, two segments of the veteran population are growing at annual rates of 3-5%:

1. Veterans over age 75 (accounting for the aging Korea and Vietnam Era Veterans, as well as those of the World War II Era); and
2. Returning veterans

### **Veterans over age 75**

Several unique characteristics affect service needs for these veterans:

- Increase in number of veterans needing long-term assisted living care;
- Presence of wartime disabilities, both physical and mental; and
- Increase in veterans considered medically indigent.

### **Returning Veterans**

Veterans returning from the recent conflicts in Iraq and Afghanistan have unique needs and characteristics. Maryland has experienced one of the largest mobilizations of "citizen soldiers", those individuals serving in our State National Guard or Armed Forces Reserve Units, in our nation's history. Along with some of Maryland's returning citizen soldiers, a number of veterans of the active duty component will face challenges, including the following:

- Combat wounds;
- Head injuries / Traumatic Brain Injury;
- Post Traumatic Stress Disorder (PTSD);
- Reintegration and transition;
- Employment or re-employment challenges;
- Risk of becoming homeless;
- Significant family readjustment issues following active duty; or
- Long-term care needs.

As service members transition following overseas deployments, many will need assistance with ongoing medical, mental health or reintegration issues. Some may require assistance with re-employment, education or emergency help to overcome a financial crisis. Along with other State agencies committed to veterans' assistance programs, the Maryland Department of Veterans Affairs is helping veterans to meet these challenges.