

AMENDED IN ASSEMBLY APRIL 19, 2016

AMENDED IN ASSEMBLY MARCH 28, 2016

AMENDED IN ASSEMBLY MARCH 10, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1596**

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**Introduced by Assembly Member Mathis  
(Principal coauthor: Assembly Member Dodd)**

(Principal coauthor: Senator Anderson)

**(Coauthors: Assembly Members Achadjian, Baker, Brough, Chang,  
Gallagher, and Lackey)**

(Coauthor: Senator Bates)

January 7, 2016

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An act to amend Section 699.5 of the Military and Veterans Code, relating to veterans, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1596, as amended, Mathis. ~~Veteran~~—*Veterans* service organizations.

Existing law authorizes the Department of Veterans Affairs to assist a veteran and his or her dependents or survivors to make a claim against the United States arising out of military service and establishing a right to a privilege, preference, care, or compensation. Existing law authorizes the department to cooperate and, with approval of the Department of Finance, contract with any veterans service organization for the purpose of assisting veterans in their claims. Existing law defines veterans service organization for these purposes.

This bill would appropriate \$3,000,000 from the General Fund to the Department of Veterans Affairs for the purpose of grants to veterans

service organizations. The bill would require the department to establish ~~criteria~~ *criteria, regulations*, and reporting requirements for any organization it contracts with pursuant to these provisions. The bill would additionally require a ~~veteran~~ *veterans* service organization that contracts with the department to have a presence in this state and be registered with both the Secretary of State and Attorney General.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
 State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 699.5 of the Military and Veterans Code  
 2 is amended to read:  
 3 699.5. (a) The department may assist every veteran of the  
 4 United States and the dependent or survivor of every veteran of  
 5 the United States in presenting and pursuing the claim as the  
 6 veteran, dependent, or survivor may have against the United States  
 7 arising out of military service and in establishing the veteran’s,  
 8 dependent’s, or survivor’s right to any privilege, preference, care,  
 9 or compensation provided for by the laws of the United States or  
 10 of this state. The department may cooperate with and, with the  
 11 approval of the Department of Finance, contract with any veterans  
 12 service organization, and pursuant to the contract may compensate  
 13 the organization for services within the scope of this section  
 14 rendered by it to any veteran or dependent or survivor of a veteran.  
 15 The contract shall not be made unless the department determines  
 16 that, owing to the confidential relationships involved and the  
 17 necessity of operating through agencies that the veterans,  
 18 dependents, or survivors involved will feel to be sympathetic  
 19 toward their problems, the services cannot satisfactorily be rendered  
 20 otherwise than through the agency of the veterans organization  
 21 and that the best interests of the veterans, dependents, or survivors  
 22 involved will be served if the contract is made. The department  
 23 shall establish criteria for any veterans service organization it  
 24 contracts with and reporting requirements regarding any funds  
 25 distributed through contracts pursuant to this subdivision.  
 26 (b) (1) The Legislature finds and declares that services provided  
 27 by veterans service organizations play an important role in the  
 28 department’s responsibilities to assist veterans and their dependents  
 29 and survivors in presenting and pursuing claims against the United

1 States, and that it is an efficient and reasonable use of state funds  
2 to provide compensation to veterans service organizations for these  
3 services.

4 (2) The Legislature further finds and declares that paragraph  
5 (1) shall not be implemented by using the General Fund until the  
6 annual budget for county veterans service officers reaches a  
7 minimum of five million dollars (\$5,000,000). This subdivision  
8 shall not be construed to preclude the use of federal funding in  
9 implementing these provisions.

10 (c) Veterans service organizations that elect to contract with the  
11 department in accordance with this section shall document the  
12 claims processed each year by the veterans service officers  
13 employed by the veterans service organization at offices located  
14 in California. The documentation shall be in accordance with  
15 procedures established by the department.

16 (d) The department shall determine annually the amount of  
17 monetary benefits paid to eligible veterans and their dependents  
18 and survivors in the state as a result of the work of the veterans  
19 service officers of the contracting organizations. Beginning on  
20 January 1, 2006, the department shall, on or before January 1 of  
21 each year, prepare and transmit its determination for the preceding  
22 fiscal year to the Department of Finance and the Legislature. The  
23 department shall also identify federal sources to support the efforts  
24 of veterans service organizations pursuant to this section. The  
25 Department of Finance shall review the department's determination  
26 in time to use the information in the annual Budget Act for the  
27 budget of the department for the next fiscal year.

28 (e) *The department shall, on or before June 1, 2017, prescribe*  
29 *policies, procedures, rules, and regulations necessary to implement*  
30 *this section, including, but not limited to, veterans service*  
31 *organization operational requirements such as data reporting*  
32 *systems, the maintenance of financial records, and a data collection*  
33 *system that provides documentation and justification for contracted*  
34 *activities.*

35 (e)

36 (f) For purposes of this section:

37 (1) "Survivor" means any relation of a deceased veteran who  
38 may be entitled to make a claim for any privilege, preference, care,  
39 or compensation under the laws of the United States or this state  
40 based upon the veteran's war service.

1 (2) “Veterans service officer” means an individual employed  
2 by a veterans service organization and accredited by the United  
3 States Department of Veterans Affairs to process and adjudicate  
4 claims and other benefits for veterans and their dependents and  
5 survivors.

6 (3) “Veterans service organization” means an organization that  
7 meets all of the following criteria:

8 (A) Is formed by and for United States military veterans.

9 (B) Is chartered by the United States Congress.

10 (C) Has regularly maintained an established committee or  
11 agency in a regional office of the United States Department of  
12 Veterans Affairs in California rendering services to veterans and  
13 their dependents and ~~survivors for at least the past five years.~~  
14 *survivors.*

15 (D) Has an active statewide California organization with a  
16 presence in the state and is registered with the Secretary of State  
17 and the Attorney General.

18 SEC. 2. The sum of three million dollars (\$3,000,000) is hereby  
19 appropriated from the General Fund to the department, without  
20 regard to fiscal years, for the purpose of grants and contracts  
21 pursuant to Section 699.5 of the Military and Veterans Code, to  
22 be awarded over a five-year period beginning with the 2017–18  
23 fiscal year.