

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Governmental Oversight and Accountability Committee

BILL: CS/SB 644

INTRODUCER: Governmental Oversight and Accountability Committee and Senator Justice

SUBJECT: Direct-support Organization/Department of Military Affairs

DATE: February 2, 2010 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Pardue	Skelton	MS	Favorable
2.	McKay	Wilson	GO	Fav/CS
3.	_____	_____	TA	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE..... Statement of Substantial Changes

B. AMENDMENTS..... Technical amendments were recommended

Amendments were recommended

Significant amendments were recommended

I. Summary:

Senate Bill 644 establishes the Soldiers and Airmen Assistance Program to provide need-based financial assistance to eligible Florida National Guard members, and their dependents and families. The bill also authorizes the Department of Military Affairs' direct-support organization to support the program.

This bill amends section 250.115 of the Florida Statutes, and creates section 250.116 of the Florida Statutes.

II. Present Situation:

Section 250.5206, F.S., directs the Department of Military Affairs to establish the Family Readiness Program to provide need-based financial assistance to eligible servicemembers¹ of the Florida National Guard and the United States Reserve Forces. Program funds may be used in emergency situations to purchase critically needed services, including but not limited to,

¹ Section 250.01(19), F.S., defines "servicemember" as any person serving as a member of the United States Armed Forces on active duty or state active duty and all members of the Florida National Guard and United States Reserve Forces.

reasonable living expenses, housing, vehicles, equipment or renovations necessary to meet disability needs, and health care.

Funding for the Family Readiness Program is subject to appropriations expressly provided for the program.

Persons eligible to receive financial assistance from the Family Readiness Program include:

- Florida residents who are members of the Florida National Guard and the United States Reserve Forces, including the Coast Guard Reserves, who are on active duty serving in the Global War on Terror and who are federally deployed or participating in state operations for homeland defense; and
- Florida residents who are designated dependents of an eligible servicemember and who are family members of such servicemember.

Section 250.115, F.S., established a direct-support organization (DSO) for the Department of Military Affairs. This organization is a Florida corporation governed by a board of directors as a not for profit incorporated under Ch. 617, F.S.

The Florida National Guard's Adjutant General appoints the president of the board of directors. The board president is authorized to appoint up to 15 board members who serve terms of office of 3 years. Qualifications for appointment are specified in statute to include Florida residents who are highly knowledgeable about the United States military, its service personnel, its mission, and consideration is given to the potential member's background in community service. The board is authorized to remove a member for cause and fill vacancies that occur.

This direct-support organization is organized and operated exclusively to raise funds; request and receive grants, gifts, and bequests of money; acquire, receive, hold, invest, and administer in its own name securities, funds, or property; and make expenditures to or for the direct or indirect benefit of the Department of Military Affairs or the Florida National Guard.

III. Effect of Proposed Changes:

The bill creates s. 250.116, F.S., to establish the Soldiers and Airmen Assistance Program to provide financial assistance and services to eligible service members of the Florida National Guard and their family members. Funding for the program is provided through the department's direct-support organization.

The program would be administered by the Director of Financial Management of the Department of Military Affairs, with assistance from the DSO.

Assistance authorized under the program may include:

- Housing assistance including emergency repairs, renovations, or replacements necessary to address health or safety issues or meet disability needs of the servicemember's primary residential property. Housing assistance also includes assistance with lease deposits, mortgage payments, and rent payments;

- Living expenses that are reasonable to meet basic needs for eligible members and their families including expenses for clothing, groceries, utility services, gasoline and transportation, insurance, and child care that is necessary to obtain or maintain employment;
- Vehicle expenses including assistance for repairs or short-term rentals required to maintain the servicemember's primary vehicle in a safe operating condition. Assistance with the purchase of a vehicle is authorized if the primary vehicle cannot be repaired or if there is no other vehicle available;
- Health care expenses that are documented by a medical authority as necessary for the health and welfare of the individual. Elective medical procedures or medical care covered by insurance are not eligible for assistance; and
- Other expenses not specifically enumerated but considered reasonable under the circumstances.

Persons eligible for assistance include Florida National Guard members:

- Who are on active duty serving in the Global War on Terrorism or Overseas Contingency Operation or those who request assistance within 120 days of return to home of record after termination of orders for such service;
- Who are deployed by the Federal Government and participating in operations for homeland defense or those who request assistance within 120 days of return to home of record after termination of orders for such service; or
- Individuals demonstrating a financial need for authorized assistance who are dependents or family members of an eligible servicemember.

The bill provides for procedures to request assistance, and for review and approval of such requests. The financial committee of the direct-support organization is required to perform a review of financial transactions each quarter, and provide the results to the department, and may request the Office of the Inspector General to conduct additional reviews.

The department is authorized to adopt rules to implement the program.

Senate Bill 644 amends s. 250.115, F.S., to delete provisions of current law that specify the number of authorized direct-support organization board of directors members, the terms of office, qualifications for appointment, and the board's authorization to remove any board member for cause and fill vacancies that occur.

The bill adds a requirement that the organization submit its annual budget and financial reports to the Department of Military Affairs.

The bill provides an effective date of July 1, 2010

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

See Related Issues, below.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Current law provides that funding for the direct-support organization may be received from voluntary private sources as well as public grant sources. There is no mandate for private or public sources to provide funding and no additional impact on the private and public sectors beyond that normally available.

C. Government Sector Impact:

See Private Sector Impact.

VI. Technical Deficiencies:

Senate Bill 644 authorizes living expenses for eligible service members and their families including expenses for gasoline and transportation. Substituting a term such as “motor vehicle fuel” for the term “gasoline” would allow for the inclusion of other common fuels, such as diesel.

Line 150 could be re-written for clarity, as follows: “Overseas Contingency Operation, or those who request assistance within.”

Line 154 could be re-written for clarity, as follows: “state operations for homeland defense, or those who request assistance.”

VII. Related Issues:

It is unclear why the bill deletes the qualifications for the members of the board of directors of the DSO. Though the qualifications may be provided in the articles of incorporation for the DSO, they are usually included in the law establishing the DSO.

In many instances in which the Legislature creates a DSO, the law specifies that the DSO operate under a written contract with the governmental entity. This bill provides an opportunity for adding this contract provision to the existing DSO statute, which currently lacks it.

VIII. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Governmental Oversight and Productivity on February 2, 2010:

The CS clarifies that the Director of Financial Management for the Department of Military Affairs administers the Soldiers and Airmen Assistance Program, and that the DSO may assist in administering the program.

- B. **Amendments:**

None.