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SYNOPSIS:

Under existing law, the State Board of Veterans

Affairs consists of the Governor and representatives of specified veteran service organizations, each appointed by the Governor upon nomination by the specified organization.

Under existing law, the board appoints the Commissioner to serve as the chief executive officer of the State Department of Veterans Affairs. The board also adopts rules relating to the governance of the department, approves all senior level executives within the department, sets department policy, and approves contracts entered into by the Commissioner.

This bill would authorize the Governor to appoint the Commissioner to serve at the pleasure of the Governor.

This bill would also revise powers of the board to authorize the board to serve in an advisory capacity to the Commissioner and the department. Members would be appointed by the Governor to reflect the entirety of the State's veteran community.

TO BE ENTITLED

A BILL



29 AN ACT 30 31 Relating to veterans affairs; to amend Sections 31-5-2, 32 31-5-3, 31-5-5, 31-5-6, 31-5-7, 31-5-8, 31-5-9, 31-5-10, 31-5-13, 31-5A-3, 31-5A-4, 31-5A-5, 31-5A-6, 31-5A-7, 31-5A-8, 33 31-5A-9, and 31-5A-10, Code of Alabama 1975, as last amended 34 35 by Act 2024-442 of the 2024 Regular Session; to require the 36 Governor, rather than the State Board of Veterans Affairs, 37 to appoint the Commissioner of the State Department of Veterans Affairs to serve at the Governor's pleasure; 38 39 to provide that the board serves in an oversight capacity; and to transfer certain duties from the board to the State 40 Department of Veterans Affairs. 41 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA: 42 43 Section 1. Sections 31-5-2, 31-5-3, 31-5-5, 31-5-6, 31-5-7, 31-5-8, 31-5-9, 31-5-10, and 31-5-13, Code of Alabama 44 1975, as last amended by Act 2024-442 of the 2024 Regular 45 46 Session, are amended to read as follows: **"**\$31-5-2 47 The State Board of Veterans Affairs is established to 48 49 oversee the State Department of Veterans Affairs. The 50 department shall be composed of a commissioner and other officers and employees authorized to be appointed under this 51 52 chapter who meet the qualifications prescribed by the board 53 commissioner. " **"**\$31-5-3 54 (a) (1) The board shall be composed of the Governor, as 55

chair, and representatives, to serve for a term of four years



57 from the date of their respective appointments, who shall be 58 selected from the memberships of the Alabama Department of the American Legion, the Veterans of Foreign Wars, the Disabled 59 60 American Veterans, the Vietnam Veterans of America, AMVETS, the Military Order of the Purple Heart, the American 61 62 Ex-Prisoners of War, Incorporated, the Alabama Alliance of the 63 Military Officers Association of America, Incorporated, and 64 the Marine Corps League. 65 (2) The nomination of the representatives shall be made by the executive committees or similar governing bodies of the 66 67 respective organizations. There shall be one representative from each of the organizations for the first 7,500 resident 68 69 members, or fraction thereof, and one additional 70 representative from each organization for each additional 71 7,500 resident members, or fraction thereof. The total memberships of the respective organizations shall be 72 73 determined on July 1 of the year in which the representatives 74 shall be designated from the state enrollment of each 75 organization as duly verified for correctness by the adjutant or a similar officer of the organization. Notwithstanding the 76 77 foregoing, the executive committees or similar governing 78 bodies of the organizations shall each nominate to the 79 Governor three veterans who are members of the organizations 80 for each place on the board to which the organizations are

which are included in the membership of the organizations. 83 84

entitled to have a nominee. The nominations shall also

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(3) Notwithstanding subdivisions (1) and (2), if (i) a

include, in representative proportions, veterans of every war



85 vacancy occurs before the end of a term, (ii) an organization 86 fails to nominate to the Governor a list of nominees within 90 days after a term ends, or (iii) the membership of any 87 88 organization decreases below 500 members, the Governor may 89 appoint a veteran of his or her choosing in a manner that 90 conforms with subdivision (4). 91 (3) (4) Appointments to the board shall be 92 representative of the entirety of the state's veteran 93 community. Board members shall include veterans from various 94 branches of the Armed Forces of the United States and service 95 eras (including active-duty service members, so long as permitted under federal law) and consist of both members and 96 97 nonmembers of veteran service organizations. Board members should also represent entities that provide meaningful 98 99 services to veterans and their families. The appointing authorities shall coordinate their appointments to assure that 100 the membership of the board is inclusive and reflects the 101 102 racial, gender, geographic, urban, rural, and economic 103 diversity of the state state's veteran community. 104 (5) A member may not serve more than two consecutive 105 terms. 106 (6) Within 60 days of the act adding this amendatory 107 language, an organization may nominate a new slate of names 108 from which the Governor shall appoint a new member to fill the 109 remainder of the respective term. 110 (b) The board, in conference with the commissioner, shall adopt and amend policies and rules as may be necessary 111 112 carry out this chapter shall serve in an oversight capacity



and shall do all of the following:

- 114 (1) Advise the commissioner on veterans' matters that

 115 are within the scope of the authority of the department.
- 116 (2) Develop policy recommendations for the state as it 117 relates to veterans and veterans' affairs.
 - (3) Recommend initiatives to assist the well-being of veterans and veterans' families.
- 120 (4) Assist the commissioner and department as needed 121 and as otherwise provided in this chapter.
 - (c) The board, subject to Section 31-5-6, shall adopt rules governing the manner of performance of all functions and duties of the department and the various officers and employees, including the selection and appointment of all commissioners and assistant commissioners, district managers, and veteran service officers. The rules shall have the force and effect of law and prima facie evidence thereof may be given in all courts and proceedings by the production of what purports to be an official printed copy of the regulations, alterations, repeal, or amendment.
 - (d) The board may establish and operate through the department state veterans cemeteries and may apply to the government of the United States, or any subdivision, agency, or instrumentality thereof, for funds for the purpose of establishing, operating, and maintaining the cemeteries. The department may enter into agreements with any subdivision of the state for assistance in operating the cemeteries. The department shall own the land on which the cemeteries are located. The department may accept federal grant funds,



141	funding from state subdivisions, donations from private
142	sources, and federal plot allowance payments. All of these
143	funds shall be deposited into the Veterans Assistance Fund and
144	may be used only for the establishment, operation, and
145	maintenance of veterans cemeteries. The department may accept
146	suitable cemetery land, in accordance with federal veterans
147	cemetery grant guidelines, from the federal government, state
148	government, state subdivisions, private sources, and any other
149	source wishing to transfer land for use as a veterans
150	cemetery. No funds used for these projects may be from the
151	Education Trust Fund. The commissioner may execute deeds and
152	other instruments of conveyance for the department. Any deed
153	of cemetery property to the department prior to August 1,
154	2012, is ratified and confirmed.
155	(c) (c) The board shall hold meetings at times and
156	locations to be determined by rules of the board department or
157	as designated by the chair.
158	(f)(d) The presence of a majority of the members at any
159	regular or special meeting of the board shall constitute a
160	quorum for the transaction of all business.
161	(g) (e) Members of the board shall be entitled to a per
162	diem, to be fixed by the board commissioner, and their
163	traveling and other necessary expenses actually incurred while
164	attending meetings of the board or on the business of the
165	department."
166	" §31-5-5
167	(a)(1) The department shall adopt rules governing the

manner of performance of all functions and duties of the



- department and the various officers and employees, including
 the selection and appointment of all assistant commissioners,
 district managers, and veteran service officers.
- 172 (2) The department may adopt other rules as necessary
 173 to implement this chapter.
- 174 (3) On the effective date of this act, all rules

 175 previously adopted by the board shall be considered rules of

 176 the department until such time the department amends or

 177 repeals the rules.
- (b) The department, in consultation with the board, shall 178 establish and operate state veterans cemeteries and may apply 179 to the government of the United States, or any subdivision, 180 agency, or instrumentality thereof, for funds for the purpose 181 182 of establishing, operating, and maintaining the cemeteries. The department may enter into agreements with any subdivision 183 of the state for assistance in operating the cemeteries. The 184 185 department shall own the land on which the cemeteries are located. The department may accept federal grant funds, 186 funding from state subdivisions, donations from private 187 sources, and federal plot allowance payments. All of these 188 189 funds shall be deposited into the Veterans Assistance Fund and may be used only for the establishment, operation, and 190 maintenance of veterans cemeteries. The department may accept 191 192 suitable cemetery land, in accordance with federal veterans 193 cemetery grant guidelines, from the federal government, state 194 government, state subdivisions, private sources, and any other source wishing to transfer land for use as a veterans 195 196 cemetery. No funds used for these projects may be from the



Education Trust Fund. The commissioner may execute deeds and

other instruments of conveyance for the department. Any deed

of cemetery property to the department prior to August 1,

200 2012, is ratified and confirmed.

(c) The department, through the commissioner, with the approval of and in consultation with the board, may contract with any organization of veterans which, for a period of five years next preceding the date of the contract, has maintained an established committee or agency rendering services to veterans, similar to the services referred to in Section 31-5-4, to perform the services for veterans and to process any claims or matters of veterans who apply to the department for assistance when the veterans have executed a power of attorney to the veterans' organization. The department, through the contract, shall compensate the veterans' organizations on the basis of service rendered, which compensation shall be paid from sums appropriated to the department. No contract shall be made unless the board commissioner determines, owing to the confidential relationships involved and the necessity of operating through agencies which the veterans involved will feel to be sympathetic towards their problems, that the services cannot satisfactorily be rendered other than through the agency of the veterans' organization and that the best interests of the veterans involved will be served if the contract is made. "

222 **"**§31-5-6

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(a) The board Governor shall appoint a commissioner to serve for a term of four years subject to removal by the board



for cause at the Governor's pleasure. The commissioner shall be appointed on the basis of education, ability, and experience in handling veterans' affairs, and without regard to political affiliations. The commissioner shall be a resident of this state, shall be a veteran who served on active duty for a period of 60 days or more in the Armed Forces of the United States and shall have been honorably discharged. The commissioner's salary shall be set by Governor and shall not be subject to Section 36-6-6.

(b) The commissioner shall be the executive and administrative officer of the department, subject to the authority of the board, and may issue administrative orders and directives to all officials and employees in the department.

- (c) The department, acting through the commissioner, shall be the designated agency of this state to represent the state and its veterans before the United States Department of Veterans Affairs or any other agency dealing with the interests of veterans.
- (d) The commissioner, with the approval of in consultation with the board, may enter into reciprocal agreements with other states to render services in this state to veterans who are nonresidents.
- (e) The commissioner, with the approval of the board, shall appoint all assistant commissioners, district managers, and veteran service officers as provided in this chapter, fix salaries, and establish minimum standards of service. This power shall be without regard to any limitation established by



- law, unless any law passed hereafter shall refer specifically to a particular officer or employee of the department.
- 255 (f) The <u>comissioner_commissioner</u> shall appoint all
 256 personnel in the department as authorized or may be authorized
 257 in the future under the state Merit System and approved by the
 258 State Personnel Board.
- 260 may engage in activities designed to educate, recognize, and
 261 promote the mission of the board to veterans, the public,
 262 potential applicants, and other public agencies and, in doing
 263 so, may incur marketing expenditures for educational,
 264 informational, and promotional items to be used to further its
 265 purposes—as determined by the board."

266 "\$31-5-7

- 267 (a) The commissioner shall submit an annual budget to the board for its approval of all funds appropriated by the 268 269 Legislature to the department for the specific purposes for 270 which they are appropriated and also a budget of any federal 271 funds that may be allotted to the state by the federal 272 government for the purposes of the department according to the 273 regulations of the federal authorities. The commissioner shall 274 publish annually a full report of the operations and 275 administration of the department, together with 276 recommendations and suggestions, and submit the report to the 277 board.
 - (b) The commissioner shall do all of the following:
- 279 (1) Prepare detailed plans for, and fully develop, a 280 comprehensive statewide veterans assistance program.



departments in coordinating the plans and programs of state agencies that may properly be utilized in the administration of various aspects of the problems of challenges faced by veterans and dependents of veterans, such as the office of the State Adjutant General, the State Department of Education, the State Department of Human Resources, the state Department of Workforce, and any other state agencies furnishing services to veterans.

- (3) Provide a central contact between federal agencies dealing with the problems of veterans, to include the United States Department of Veterans Affairs, the Selective Service System, the Social Security Administration, the Department of Defense, and other federal agencies and state agencies that may administer administration of veterans' services and benefits.
- (4) Maintain central case records of all veterans seeking services or benefits to create a clearinghouse of information and facilitate the interchange of information and case histories among state administrative agencies and the federal agencies.
- (5) Become acquainted, and acquaint department associates and employees, with the federal, state, and local laws enacted for the benefit of members of the armed forces, veterans, and their families and dependents.
- (6) Collect data and information about available facilities and services and cooperate with information or service agencies throughout the state to inform members of the



- armed forces, veterans, their families and dependents, and military and civil authorities regarding the existence or availability of all of the following:
- 312 a. Educational training and retraining facilities.
- 313 b. Health, medical, rehabilitation, and housing
 314 services and facilities.
- 315 c. Employment and reemployment services.
- d. Provisions of federal, state, and local laws
 affording rights, privileges, and benefits to members of the
 armed forces, veterans, and their families and dependents.
- e. Other matters of similar, relative, or appropriate natures.
- 321 (7) Assist all resident veterans and their relatives, 322 beneficiaries, and dependents in receiving from the United 323 States and this state all compensation, pensions, hospitalization, insurance, education, employment, loan 324 325 quarantees, or any other aid or benefit to which they may be 326 or may become entitled under existing laws of the United 327 States or of this state and perform other related duties 328 assigned by the board.
- 329 (8) Cooperate and negotiate with the federal government
 330 and all national, state, and local governmental or private
 331 agencies to secure additional services or benefits for
 332 veterans, their families, and their dependents who are
 333 residents of this state."
- 334 "\$31-5-8
- 335 The commissioner, with the approval of the board, may 336 appoint additional assistant commissioners to serve as



employees in the department, subject to the rules of the board department. Assistant commissioners shall be appointed on the basis of education, ability, and experience in handling veterans' affairs, and without regard to political affiliations. The appointees shall be residents of this state, shall be veterans who served on active duty for a period of 60 days or more in the Armed Forces of the United States, and shall have been honorably discharged. "

"\$31-5-9

- (a) Except as provided in subsection (b), the commissioner, with the approval of the board, shall appoint a veteran service officer for each county in the state. Each veteran service officer shall be an employee of the department and subject to the rules of the board department. The veteran service officer shall be a resident of this state, a qualified elector therein, shall be a veteran who served on active duty for a period of 60 days or more in the Armed Forces of the United States, and shall have been honorably discharged. In making appointments, consideration shall be given to whether the applicants are residents of the county. The commissioner and board shall economize as far as possible in the administration of this section.
- (b) (1) The commissioner, with the approval of the board, shall determine whether there is a need for a veteran service officer in any particular county. In making this determination, the commissioner and the board shall consider the total population of the county, the number of men and women inducted into the armed services from the county, the



number of veterans present in the county, and special circumstances and facts involving the concentration of industries or other problems that may increase or decrease the number of veterans in certain localities.

- (2) Where the circumstances do not justify establishing a separate office in each county, the commissioner, with the approval of the board, shall establish service areas in the state containing one or more counties and shall establish a service office for each service area in a location most advantageous to the veterans within each area.
- (c) The commissioner, with the approval of the board, shall establish districts within the state containing one or more counties or service areas, and shall appoint district managers to manage or assist veteran service officers.

 District managers appointed under this section shall be selected in the same manner and possess the same qualifications as veteran service officers."

382 "\$31-5-10

- (a) Each veteran service officer and district manager shall perform the duties prescribed by policies, rules, and instructions adopted by the <u>board</u> <u>department</u> and shall be administratively responsible to the commissioner.
 - (b) Each veteran service officer and district manager shall do all of the following:
 - (1) Cooperate with and assist local veteran service organizations in developing assistance programs for veterans.
 - (2) Furnish information and data to the commissioner relative to various aspects of the issues of veterans and



393 dependents of veterans.

- 394 (3) Provide an information and referral service to
 395 veterans seeking aid and assistance in connection with matters
 396 pertaining to employment and reemployment, educational and
 397 vocational training, health, medical, rehabilitation, and
 398 housing services and facilities, emergency financial
 399 assistance, and other matters as appropriate.
 - (4) Cooperate with all national, state, and local governmental and private agencies offering services or any benefits to veterans and their families and dependents.
 - (5) Assist all resident veterans and their relatives, beneficiaries, and dependents in receiving from the United States and this state all compensation, pension, hospitalization, insurance, education, employment, loan guarantees, or other aid or benefit to which they may be entitled under existing federal law or laws of this state, or which may be created, and perform all other related duties assigned by the board commissioner.
 - (6) Seek out and advise veterans of their rights and benefits under federal and state laws, encourage the use of educational opportunities, including trade and vocational training, and offer counsel to widows, orphans, and beneficiaries in order to secure the fullest extent of available benefits."
- 417 "\$31-5-13
- The department and the commissioner shall maintain
 offices in the capital city of the state. The commissioner,
 under authority of the board, in addition to any service



- 421 office, if deemed necessary, may set up and maintain a service
- 422 office staffed by an assistant commissioner, veteran service
- 423 officer, or district manager, with sufficient clerical
- 424 assistance. "
- 425 Section 2. Sections 31-5A-3, 31-5A-4, 31-5A-5, 31-5A-6,
- 31-5A-7, 31-5A-8, 31-5A-9, and 31-5A-10, Code of Alabama 1975,
- 427 as last amended by Act 2024-442 of the 2024 Regular Session,
- 428 are amended to read as follows:
- 429 "\$31-5A-3
- The department is the sole agency authorized to receive
- 431 federal aid from the United States Department of Veterans
- 432 Affairs or any other agency of the United States government
- 433 authorized to pay federal aid to states for state homes under
- 434 38 U.S.C. §§ 1741 and 1742, as amended, and from any other
- 435 federal law or act of Congress providing for the payment of
- 436 funds to states for the care of or support of disabled
- 437 veterans in state homes. The department may receive from any
- 438 source gifts, contributions, bequests, and individual
- 439 reimbursements, the receipt of which does not exclude any
- 440 other source of revenue. All funds received by the department
- 441 shall be deposited in the State Treasury in the Alabama
- 442 Veterans Home Trust Fund as established in Section 31-5A-7,
- 443 and the funds shall be expended as authorized by the board
- 444 commissioner. "
- 445 "\$31-5A-4
- The department shall contract with a non-governmental
- 447 entity to operate state veterans homes for the care and
- 448 support of elderly or disabled veterans in this state.



Contracts for the procurement of services required to manage, administer, and operate a state veterans home shall be awarded on a competitive basis through the solicitation of proposals. The contract may be awarded to the vendor whose proposal is most advantageous to the state, taking into consideration cost factors, program suitability factors, management plan, excellence of program design, key personnel, corporate or company resources, financial condition of the vendor, corporate experience and past performance, and any other requirements deemed necessary by the board department and expressed in its solicitation for proposals. Any contract awarded under this section shall be for a period not to exceed five years. The board department is not required to select the vendor offering the lowest cost proposal but shall select the vendor who, in the board's department's discretion, offers the proposal most advantageous to this state. The award of contracts described in this section are exempt from the requirements of Chapter 16 and Chapter 4 of Title 41. "

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The commissioner, subject to the approval of the board, shall appoint an executive director for oversight and coordination of all state veterans homes and shall also appoint an on-site director for each state veterans home. The executive director and on-site director positions created pursuant to this section shall be exempt status, and shall be subject to guidelines established by the board department. Each director shall be appointed on the basis of education, ability, and experience in the administration of medical



facilities or nursing homes, without regard to political
affiliations. Each director shall perform his or her duties in
accordance with the rules, guidelines, and general policies
established by the board department and as provided in this
chapter. "

482 "\$31-5A-6

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The board, in conference with the commissioner, in consultation with the board, shall do all of the following:

- (1) Provide for the operation of state veterans homes for the care of and support of elderly and disabled veterans in this state as prescribed in this chapter.
- (2) Adopt rules for the creation and operation of any state veterans home.
 - (3) Apply for and accept gifts, grants, and other contributions from the federal government or from any other governmental unit.
 - (4) Use funds received from the federal government or from any other governmental unit for the purposes authorized and directed by the federal government or other governmental unit in making the funds available.
- 497 (5) Accept gifts, grants, donations, and contributions 498 of real estate, both vacant and improved, facilities, 499 services, or other property from individuals, firms, 500 corporations, organizations, and associations, and from county 501 and municipal corporations and their subdivisions, plus any 502 other sources of revenue for any state veterans homes. All expenditures from the trust fund shall be made upon warrants 503 504 issued by the state Comptroller drawn on account held by the



505 State Treasury based upon claims approved by the board commissioner."

507 "\$31-5A-7

- (a) A trust fund in the State Treasury is created for the benefit of the State Department of Veterans Affairs, to be known as the Alabama Veterans Home Trust Fund.
- (b) The trust fund shall consist of all funds received by the board or the department from the United States, any federal agency or institution, gifts, contributions, bequests, any individual reimbursements, and any other source, for the care or support of veterans, discharged other than under dishonorable conditions, who have been admitted and cared for at a state veterans home.
 - (c) Nothing contained in this section prohibits the establishment and utilization of special agency accounts by the department and its constituent institutions, as may be approved by the board, for receipt and disbursement of the personal funds of state veterans home residents and members or for receipt and disbursement of charitable contributions and donations for use by and for the benefit of residents and members.
 - (d) The trust fund created pursuant to this section shall be used by the department to pay for the care of veterans, discharged other than under dishonorable conditions, in a state veterans home and to pay the general operating expenses of a state veterans home, including the payment of salaries and wages of officials and employees. Funds in the trust fund may be used to remodel, repair, construct, build



533 additions, modernize, or add improvements of domiciliary or 534 hospital buildings necessary for the care of veterans, plus 535 architectural plans, specifications, or other pertinent costs 536 as approved by appropriate state agencies. All funds 537 deposited, plus income earned on investment or reinvestment, 538 shall be credited to the trust fund created pursuant to this 539 section. Any money remaining in the fund at the end of each 540 fiscal year shall remain on deposit in the State Treasury to 541 the credit of the Alabama Veterans Home Trust Fund. No funds 542 shall be withdrawn or expended for any purpose unless the 543 funds have been allotted and budgeted in accordance with Article 4 of Chapter 4 of Title 41, and only in the amounts 544 545 and for the purposes provided by the Legislature in the 546 General Appropriation Act."

"\$31-5A-8

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- (a) Admissions to and discharges from any state veterans home shall be in accordance with the policies and procedures established by the board department at the time an application for admission or for discharge is submitted.
- (b) The board department may admit and discharge veterans to any state veterans home who qualify for care and treatment under 38 U.S.C. §§ 1710 and 1741, and may adopt rules consistent with accepted medical considerations to carry out this function."

557 "\$31-5A-9

(a) The <u>board</u> <u>department</u> shall report annually to the Governor the activities of the department regarding the operation of the state veterans homes.



- (b) The annual report shall contain an accounting of all monies received and expended, statistics on veterans who resided in the homes during the year, recommendations to the Governor and the Legislature, and other matters deemed pertinent by the board department.
- (c) The commissioner, with the approval of the board, shall compile an annual budget request, as necessary, listing needs for state funding for anticipated costs of veterans homes. The budget request shall be submitted to the Department of Finance in conjunction with the State Department of Veterans Affairs annual budget requests."

572 "\$31-5A-10

Each resident of any state veterans home shall pay directly to the contracted service operator of the home the cost of maintaining his or her residence at the home. The cost shall be determined by the board in conference with the commissioner. The cost of the care shall be paid by the 10th day of each month. "

579 Section 3. This act shall become effective immediately.