~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

February 21, 2019

**H. 3438**

Introduced by Reps. Pitts, McCravy, B. Cox, Huggins, Cobb‑Hunter, Hixon, W. Cox, Taylor and Davis

S. Printed 2/21/19--H.

Read the first time January 8, 2019.

**THE COMMITTEE ON MEDICAL,**

**MILITARY, PUBLIC AND MUNICIPAL AFFAIRS**

To whom was referred a Bill (H. 3438) to amend Section 25‑11‑10, Code of Laws of South Carolina, 1976, relating to the Division of Veterans Affairs, so as to establish the division within, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking all after the enacting clause and inserting:

/SECTION 1. Section 25‑11‑10 of the 1976 Code is amended to read:

“Section 25‑11‑10. (A) ~~A Division of Veterans’~~ The Department of Veterans Affairs is hereby created ~~in the Department of Administration~~ within the executive branch of government for the purpose of assisting ~~ex‑servicemen~~ former, present, and future members of the armed forces of the United States in securing the benefits to which they are entitled under the provisions of federal legislation and under the terms of insurance policies issued by the federal government for their benefit. Powers, duties, and functions to be vested in the department shall include all those powers, duties, and functions involving cooperation with other governmental units, such as cities and counties, or with the federal government agencies concerned with participation in federal grants‑in‑aid programs relating to veterans and veterans affairs. ~~This division shall be under the direct supervision of~~ The department shall receive advice and recommendations from a panel consisting of the Governor as chairman, the Attorney General for the purpose of giving legal advice, and the Adjutant and Inspector General.

(B) The department has authority to adopt rules to implement the provisions of this chapter.

(C) The department may apply for and accept funds, grants, gifts, and services from the State, the United States Government or any of its agencies, or any other public or private source, and may use funds derived from these sources to defray clerical and administrative costs, as may be necessary for carrying out the division’s duties.

(D) The department shall submit an annual written report to the Governor no later than December thirty‑first of each year. The annual report shall describe:

(1) the number, nature, and kind of cases handled by the department and by county and city veteran service officers of the State;

(2) the amounts of benefits obtained for veterans;

(3) the names and addresses of all certified veteran service officers of the State;

(4) the current status and condition of the department’s domiciliary and nursing homes, including the number of residents received and discharged during the preceding year, occupancy rates, staffing, and all receipts and expenditures from the preceding year; and

(5) any actions taken by the department to implement the provisions of this subsection, including other information and recommendations as the department considers prudent or necessary.

(E) The department shall administer this chapter and shall have the authority and responsibility to apply for and administer any federal programs and develop and coordinate such state programs as may be beneficial to the particular interests of the veterans of this State.”

SECTION 2. Section 25‑11‑20 of the 1976 Code is amended to read:

“Section 25‑11‑20. (A) For the purpose of carrying on this work the Governor shall appoint, with the consent of the Senate, a ~~Director of the Division of Veterans’ Affairs,~~ director of the department who is charged with the duty of assisting all ~~ex‑servicemen~~ veterans, regardless of the wars in which their service may have been rendered, in filing, presenting, and prosecuting to final determination all claims which they have for money compensation, hospitalization, training, and insurance benefits under the terms of federal legislation.

(B) The Director of the ~~Division~~ Department of ~~Veterans’~~ Veterans Affairs must be a ~~person~~ veteran, as defined in Section 25‑11‑40, versed in federal legislation relating to these matters and the rules, regulations, and practice of the Veterans Administration as created by Congress and must be appointed by the Governor.

(C) Before the appointment, the Governor shall receive a recommendation from (1) the executive committee of the American Legion, Department of South Carolina, (2) the Veterans of Foreign Wars of the United States, Department of South Carolina, and (3) the Disabled American Veterans. The Governor is not required to appoint the person recommended, and ~~he~~ the director is subject to removal by the Governor pursuant to the provisions of Section 1‑3‑240(B).

(D) The director’s duties shall include:

(1) working with federal officials to obtain additional federal resources and coordinate veterans policy development and information exchange;

(2) coordinating with appropriate state agencies to ensure that available federal and state resources are directed toward assisting veterans and addressing all issues of mutual concern to the State and the armed forces of the Unites States, including quality of life issues unique to South Carolina’s military personnel and their families, quality of educational opportunities for military children, transportation needs, substance abuse, and social service needs;

(3) monitor and enhance efforts to provide assistance and support for veterans living in South Carolina and members of the South Carolina National Guard and South Carolina residents in the armed forces reserves not in active federal service in the areas of medical care, mental health and rehabilitative services, housing, homelessness prevention, job creation, and education;

(4) settle claims, actions, causes of action, and legal proceedings brought against the department or its employees acting within the scope of his or her employment;

(5) accept donation and gifts of property or grants of money on behalf of the department in compliance with the law;

(6) initiate all rulemaking;

(7) perform other such functions as may be necessary to supervise, direct, conduct, and administer the daily duties of the department as authorized by law or by rules and policies; and

(8) submit an annual report to the Governor, pursuant to Section 25‑11‑10(D).

(E) The Department of Administration may provide administrative support to the department for the performance of its duties, including, but not limited to, financial accounting support, human resources administrative support, information technology shared services support, procurement services and logistical support.”

SECTION 3. Section 25‑11‑40 of the 1976 Code is amended to read:

“Section 25‑11‑40. (A) For the purpose of this section, ‘veteran’ means a person who served ~~on~~ active duty in the armed forces of the United States ~~for a period of more than one hundred eighty days and was discharged or released from such active duty with an honorable discharge or, if one hundred eighty days or less, was discharged or released from service active duty because of~~ and who was honorably discharged or released from such service due to a service‑connected disability.

(B) Subject to the recommendation of a majority of the Senators representing the county and a majority of the House members representing the county, the Director of the ~~Division~~ Department of Veterans Affairs shall appoint a county veterans affairs officer for each county in the State, whose term of office shall begin July first of each odd‑numbered year and shall continue for a term of two years and until a successor shall be appointed. A county veterans affairs officer must be a qualified veteran who served on active duty for a period of ~~more than~~ at least one hundred eighty days and was discharged or released from such active duty with an honorable discharge or, if one hundred eighty days or less, was discharged or released from such active duty ~~because of~~ due to a service‑connected disability; otherwise, a county veterans affairs officer may be a qualified nonveteran, if any veteran being considered for the post is not as qualified as a nonveteran being considered for the post. Qualifications shall be determined by the county legislative delegation upon a majority vote of the Senators representing the county and a majority of the House members representing the county. A county veterans affairs officer is an at‑will employee, subject to removal for cause at any time by the Director of the Department of Veterans Affairs, a majority of the Senators representing the county, and a majority of the House members representing the county.

(C) All county veterans affairs officers must successfully complete a comprehensive course of training and be issued accreditation within one year following initial appointment, either through the ~~Division~~ Department of Veterans Affairs or through an accredited national veterans service organization. A training council from the South Carolina Association of County Veterans Affairs Officers, in conjunction with the ~~Division~~ Department of Veterans Affairs or through an accredited national veterans service organization, shall develop the training criteria. Training and accreditation must be provided by the ~~Division~~ Department of Veterans Affairs or through an accredited national veterans service organization. A county veterans affairs officer who does not complete the required training and receives accreditation within the first year following appointment is ineligible for reappointment by the county legislative delegation. Additionally, in order to maintain accreditation, refresher training is required yearly.

~~(D)(1)~~ ~~In Berkeley County, appointments made pursuant to this section are governed by the provisions of Act 159 of 1995.~~

~~(2)~~ ~~In Dorchester County, appointments made pursuant to this section are governed by the provisions of Act 512 of 1996.~~

~~(3)~~ ~~In Georgetown County, appointments made pursuant to this section are governed by the provisions of Act 515 of 1996.~~”

SECTION 4. This act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

LEON HOWARD for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Updated for Additional Agency Response**

**Introduced on January 8, 2019**

**State Expenditure**

This bill establishes the Division of Veterans Affairs within the executive branch of government, and stipulates that the Director of the Division must be appointed by the Governor and confirmed by the General Assembly. The bill enumerates the division’s and division director’s specific powers and duties. In addition, the bill revises the definition of veteran and adds qualifications for veteran county affairs officers.

**Department of Administration.** The Department of Administration can absorb the administrative costs associated with transferring the division within existing appropriations. Therefore, the bill will not have an expenditure impact on the department’s general fund, other funds, or federal funds.

**Governor’s Office**. This bill does not fiscally impact the Governor’s Office, as the agency can absorb the administrative costs associated with transferring the division within existing appropriations. Therefore, the bill will not have an expenditure impact on the department’s general fund, other funds, or federal funds. This fiscal impact statement has been updated to include a response from the Division of Veteran’s Affairs within the Governor’s Office.

**Introduced on January 8, 2019**

**State Expenditure**

This bill establishes the Division of Veterans Affairs within the executive branch of government, and stipulates that the Director of the Division must be appointed by the Governor and confirmed by the General Assembly. The bill enumerates the division’s and division director’s specific powers and duties. In addition, the bill revises the definition of veteran and adds qualifications for veteran county affairs officers.

**Department of Administration.** The Department of Administration can absorb the administrative costs associated with transferring the division within existing appropriations. Therefore, the bill will not have an expenditure impact on the department’s general fund, other funds, or federal funds.

**Governor’s Office**. The Governor’s Office is working to provide an estimated fiscal impact for this bill. Therefore, the expenditure impact of this bill is pending, contingent upon a response from the Governor’s Office.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 25‑11‑10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DIVISION OF VETERANS AFFAIRS, SO AS TO ESTABLISH THE DIVISION WITHIN THE EXECUTIVE BRANCH OF GOVERNMENT, TO PROVIDE THAT THE DIRECTOR MUST BE APPOINTED BY THE GOVERNOR AND CONFIRMED BY THE GENERAL ASSEMBLY, AND TO ENUMERATE THE DIVISION’S POWERS AND DUTIES; TO AMEND SECTION 25‑11‑20, RELATING TO THE DIRECTOR OF THE DIVISION OF VETERANS AFFAIRS, SO AS TO ENUMERATE SPECIFIC DUTIES; AND TO AMEND SECTION 25‑11‑40, RELATING TO THE APPOINTMENT, REMOVAL, TRAINING, AND ACCREDITATION OF COUNTY VETERANS AFFAIRS OFFICERS, SO AS TO REVISE THE DEFINITION OF “VETERAN” FOR PURPOSES OF APPOINTING COUNTY VETERANS AFFAIRS OFFICERS, TO ELIMINATE THE AUTHORITY TO APPOINT NONVETERANS TO SERVE AS COUNTY VETERANS AFFAIRS OFFICERS, TO PROVIDE AN EXCEPTION FOR PERSONS CURRENTLY SERVING AS COUNTY VETERANS AFFAIRS OFFICERS, AND TO REMOVE LOCAL NONCONFORMING PROVISIONS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 25‑11‑10 of the 1976 Code is amended to read:

“Section 25‑11‑10. (A) A Division of ~~Veterans’~~ Veterans Affairs is hereby created ~~in the Department of Administration~~ within the executive branch of government for the purpose of assisting ~~ex‑servicemen~~ former, present, and future members of the armed forces of the United States in securing the benefits to which they are entitled under the provisions of federal legislation and under the terms of insurance policies issued by the federal government for their benefit. Powers, duties, and functions to be vested in the division shall include all those powers, duties, and functions involving cooperation with other governmental units, such as cities and counties, or with the federal government agencies concerned with participation in federal grants‑in‑aid programs relating to veterans and veterans affairs. ~~This division shall be under the direct supervision of a panel consisting of the Governor as chairman, the Attorney General for the purpose of giving legal advice, and the Adjutant and Inspector General.~~ The director of the division must be appointed by the Governor, and he must be confirmed by the General Assembly.

(B) The division has authority to adopt rules to implement the provisions of this chapter.

(C) The division may apply for and accept funds, grants, gifts, and services from the State, the United States Government or any of its agencies, or any other public or private source, and may use funds derived from these sources to defray clerical and administrative costs, as may be necessary for carrying out the division’s duties.

(D) The division shall submit an annual written report to the Governor no later than December thirty‑first of each year. The annual report shall describe:

(1) the number, nature, and kind of cases handled by the division and by county and city veteran service officers of the State;

(2) the amounts of benefits obtained for veterans;

(3) the names and addresses of all certified veteran service officers of the State;

(4) the current status and condition of the division’s domiciliary and nursing homes, including the number of residents received and discharged during the preceding year, occupancy rates, staffing, and all receipts and expenditures from the preceding year; and

(5) any actions taken by the division to implement the provisions of this subsection, including other information and recommendations as the division considers prudent or necessary.

(E) The division shall administer this chapter and shall have the authority and responsibility to apply for and administer any federal programs and develop and coordinate such state programs as may be beneficial to the particular interests of the veterans of this State.”

SECTION 2. Section 25‑11‑20 of the 1976 Code is amended to read:

“Section 25‑11‑20. (A) For the purpose of carrying on this work the Governor shall appoint a Director of the Division of ~~Veterans’~~ Veterans Affairs, who is charged with the duty of assisting all ex‑servicemen, regardless of the wars in which their service may have been rendered, in filing, presenting, and prosecuting to final determination all claims which they have for money compensation, hospitalization, training, and insurance benefits under the terms of federal legislation.

(B) The Director of the Division of ~~Veterans’~~ Veterans Affairs must be a ~~person~~ veteran, as defined in Section 25‑11‑40, versed in federal legislation relating to these matters and the rules, regulations, and practice of the Veterans Administration as created by Congress and must be appointed by the Governor.

(C) Before the appointment, the Governor shall receive a recommendation from (1) the executive committee of the American Legion, Department of South Carolina, (2) the Veterans of Foreign Wars of the United States, Department of South Carolina, and (3) the Disabled American Veterans. The Governor is not required to appoint the person recommended, and ~~he~~ the director is subject to removal by the Governor pursuant to the provisions of Section 1‑3‑240(B).

(D) The director’s duties shall include:

(1) working with federal officials to obtain additional federal resources and coordinate veterans policy development and information exchange;

(2) coordinating with appropriate state agencies to ensure that available federal and state resources are directed toward assisting veterans and addressing all issues of mutual concern to the State and the armed forces of the Unites States, including quality of life issues unique to South Carolina’s military personnel and their families, quality of educational opportunities for military children, transportation needs, substance abuse, and social service needs;

(3) monitor and enhance efforts to provide assistance and support for veterans living in South Carolina and members of the South Carolina National Guard and South Carolina residents in the armed forces reserves not in active federal service in the areas of medical care, mental health and rehabilitative services, housing, homelessness prevention, job creation, and education;

(4) settle claims, actions, causes of action, and legal proceedings brought against the division or its employees acting within the scope of his or her employment;

(5) accept donation and gifts of property or grants of money on behalf of the division in compliance with the law;

(6) initiate all rulemaking;

(7) perform other such functions as may be necessary to supervise, direct, conduct, and administer the daily duties of the division as authorized by law or by rules and policies; and

(8) submit an annual report to the Governor, pursuant to Section 25‑11‑10(D).

(E) In addition to the duties listed in subsection (D), the Governor may assign additional duties to the director or other division staff.”

SECTION 3. Section 25‑11‑40 of the 1976 Code is amended to read:

“Section 25‑11‑40. (A) For the purpose of this section, ‘veteran’ means a person who served ~~on~~ active duty in the armed forces of the United States ~~for a period of more than one hundred eighty days and was discharged or released from such active duty with an honorable discharge or, if one hundred eighty days or less, was discharged or released from service active duty because of~~ and who was honorably discharged or released from such service due to a service‑connected disability.

(B)(1) Subject to the recommendation of a majority of the Senators representing the county and a majority of the House members representing the county, the Director of the Division of Veterans Affairs shall appoint a county veterans affairs officer for each county in the State, whose term of office shall begin July first of each odd‑numbered year and shall continue for a term of two years and until a successor shall be appointed. A county veterans affairs officer must be a qualified veteran who served on active duty for a period of ~~more than~~ at least one hundred eighty days and was discharged or released from such active duty with an honorable discharge or, if one hundred eighty days or less, was discharged or released from such active duty ~~because of~~ due to a service‑connected disability~~; otherwise, a county veterans affairs officer may be a qualified nonveteran, if any veteran being considered for the post is not as qualified as a nonveteran being considered for the post~~. Each county veterans affairs officer also must be a member of the South Carolina Association of CountyVeterans Affairs Officers. Qualifications shall be determined by the county legislative delegation upon a majority vote of the Senators representing the county and a majority of the House members representing the county. A county veterans affairs officer is an at‑will employee, subject to removal for cause at any time by the Director of the Division of Veterans Affairs, a majority of the Senators representing the county and a majority of the House members representing the county.

(2) County veterans affairs officers serving on or before the effective date of the amendments to this section, are not subject to the revised qualifications provided in item (1).

(C) All county veterans affairs officers must successfully complete a comprehensive course of training and be issued accreditation within one year following initial appointment, either through the Division of Veterans Affairs or through an accredited national veterans service organization. A training council from the South Carolina Association of County Veterans Affairs Officers, in conjunction with the Division of Veterans Affairs or through an accredited national veterans service organization, shall develop the training criteria. Training and accreditation must be provided by the Division of Veterans Affairs or through an accredited national veterans service organization. A county veterans affairs officer who does not complete the required training and receives accreditation within the first year following appointment is ineligible for reappointment by the county legislative delegation. Additionally, in order to maintain accreditation, refresher training is required yearly.

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SECTION 4. This act takes effect upon approval by the Governor.

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