

Date of Hearing: June 26, 2012

ASSEMBLY COMMITTEE ON VETERANS AFFAIRS
Paul J. Cook, Chair
SB 1413 (Negrete-McCleod) – As Amended: June 19, 2012

SENATE VOTE: 38-0

SUBJECT: Adjutant General: support programs

SUMMARY: This bill would authorize the Adjutant General to establish specified support programs for the benefit of the Military Department, its components, and its soldiers, airmen, cadets, and their family members and to establish, construct, or acquire facilities or equipment for these programs. Specifically, this bill:

1. Repeals the authority of the Adjutant General to establish rules and regulations for the provision of morale, welfare, and recreational activities for members of the National Guard, in accordance with federal military regulations.
2. Authorizes the Adjutant General to adopt specified rules and regulations for support programs for the Military Department.
3. Authorizes the Adjutant General and the Military Department to solicit and accept funds or other donations, and requires these funds to be deposited in the California Military Department Morale and Welfare Support Fund, established by this bill.
4. Requires the money in the fund to be available, upon appropriation by the Legislature, for the establishment of the support programs and for the establishment, construction, or acquisition of facilities or equipment for these programs.
5. Requires the Adjutant General to conduct an internal audit of this fund and to report the findings of the audit to the Department of Finance, as provided.

EXISTING LAW: Military and Veterans Code section 412.5 authorizes Adjutant General to:

1. Establish rules and regulations in accordance with Army, Air Force, and National Guard Bureau regulations for the provision of morale, welfare, and recreational activities that benefit soldiers and airmen of the National Guard.
2. Provide other services, in accordance with the regulations of the Department of the Army, the Department of the Air Force, and the National Guard Bureau, governing morale, welfare, and recreation fund activities.
3. Adopt rules and regulations for the establishment and deposit of military post, welfare, or similar unit, or organizational funds.
4. Accept funds or other donations for the benefit of the Military Department.

FISCAL EFFECT: According to the Senate Appropriations Committee:

1. Unknown, potentially significant costs for program, but dependent upon the level of donations received (Private Funds).
2. Minor costs for department rules/regulations, annual report, and outreach (General Fund).

COMMENTS: According to the author, "The federal regulations are designed for large military installations and do not fit the environment of the California National Guard with its more than 100 small armories located across the state." In addition, the current statute allows for MWR funds to be used for the benefit of soldiers and airmen of the Guard, which might not include those members of the Military Department on State Active Duty status or in the State Military Reserve (SMR).

In the approximately eighteen months past there have been a substantial number of allegations of misconduct at the Department, allegations raised in multiple venues, including via the press, to legislators and staff, through formal complaints, and through whistleblower allegations, among others. These allegations raised serious concerns about the integrity of the Department. Some of these allegations involved personnel at the highest levels of the Department. A new Adjutant General has come aboard at the Department and instituted many changes and reforms with some of his top goals to restore any damage sustained to the reputation of the Department and redress previous missteps to the extent possible.

Caring for the morale, welfare, and regulation of soldiers and their families is an important and traditional function. Soldiers and their families are called upon to make extreme sacrifices. Allowing the Department to seek private donations to fund morale, welfare and recreation activities, particularly in an austere funding climate is reasonable. However, morale, welfare, and recreation is already a very broad spectrum of activities, the bill seeks an even less defined category of "support" activities.

Policy Concern: Is it prudent to allow the Department to create a fund for any kind of support activities and to remove the regulatory controls imposed by the federal government? It is the case that the legislature must still appropriate funds before they can be spent, and that the Department has agreed to audit itself (and according to the author the employees performing the audit are required to report improprieties outside the chain of command).

Suggestions for amendment:

1. The author may wish to consider amendments to more clearly define the permissible purposes for which funds may be used.
2. Consider retaining federal regulatory applicability.
3. The author may wish to consider an audit by a third party entity, rather than an internal audit.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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