

AMENDED IN ASSEMBLY APRIL 23, 2015

AMENDED IN ASSEMBLY APRIL 16, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 255

**Introduced by Assembly Member Irwin
(Principal coauthor: Assembly Member Mathis)
(Coauthors: Assembly Members Brough and Brown)**

February 9, 2015

An act to add and repeal Sections 73.5 and 73.6 to of the Military and Veterans Code, relating to veterans.

LEGISLATIVE COUNSEL'S DIGEST

AB 255, as amended, Irwin. Veterans: Inspector General for Veterans Affairs.

Existing law establishes the Department of Veterans Affairs and designates the Secretary of Veterans Affairs as the chief administrative officer of the department. Existing law also establishes the California Veterans Board, and requires the board to advise the department and secretary on policies for operations of the department. Existing law provides for veterans programs, including the veterans farm and home purchase programs, and provides for veterans homes.

This bill would create the office of ~~Inspector General~~ *Internal Audits* for Veterans Affairs, ~~who the chief auditor of which~~ would be subject to the direction of the ~~Governor~~, *secretary* within the department. The bill would require the ~~inspector general~~ *chief auditor* to be appointed by the Governor, subject to Senate confirmation. The ~~inspector general~~ *chief auditor* would be responsible for reviewing *and investigating, at the request of the secretary or other members of senior management*

of the department, the operations and financial condition of each California veterans home, each veterans farm and home purchase program, and all other veterans department programs supported by the state. and functions. Beginning January 1, 2017, and each year after, thereafter, the bill would require the inspector general chief auditor to submit a summary report to the board and the appropriate committees of the Legislature and make any providing information about the office's activities and recommendations he or she deems necessary for improving the operations of the veterans programs. that lead to departmental efficiencies and improvements.

The bill would authorize the ~~inspector general~~ *chief auditor* to receive communications from any individual who believes he or she may have information that warrants a review or investigation of a veterans program. ~~The bill would authorize, and in some instances require, the inspector general to conduct a review or investigation.~~ The bill would also ~~require the establishment of~~ *require the chief auditor to establish* a toll-free telephone number to report alleged wrongdoing regarding veterans programs.

The bill would repeal the provisions described above on January 1, 2020.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

- 1 SECTION 1. Section 73.5 is added to the Military and Veterans
- 2 Code, to read:
- 3 73.5. (a) (1) There is hereby created the office of ~~Inspector~~
- 4 ~~General Internal Audits~~ for Veterans Affairs within the department.
- 5 (2) The ~~inspector general~~ *chief auditor* shall be appointed by
- 6 the Governor, subject to Senate confirmation.
- 7 (3) ~~(A) The inspector general~~ *The chief auditor* shall be subject
- 8 to the direction of the ~~Governor~~ *secretary*.

1 ~~(B) The inspector general shall provide ongoing and independent~~
2 ~~advice to the board regarding any issue that is being considered~~
3 ~~by the board.~~

4 ~~(b) The inspector general shall be responsible for all of the~~
5 ~~following:~~

6 *(b) The chief auditor shall conduct reviews and investigations*
7 *at the request of the secretary or other members of senior*
8 *management of the department with the intent of increasing*
9 *efficiencies, improving operations, and reducing fraud, waste, and*
10 *abuse. The chief auditor's work shall include, but not be limited*
11 *to, both of the following:*

12 (1) Reviewing the operations and financial condition of each
13 California veterans home and veterans farm and home purchase
14 program. ~~For the purposes of reviewing the operations of each~~
15 ~~veterans home, the Veterans Home Allied Council and home~~
16 ~~residents shall have unfettered access to the inspector general.~~
17 *program, and other department programs and functions.*

18 (2) ~~Reviewing the operation and financial condition of all other~~
19 ~~veterans programs supported by the state, including, but not limited~~
20 ~~to, county veterans service offices and veterans memorials.~~

21 (3)
22 (2) Investigating ~~any~~ allegations of department employee
23 misconduct and reporting any findings of misconduct directly to
24 the secretary, for further action that the secretary may deem
25 necessary.

26 ~~(c) (1) The inspector general shall conduct a review or~~
27 ~~investigation, as specified in subdivision (b), if requested to do so~~
28 ~~by the Governor, any member of the board, or the secretary. In~~
29 ~~addition, the inspector general may conduct a review or~~
30 ~~investigation, as specified in subdivision (b), as he or she deems~~
31 ~~necessary or if requested by any Member of the Legislature or any~~
32 ~~member of the public.~~

33 ~~(2) Whenever the inspector general conducts a review or~~
34 ~~investigation pursuant to a request of any Member of the~~
35 ~~Legislature, the inspector general shall submit a report of his or~~
36 ~~her findings to that member.~~

37 *(c) To ensure the independence of the audit function, the*
38 *department and chief auditor are subject to the requirements set*
39 *forth in subdivision (a) of Section 13887 of, and Sections 13887.5*
40 *and 13888 of, the Government Code.*

1 (d) ~~(1)~~ Beginning January 1, 2017, and each year after, the
2 ~~inspector general~~ thereafter, the chief auditor shall submit a
3 summary report to the board and the appropriate committees of
4 the Legislature and make any recommendations he or she deems
5 necessary for improving the operations of the veterans programs.
6 ~~providing information about the office's activities and identifying~~
7 ~~recommendations that lead to departmental efficiencies and~~
8 ~~improvements.~~

9 ~~(2) A report submitted to the Legislature pursuant to paragraph~~
10 ~~(1) shall comply with Section 9795 of the Government Code.~~

11 (e) This section shall remain in effect only until January 1, 2020,
12 and as of that date is repealed, unless a later enacted statute, that
13 is enacted before January 1, 2020, deletes or extends that date.

14 SEC. 2. Section 73.6 is added to the Military and Veterans
15 Code, to read:

16 73.6. (a) ~~The inspector general~~ chief auditor may receive
17 communications from any individual, including, but not limited
18 to, a participant in a farm and home purchase program or a resident
19 of a California veterans home, who believes he or she may have
20 information that warrants a review or investigation of a department
21 veterans program that is supported by the state. ~~The program. If~~
22 ~~requested, the~~ identity of the person providing the information
23 shall be held as confidential by the ~~inspector general~~ chief auditor
24 and may be disclosed only to the Governor, any member of the
25 board, any Member of the Legislature, or the secretary, as the
26 ~~inspector general~~ deems appropriate and in the furtherance of his
27 ~~or her duties. secretary or senior management of the department~~
28 ~~when necessary to resolve the complaint.~~

29 (b) ~~In order to properly respond to any allegation, the inspector~~
30 ~~general~~ To enhance accountability, the chief auditor shall establish
31 a toll-free public telephone number for the purpose of identifying
32 any alleged wrongdoing regarding veterans the department or its
33 programs. This telephone number shall be posted at every
34 California veterans home and throughout all department and county
35 veterans service offices, in clear view of all veterans home
36 residents, employees, and the public. In addition, the telephone
37 number shall be issued to every participant of a home purchase
38 program. When deemed appropriate by the ~~inspector general~~, chief
39 auditor, he or she shall initiate a review or investigation of any
40 alleged wrongdoing. ~~However, any request to conduct an~~

1 ~~investigation shall be in writing.~~ The request shall be confidential
2 and is not subject to disclosure under the California Public Records
3 Act (Chapter 3.5 (commencing with Section 6250) of Division 7
4 of Title 1 of the Government Code).

5 (c) The identity of the person providing the information that
6 initiated the review or investigation shall not be disclosed without
7 that person's written permission, except *in response to a court*
8 *order or* to a law enforcement agency in the furtherance of its
9 duties.

10 (d) This section shall remain in effect only until January 1, 2020,
11 and as of that date is repealed, unless a later enacted statute, that
12 is enacted before January 1, 2020, deletes or extends that date.

13 SEC. 3. The Legislature finds and declares that Section 2 of
14 this act, which adds Section 73.6 of the Military and Veterans
15 Code, imposes a limitation on the public's right of access to the
16 meetings of public bodies or the writings of public officials and
17 agencies within the meaning of Section 3 of Article I of the
18 California Constitution. Pursuant to that constitutional provision,
19 the Legislature makes the following findings to demonstrate the
20 interest protected by this limitation and the need for protecting
21 that interest:

22 In order to protect the privacy of persons who provide
23 information of alleged wrongdoing by or complaints against
24 veterans programs to the ~~Inspector General~~ *Chief Auditor* for
25 Veterans Affairs, the limitations on the public's right of access
26 imposed by Section 2 of this act are necessary.