

AMENDED IN ASSEMBLY MARCH 18, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

**ASSEMBLY BILL**

**No. 92**

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**Introduced by Assembly Member Floyd**

December 10, 1998

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An act to add *Section 17076.11 to the Education Code, and to add Sections 73.5, 73.6, and 73.7 to the Military and Veterans Code, relating to veterans.*

LEGISLATIVE COUNSEL'S DIGEST

AB 92, as amended, Floyd. Inspector General for Veterans Affairs.

*(1) Existing law, the Leroy F. Greene School Facilities Act of 1998, among other things, establishes the 1998 State School Facilities Fund, and continuously appropriates money in the fund for certain purposes related to school facilities construction.*

*This bill would require any school district using funds allocated pursuant to the act for the construction or modernization of a school building, to ensure that contracts awarded in each year include at least 3% of the funds for disabled veteran business enterprises.*

*(2) 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 for Veterans Affairs, who would be subject to the direction of the California Veterans Board, to replace the administratively*

created position of Internal Auditor in the Department of Veterans Affairs. The bill would require the inspector general to be appointed by the Governor, subject to Senate confirmation. The inspector general would be responsible for reviewing the operations and financial condition of each California veterans home, each veterans farm and home purchase program, and all other veterans programs supported by the state. The bill would require the inspector general to submit a report and make any recommendations he or she deems necessary for improving the operations of the veterans programs to the board on at least an annual basis and to the Legislature annually.

The bill (1) would authorize the inspector general to receive communications from any individual who believes he or she may have information that warrants a review or investigation of a veterans program *or a disabled veteran business enterprise participating in a school facilities contract pursuant to the Leroy F. Greene School Facilities Act of 1998*, (2) would authorize, and in some instances require, the inspector general to conduct a review or investigation, (3) would require the establishment of a toll-free telephone number to report alleged wrongdoing regarding veterans programs, and (4) would set forth procedures for discipline by adverse action, as specified, for any state officer or employee who retaliates or engages in similar acts against employees who make such reports in good faith.

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 17076.11 is added to the*  
 2 *Education Code, to read:*  
 3 *17076.11. Any school district using funds allocated*  
 4 *pursuant to this chapter for the construction or*  
 5 *modernization of a school building, shall ensure that*  
 6 *contracts awarded in each year include at least 3 percent*  
 7 *of the funds for disabled veteran business enterprises.*  
 8 SEC. 2. Section 73.5 is added to the Military and  
 9 Veterans Code, to read:



1 73.5. (a) (1) There is hereby created the office of  
2 Inspector General for Veterans Affairs to replace the  
3 administratively created position of Internal Auditor  
4 within the department.

5 (2) The inspector general shall be appointed by the  
6 Governor, subject to Senate confirmation.

7 (3) (A) The inspector general shall be subject to the  
8 direction of the board.

9 (B) The inspector general shall provide ongoing and  
10 independent advice to the board regarding any issue that  
11 is being considered by the board.

12 (b) The inspector general shall be responsible for all of  
13 the following:

14 (1) Reviewing the operations and financial condition  
15 of each California veterans home and veterans farm and  
16 home purchase program. For the purposes of reviewing  
17 the operations of each veterans home, the Veterans  
18 Home Allied Council and home residents shall have  
19 unfettered access to the inspector general.

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

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

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

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



1 (d) The inspector general shall submit a report and  
2 make any recommendations he or she deems necessary  
3 for improving the operations of the veterans programs to  
4 the board on at least an annual basis and to the Legislature  
5 annually.

6 ~~SEC. 2.—~~

7 SEC. 3. Section 73.6 is added to the Military and  
8 Veterans Code, to read:

9 73.6. (a) The inspector general may receive  
10 communications from any individual, including, but not  
11 limited to, a participant in a farm and home purchase  
12 program ~~or~~ a resident of a California veterans home, *or*  
13 *a disabled veteran business enterprise participating in a*  
14 *school facilities contract pursuant to Chapter 12.5*  
15 *(commencing with Section 17070.10) of Part 10 of the*  
16 *Education Code*, who believes he or she may have  
17 information that warrants a review or investigation of a  
18 veterans program *or a program utilizing a disabled*  
19 *veteran business enterprise* that is supported by the state.  
20 The identity of the person providing the information shall  
21 be held as confidential by the inspector general and may  
22 be disclosed only to the Governor, any member of the  
23 board, any Member of the Legislature, or the secretary,  
24 as the inspector general deems appropriate and in the  
25 furtherance of his or her duties.

26 (b) In order to properly respond to any allegation, the  
27 inspector general shall establish a toll-free public  
28 telephone number for the purpose of identifying any  
29 alleged wrongdoing regarding veterans programs. This  
30 telephone number shall be posted at every California  
31 veterans home and throughout all department and  
32 county veterans service offices, in clear view of all  
33 veterans home residents, employees, and the public. In  
34 addition, the telephone number shall be issued to every  
35 participant of a home purchase program. When deemed  
36 appropriate by the inspector general, he or she shall  
37 initiate a review or investigation of any alleged  
38 wrongdoing. However, any request to conduct an  
39 investigation shall be in writing. The request shall be  
40 confidential and is not subject to disclosure under the



1 Public Records Act (Chapter 3.5 (commencing with  
2 Section 6250) of Division 7 of Title 1 of the Government  
3 Code).

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

9 ~~SEC. 3.—~~

10 *SEC. 4.* Section 73.7 is added to the Military and  
11 Veterans Code, to read:

12 73.7. (a) Any state officer or employee who  
13 intentionally engages in acts of reprisal, retaliation,  
14 threats, coercion, or similar acts against an employee of  
15 any state department, board, or authority for having  
16 disclosed what the employee, in good faith, believed to be  
17 improper activities regarding veterans programs that are  
18 supported by the state shall be disciplined by adverse  
19 action as provided in Section 19572 of the Government  
20 Code. If no adverse action is instituted by the appointing  
21 power, the State Personnel Board shall take adverse  
22 action in the same manner as provided in Section 19583.5  
23 of the Government Code.

24 (b) In addition to all other penalties provided by law,  
25 any state officer or employee who intentionally engages  
26 in acts of reprisal, retaliation, threats, coercion, or similar  
27 acts against an employee for having disclosed what the  
28 employee, in good faith, believed to be improper  
29 activities regarding veterans programs that are  
30 supported by the state shall be liable in an action for  
31 damages brought against him or her by the injured party.  
32 Punitive damages may be awarded by the court if the acts  
33 of the offending party are proven to be malicious. If  
34 liability has been established, the injured party also shall  
35 be entitled to reasonable attorney's fees as provided by  
36 law.

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