

**FOR CONSIDERATION** By the Committee on Military and Veterans Affairs, Space, and Domestic Security

583-00876A-17

20177008pb

1 A bill to be entitled

2 An act relating to the Department of Veterans' Affairs  
3 direct-support organization; amending s. 292.055,  
4 F.S.; abrogating the scheduled repeal of provisions  
5 governing a direct-support organization established by  
6 the department; providing an effective date.  
7

8 Be It Enacted by the Legislature of the State of Florida:  
9

10 Section 1. Section 292.055, Florida Statutes, is amended to  
11 read:

12 292.055 Direct-support organization.—

13 (1) SHORT TITLE; DIRECT-SUPPORT ORGANIZATION ESTABLISHED.—

14 This section may be cited as the "Sergeant First Class Paul R.  
15 Smith Memorial Act." The Department of Veterans' Affairs may  
16 establish a direct-support organization to provide assistance,  
17 funding, and support for the department in carrying out its  
18 mission. This section governs the creation, use, powers, and  
19 duties of the direct-support organization.

20 (2) DEFINITIONS.—As used in this section, the term:

21 (a) "Department" means the Department of Veterans' Affairs.

22 (b) "Direct-support organization" means an organization  
23 that is:

24 1. A Florida corporation not for profit, incorporated under  
25 chapter 617, exempted from filing fees, and approved by the  
26 Department of State.

27 2. Organized and operated exclusively to obtain funds;  
28 request and receive grants, gifts, and bequests of moneys;  
29 acquire, receive, hold, invest, and administer in its own name  
30 securities, funds, or property; and make expenditures to or for  
31 the direct or indirect benefit of the department, the veterans

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32 of this state, and congressionally chartered veteran service  
33 organizations having subdivisions that are incorporated in this  
34 state.

35 3. Determined by the department to be operating in a manner  
36 consistent with the goals of the department and in the best  
37 interest of the state.

38 (c) "Personal services" includes full-time or part-time  
39 personnel.

40 (3) BOARD OF DIRECTORS.—The direct-support organization  
41 shall be governed by a board of directors.

42 (a) The board of directors shall consist of no fewer than  
43 five members appointed by the executive director of the  
44 department. Veteran service organizations in this state may  
45 recommend nominees to the executive director of the department.

46 (b) The term of office of the board members shall be 3  
47 years, except that the terms of the initial appointees shall be  
48 for 1 year, 2 years, or 3 years in order to achieve staggered  
49 terms. A member may be reappointed when his or her term expires.  
50 The executive director of the department or his or her designee  
51 shall serve as an ex officio member of the board of directors.

52 (c) Members must be current residents of this state. A  
53 majority of the members must be veterans, as defined in s.  
54 1.01(14), and highly knowledgeable about the United States  
55 military, its service personnel, its veterans, and its missions.  
56 The executive director of the department may remove any member  
57 of the board for cause and with the approval of a majority of  
58 the members of the board of directors. The executive director of  
59 the department shall appoint a replacement for any vacancy that  
60 occurs.

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61 (4) CONTRACT.—A direct-support organization shall operate  
62 under a written contract with the department. The written  
63 contract must provide for:

64 (a) Certification by the department that the direct-support  
65 organization is complying with the terms of the contract and is  
66 doing so consistent with the goals and purposes of the  
67 department and in the best interests of the state. This  
68 certification must be made annually and reported in the official  
69 minutes of a meeting of the direct-support organization.

70 (b) The reversion of moneys and property held by the  
71 direct-support organization:

72 1. To the department if the direct-support organization is  
73 no longer approved to operate for the department;

74 2. To the department if the direct-support organization  
75 ceases to exist; or

76 3. To the state if the department ceases to exist.

77 (c) The disclosure of the material provisions of the  
78 contract, and the distinction between the department and the  
79 direct-support organization, to donors of gifts, contributions,  
80 or bequests, including such disclosure on all promotional and  
81 fundraising publications.

82 (5) USE OF PROPERTY.—

83 (a) The department may permit the use of property,  
84 facilities, and personal services of the department by the  
85 direct-support organization, subject to this section.

86 (b) The department may prescribe by contract any condition  
87 with which the direct-support organization must comply in order  
88 to use property, facilities, or personal services of the  
89 department.

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90 (c) The department may not permit the use of its property,  
91 facilities, or personal services by any direct-support  
92 organization organized under this section which does not provide  
93 equal employment opportunities to all persons regardless of  
94 race, color, national origin, gender, age, or religion.

95 (6) ACTIVITIES; RESTRICTIONS.—Any transaction or agreement  
96 between the direct-support organization organized under this  
97 section and another direct-support organization or other entity  
98 must be approved by the executive director of the department.

99 (7) ANNUAL BUDGETS AND REPORTS.—

100 (a) The fiscal year of the direct-support organization  
101 shall begin on July 1 of each year and end on June 30 of the  
102 following year.

103 (b) The direct-support organization shall submit to the  
104 department its federal Internal Revenue Service Application for  
105 Recognition of Exemption form (Form 1023) and its federal  
106 Internal Revenue Service Return of Organization Exempt from  
107 Income Tax form (Form 990).

108 (8) ANNUAL AUDIT.—The direct-support organization shall  
109 provide for an annual financial audit in accordance with s.  
110 215.981.

111 (9) CONFIDENTIALITY OF DONORS.—

112 (a) Any information identifying a donor or prospective  
113 donor to the direct-support organization who desires to remain  
114 anonymous is confidential and exempt from s. 119.07(1) and s.  
115 24(a), Art. I of the State Constitution.

116 (b) Portions of meetings of the direct-support organization  
117 during which the identity of a donor or prospective donor, whose  
118 identity is confidential and exempt pursuant to paragraph (a),

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119 is discussed are exempt from s. 286.011 and s. 24(b), Art. I of  
120 the State Constitution.

121 ~~(10) REPEAL. This section is repealed October 1, 2017,~~  
122 ~~unless reviewed and saved from repeal by the Legislature.~~

123 Section 2. This act shall take effect July 1, 2017.