

CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS
VETERANS SERVICES DIVISION
1227 O STREET
SACRAMENTO, CALIFORNIA 95814
Telephone: (916) 651-3068
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NOTICE OF PROPOSED RULEMAKING

TITLE 12. MILITARY AND VETERANS AFFAIRS

DIVISION 2. VETERANS BUILDINGS, MEMORIALS, AND CEMETERIES

CHAPTER 3. VETERANS' SERVICES

SUBCHAPTER 5. COUNTY SUBVENTION

SECTIONS 452 - 453

NATURE OF PROCEEDING

NOTICE IS HEREBY GIVEN that the California Department of Veterans Affairs (CalVet) proposes to adopt regulations described below after considering all comments, objections, and recommendations regarding the proposal.

PUBLIC HEARING

No public hearing is scheduled for this rule making. However, any interested person, or his or her duly authorized representative, may request a public hearing no later than 15 days prior to the close of the written comment period.

WRITTEN COMMENT PERIOD

NOTICE IS ALSO GIVEN that any interested person, or his or her duly authorized representative, may submit written comments relevant to the proposed regulatory action to:

California Department of Veterans Affairs
Veteran Services Division
Attention: Angela Yamamoto
1227 O Street, Room 105
Sacramento, CA 95814
Telephone: (916) 651-3068
Fax: (916) 503-8027
Email: angela.yamamoto@calvet.ca.gov

Comments must be received prior to 5:00 p.m. on December 28, 2015. CalVet will only consider comments received at CalVet offices by that time.

AUTHORITY AND REFERENCE

The authority of this regulation is found in Military and Veterans Code (M&VC) Section 700, The Statutes of 1990, Chapter 535, Section 2 and The Statutes of 1993, Chapter 138, Section 4. References: Sections 970, 972 and 972.1, M&VC.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Summary of Existing Laws and Regulations

Current laws and regulations govern the State General Funded Subvention Program requirements for County Veterans Service Offices (CVSO) to qualify for funding. Military and Veterans Code Sections 970-974.5 specify general overview of the county subvention program, basic requirements of each County, requirements by CalVet to report to the Legislature and State Agencies annually, and general distribution of funding. 12CCR Sections 450-455 govern more specific details of the county requirements and distribution of funding.

Summary of the Effect of the Proposed Regulations

The specific objective of this regulation is to remove language that is unnecessary, organizes like information in the same subsections, establishes basic requirements for CVSOs to receive state funding, and updates the subvention components based on the increased amount of funding CVSOs receive ongoing starting in fiscal year 2015-16.

Anticipated Benefits of the Proposed Regulations

These regulations will establish a baseline level of knowledge requirement for CVSOs and their staff filing claims for U.S. Department of Veterans Affairs benefits, which may improve services to Californians. These regulations will also establish policies to ensure CalVet maintains proper oversight for the state CVSO subvention program, thus increasing transparency of state policies in regards to the county subvention program. These regulations also requires CVSOs to report metrics regarding outreach activities to CalVet, which will also increase transparency of CVSO work and enable CalVet to meet statutory requirements to report the outreach activities of CVSOs in an annual report to the Legislature, Department of Finance, California Veterans Board, and Department of Health Care Services. (M&VC Section 974(c)).

Determination of Inconsistency/Incompatibility with Existing State Regulations

CalVet has determined that this proposed regulation is not inconsistent or incompatible with existing regulations. After conducting a review for any regulations that would relate or affect these regulations, CalVet has concluded that these regulations support and clarify all statutes in the M&VC Sections 970-974.5. These are the only regulations pertaining to the county subvention program.

Document Incorporation by Reference

The proposed regulations will require counties to report outreach metrics and adhere to all policies in the *California Department of Veterans Affairs Procedure Manual for Subvention and Medi-Cal Cost Avoidance* dated July 1, 2015, Edition 2.

DISCLOSURES REGARDING THE PROPOSED ACTION

Mandate on local agencies and school districts: These regulations will create a local mandate on counties. Counties will be required to ensure all CVSO directors (County Veterans Service Officers) as well as county veterans service representatives who file U. S. Department of Veterans Affairs claims are accredited by CalVet within 12 months of hire. This mandate requirement is reimbursable by the state in the way of funding provided through the county subvention program to mitigate the costs of travel to attend the accreditation training and exam.

Cost or Savings to any state agency: No additional cost or savings to state agencies; in the case that a county does not receive their full allocation of funding, CalVet redistributes the funding to the qualifying counties.

Cost to any local agency or school district which must be reimbursed in accordance with Government Code Sections 17500 through 17630: None. CalVet provides funding to assist with expenses incurred with attending the required training.

Other nondiscretionary cost or savings imposed on local agencies: None. CalVet provides funding to assist with expenses incurred with attending the required training.

Cost or savings in federal funding to the state: None.

Cost impacts on a representative private person or business: The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Effects on Housing Costs: None.

Significant, statewide adverse economic impact directly affecting business, including the ability of California business to compete with businesses in other states: None.

Results of the Economic Impact Analysis/Assessment

CalVet concluded that it is (1) unlikely that the proposal will eliminate jobs, (2) unlikely that the proposal will create new jobs (including state jobs as the current workload for CalVet staff is absorbed with existing resources), (3) unlikely that the proposal will create new businesses, and (4) unlikely that the proposal will eliminate existing businesses, and (5) unlikely that the proposal will affect the expansion of businesses currently doing business.

Anticipated Benefits of the Proposed Action: The proposed regulation will ensure CalVet is able to provide proper oversight and accountability for the state CVSO subvention program. The result of the regulations include improved knowledge base of claims representatives as well as transparency in the county subvention program. These improvements may improve the health and welfare of California's veterans and their families through higher quality claims and best use of state funding in support of CVSOs.

Small Business Determination: The proposed regulation will not affect small businesses because

it is only pertaining to counties.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code Section 11346.5, subdivision (a)(13), CalVet must determine that no reasonable alternative it considered or that has otherwise been identified and brought to the attention of the agency would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

CalVet invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations at the scheduled hearing or during the written comment period.

CONTACT PERSONS

Inquiries concerning the proposed administrative action and written comments may be directed to:

California Department of Veterans Affairs
Veteran Services Division
Attention: Angela Yamamoto
1227 O Street, Room 105
Sacramento, CA 95814
Telephone: (916) 651-3068
Fax: (916) 503-8027
Email: angela.yamamoto@calvet.ca.gov

The backup contact is Nancy Noriega, 1227 O Street, Room 105, Sacramento, CA 95814. Telephone (916) 503-8306. Inquiries may also be submitted e-mail to nancy.noriega@calvet.ca.gov.

AVAILABILITY OF STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS, AND RULEMAKING FILE

CalVet will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at its office at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the proposed text of the regulations, and the initial statement of reasons. Copies of the exact language (express terms) of the proposed regulations and of the initial statement of reasons, and all the information the information upon which the proposal is based, may be obtained upon request from the contact persons named above. These documents may also be viewed and downloaded from the CalVet website at www.calvet.ca.gov.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After holding the hearing and considering all timely and relevant comments received, CalVet may adopt the proposed regulations substantially as described in this notice. If CalVet makes modifications which are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days before CalVet adopts the regulations as revised. Please send requests for copies of any modified regulations to the attention of Angela Yamamoto at the address indicated above. CalVet will accept written comments on the modified regulations for 15 days after the date on which they are made available.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS

Upon its completion, copies of the Final Statement of Reasons may be obtained by contacting Angela Yamamoto at the above address.

AVAILABILITY OF DOCUMENTS ON THE INTERNET

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, the text of the regulations, and documents referred to in the regulations can be accessed through the CalVet website at: www.calvet.ca.gov.

***** END *****