

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Committee on Fiscal Policy

**BILL:** CS/SB 7076

**INTRODUCER:** Fiscal Policy Committee (Recommended by the Appropriations Subcommittee on General Government) and Military and Veterans Affairs, Space, and Domestic Security Committee

**SUBJECT:** Military and Veteran Support

**DATE:** April 21, 2015      **REVISED:** \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
	Ryon	Ryon		<b>MS SPB 7076 as introduced</b>
1.	Davis	DeLoach	AGG	<b>Recommended: Fav/CS</b>
2.	McKay	Hrdlicka	FP	<b>Fav/CS</b>

**Please see Section IX. for Additional Information:**  
 COMMITTEE SUBSTITUTE - Substantial Changes

**I. Summary:**

CS/SB 7076 makes various changes to current law related to military and veteran support. In part, the bill:

- Revises the term “activities” to include, for purposes of the Florida Defense Reinvestment Grant Program, economic development grants provided to businesses in defense-dependent communities;
- Amends Florida’s grant programs for defense-dependent communities to clarify that an existing 30 percent match requirement applies only to the Defense Reinvestment Grant Program;
- Requires the Florida Department of Veterans’ Affairs (FDVA) to include a section on agricultural farming opportunities for veterans in the Florida Veterans’ Benefits Guide (Benefits Guide), and to make the guide available to military installations in Florida;
- Modifies and expands a provision authorizing local governing bodies to assist honorably discharged veterans who have wartime service, to also include any veteran who has wartime service, any veteran who has an honorable discharge, and any veteran who has received a general discharge under honorable conditions;
- Revises the Department of Business and Professional Regulation’s (DBPR) general licensure fee waiver program to allow the waiver to apply to a veteran with a general discharge under honorable conditions; and

- Requires the Department of Highway Safety and Motor Vehicles (DHSMV) and Department of Military Affairs (DMA) to create a pilot program to provide on-site commercial driver license testing opportunities available to qualified members of the Florida National Guard.

The bill may have a minimal, indeterminate fiscal impact on state funds; however, most provisions reflect current practice, or existing state resources are sufficient (see Section V.).

## II. Present Situation:

### Defense Grant Programs

Section 288.980, F.S., establishes grant programs designed to aid defense-dependent communities throughout the state, administered by Enterprise Florida, Inc., (EFI) and the Department of Economic Opportunity (DEO). Among these programs are the Florida Defense Reinvestment Grant Program (DRG)<sup>1</sup> and the Defense Infrastructure Grant Program (DIG).<sup>2</sup>

The DRG program competitively funds projects proposed by defense-dependent communities to develop and implement strategies to help support the missions of a community's military installation, or diversify the defense-dependent community's economy. The DRG-funded activities can include studies, presentations, analyses, plans, marketing, modeling, and reasonable travel costs. For Fiscal Year 2014-2015, the Legislature provided an \$850,000 recurring appropriation from the State Economic Enhancement and Development Trust Fund to the DEO to fund the DRG program. Twelve DRG projects were approved for Fiscal Year 2014-2015, totaling \$850,000.

The DIG program competitively funds local infrastructure projects deemed to have a positive impact on the military value of installations within the state. Authorized DIG projects include, but are not limited to, those relating to encroachment, transportation and access, utilities, communications, housing, environment, and security. For Fiscal Year 2014-2015, the Legislature provided a \$1.6 million recurring appropriation from the State Economic Enhancement and Development Trust Fund to the DEO to fund the DIG program. Ten DIG projects were approved for Fiscal Year 2014-2015, totaling \$1.6 million.

The Legislature created the DIG program in 2004 in s. 288.980(4), F.S, with a provision that the now-defunct Office of Tourism, Trade, and Economic Development (OTTED) *could require* a match by the county or local community grant applicants.<sup>3</sup> However, s. 288.980(2)(c)2., F.S., provided in 2004 that OTTED *must require*, with one exception, that a grant applicant agree to match at least 30 percent of any grant awarded.<sup>4</sup> This apparent conflict between the required grant match and permissive grant match for DIG projects has therefore existed since 2004. According to EFI, in administering the two programs, the DEO and EFI require the 30 percent match for DRG projects only, and the 30 percent match requirement is appropriate for the DRG program, not the DIG program.

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<sup>1</sup> Section 288.980(4), F.S.

<sup>2</sup> Section 288.980(5), F.S.

<sup>3</sup> Chapter 2004-230, L.O.F.

<sup>4</sup> This 30 percent match requirement has remained in law since 2004, and is currently codified at s. 288.980(3)(c)2., F.S.

## Military Discharges

Florida law defines a “veteran” as a person who served in the active military, naval, or air service and who was discharged or released under honorable conditions only or who later received an upgraded discharge under honorable conditions, notwithstanding any action by the United States Department of Veterans Affairs (VA) on individuals discharged or released with other than honorable discharges. To receive benefits as a wartime veteran, a veteran must have served in a campaign or expedition for which a campaign badge has been authorized, or during specified periods of wartime service.<sup>5</sup>

Federal law defines a “veteran” as a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.”<sup>6</sup>

### *Types of Discharges*

There are five types of discharges issued by the military services:<sup>7,8</sup>

- *Honorable Discharge*: The servicemember met the conduct and performance standards of the military and is eligible for most veteran benefits including VA education benefits (*i.e.*, GI Bill), military health benefits, military retirement, and military travel benefits.
- *General Discharge under Honorable Conditions*: The servicemember’s service has been honest, faithful and satisfactory. However, this characterization of service is warranted when significant negative aspects of the member’s conduct or performance of duty outweigh positive aspects of the member’s military conduct or performance of duty outweigh positive aspects of the record. This discharge means a member is eligible for most veteran benefits but **not** for VA education benefits.
- *Other than Honorable Discharge*: This discharge is warranted when the reason for separation is based upon a pattern of behavior that constitutes a significant departure from the conduct expected of servicemembers. Examples include abuse of authority, serious misconduct that endangers other members of the military, and use of deliberate force to seriously hurt another person. Generally, a servicemember that has this discharge is ineligible for all VA benefits.
- *Bad Conduct Discharge*: A punitive discharge that is imposed by court-martial (criminal trial conducted by the military). A servicemember is not entitled to any VA benefits.
- *Dishonorable Discharge*: This discharge is provided when a serious crime has been committed such as desertion, rape, or murder. This discharge is only given if a servicemember is convicted at a general court-martial. The servicemember is not entitled to any VA benefits.

Generally, in order to receive federal VA benefits, the veteran’s character of discharge or service must be under other than dishonorable conditions (e.g., honorable and general discharge under honorable conditions). However, individuals receiving undesirable, bad conduct, and other types

<sup>5</sup> Section 1.01(14), F.S.

<sup>6</sup> 38 U.S.C. § 101(2); 38 C.F.R. § 3.1(d).

<sup>7</sup> Congressional Research Service, Who is a “Veteran”? - Basic Eligibility for Veterans’ Benefits, February 13, 2015, available at: <https://www.fas.org/sgp/crs/misc/R42324.pdf> (last visited on April 16, 2015).

<sup>8</sup> 32 C.F.R. Appendix A to Part 41, Part 2.

of dishonorable discharges may qualify for VA benefits depending on a determination made by the VA.<sup>9</sup>

A discharge characterized by the military as under honorable conditions is binding on the VA and allows for the VA to provide benefits if other eligibility requirements are met. If a discharge was not characterized as under honorable conditions, benefits are not payable unless the VA determines the discharge was “under conditions other than dishonorable.” Under federal law, certain situations resulting in a discharge under less than honorable conditions constitute a legal bar to the payment of benefits.<sup>10</sup>

A release or discharge for any of the following reasons constitutes a statutory bar to benefits, unless it is determined that the servicemember was insane at the time he or she committed the offense that resulted in the discharge:<sup>11</sup>

- Sentence of a general court-martial;
- Being a conscientious objector;
- Desertion;
- Resignation by an officer for the good of the service;
- Absence without official leave (AWOL) for a continuous period of 180 days or more, without compelling circumstances to warrant such prolonged unauthorized absence (as determined by the VA); or
- Requesting release from service as an alien during a period of hostilities.

### **Local Governing Bodies Authorized to Assist War Veterans**

Section 292.10, F.S., authorizes the governing body of every county and city in Florida to assist veterans of the U.S. Armed Forces in presenting claims for, and securing, the following benefits and privileges:

- Compensation;
- Hospitalization;
- Education;
- Loans;
- Career training; and
- Other state or federal benefits or privileges to which they may become entitled.

The law applies to honorably discharged veterans who have wartime service, and their dependents.

### **Florida Department of Business and Professional Regulation License Fee Waiver**

The DBPR is responsible for licensing and regulating various businesses and professionals in the state, including but not limited to, cosmetologists, veterinarians, real estate agents, and pari-

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<sup>9</sup> US Department of Veterans Affairs Veterans Benefits Administration, available at:

[http://www.benefits.va.gov/benefits/character\\_of\\_discharge.asp](http://www.benefits.va.gov/benefits/character_of_discharge.asp) (last visited on April 16, 2015).

<sup>10</sup> US Department of Veterans Affairs, Factsheet on Claims for Benefits Involving Other-Than-Honorable Discharges, available at: [http://www.benefits.va.gov/BENEFITS/docs/COD\\_Factsheet.pdf](http://www.benefits.va.gov/BENEFITS/docs/COD_Factsheet.pdf) (last visited April 16, 2015).

<sup>11</sup> 38 U.S.C. § 5303.

mutuel wagering facilities.<sup>12</sup> Section 455.213, F.S., provides the general provisions for issuance of professional licensure by the DBPR, and provides a waiver of the initial licensing fee, the initial application fee, and the initial unlicensed activity fee for honorably discharged veterans of the U.S. Armed Forces and their spouses within 60 months after the veteran is discharged.

### **Agricultural Careers for Veterans**

Periodically, Congress establishes agricultural and food policy in a multi-year, omnibus farm bill. The Federal Agricultural Act of 2014<sup>13</sup> (Farm Bill), provides opportunities for veterans to pursue agricultural farming jobs. Among other things, the Farm Bill creates a definition for “veteran farmer or rancher” to mean a farmer or rancher who has served in the Armed Forces and who has not operated a farm or ranch, or has operated a farm or ranch for not more than 10 years.<sup>14</sup> The veteran farmer or rancher classification allows veterans to receive additional assistance for agricultural programs, including the following:<sup>15</sup>

- *Conservation Reserve Program (CRP) Transition Incentive Program*: This program allows retiring farmers with land in the CRP to receive additional payments for leasing or selling the land to a beginning farmer or rancher, a socially disadvantaged farmer or rancher, or a veteran farmer or rancher. The purpose is to make land available to new farmers while ensuring that land coming out of the CRP is farmed or grazed in a sustainable manner.
- *Conservation Programming Preference for Veteran Farmers*: The United States Department of Agriculture (USDA) is required to set aside a portion of funding for the Environmental Quality Incentives Program (EQIP) and a portion of the acres available for the Conservation Stewardship Program (CSP) for beginning and socially disadvantaged farmers and ranchers. The amount is five percent for beginning farmers and ranchers and five percent for socially disadvantaged farmers and ranchers. Under the Farm Bill, a preference must be given to veteran farmers and ranchers that fall within one of the set-aside categories.
- *Value-Added Development Grants*: Under this program, private farmers may directly receive grants for their business to assist them in developing business plans and strategies to market value-added products. The USDA must also give a priority to veteran farmers and ranchers.
- *Beginning Farmer and Rancher Development Grants*: This program administers grants to organizations that provide training, education, outreach, and technical assistance to beginner farmers and ranchers. Under the Farm Bill, assistance for veteran farmers is a priority and 5 percent of funding is set aside for programs serving veterans.
- *Outreach and Assistance Program for Socially Disadvantaged Farmers and Ranchers*: This program allows the USDA to provide additional technical assistance to veterans focused on enabling farm ownership and operation as well as outreach to encourage participation in the USDA programs.

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<sup>12</sup> DBPR website, available at: <http://www.myfloridalicense.com/dbpr/index.html>.

<sup>13</sup> Pub. L. No. 113-79, H.R. 2642, 113th Cong.

<sup>14</sup> U.S. Department of Agriculture website on “Natural Resources Conservation Service,” available at: <http://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/farmbill/?cid=stelprdb1256753> (last visited April 16, 2015).

<sup>15</sup> Farmer Veteran Coalition, available at: <http://www.farmvetco.org/archives/2872> (last visited April 16, 2015).

## Commercial Drivers' Licenses

The Federal Motor Carrier Safety Administration (FMCSA), established within the U.S. Department of Transportation, is the federal agency responsible for establishing minimum federal standards that states must meet regarding the issuance of a commercial driver license (CDL). Administration of the actual CDL program and issuance of the license itself is the exclusive function of the states. To obtain a CDL in Florida, an applicant must pass certain knowledge, endorsement, and skills tests depending on the type of CDL sought.<sup>16</sup>

In 2011, the FMCSA formalized a provision that gives states the authority to substitute 2 years of commercial motor vehicle safe driving experience in the military for the skills test required upon application for a CDL.<sup>17</sup> In Florida, the CDL skills test waiver is available to military servicemembers (including National Guard members and reservists) and those who are within 90 days of separation from the military. To qualify for the military skills test waiver, the applicant must:<sup>18</sup>

- Pass all required written knowledge exams and endorsements required for the class of CDL sought;
- Certify that for at least 2 years immediately preceding the application, the applicant operated a motor vehicle representative of the class of CDL sought; and
- Present the Department of Highway Safety and Motor Vehicles (DHSMV) Certification for Waiver of Skill Test for Military Personnel form, filled out in its entirety, and signed by the applicant's commanding officer or designee.<sup>19</sup>

The skills test waiver process must be completed, and the CDL issued, within 120 days of separation from the military.<sup>20</sup>

### III. Effect of Proposed Changes:

**Section 1** amends s. 288.980, F.S., to remove the 30 percent match requirement for grants awarded under the Defense Infrastructure Grant Program. The bill clarifies that the 30 percent match requirement applies only to the Defense Reinvestment Grant Program.

The bill also revises the definition of the term "activities" for the purposes of the Florida Defense Reinvestment Grant Program, to include, but is not limited to, economic development grants provided to businesses in defense-related communities.

**Section 2** amends s. 292.10, F.S., to increase the number of veterans that local governments may assist. Currently, local governments may assist honorably discharged veterans who have wartime service. The bill will allow local governments to assist any veteran who:

- Has wartime service, regardless of discharge;

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<sup>16</sup> Section 322.12, F.S.

<sup>17</sup> Substitute for Driving Skills Tests for Drivers with Military CMV Experience, 49 CFR s. 383.77 (2011).

<sup>18</sup> Rule 15A-7.018, F.A.C., Military Qualifications for Waiver of Commercial Driver License Skills Test.

<sup>19</sup> DHSMV Certification for Waiver of Skill Test for Military Personnel form. Available at: <http://www.flhsmv.gov/html/HSMV71054.pdf>.

<sup>20</sup> Florida Department of Highway Safety and Motor Vehicles, Information for Military Drivers, available at: <http://www.flhsmv.gov/ddl/militarydrivers.html> (last visited on April 16, 2015).

- Has an honorable discharge; and
- Received a general discharge under honorable conditions.

**Section 3** amends s. 455.213, F.S., to expand the existing general licensing fee waiver DBPR provides to an honorably discharged veteran, to also apply to a veteran with a general discharge under honorable conditions.

**Section 4** requires the FDVA, through the direct-support organization established under s. 292.055, F.S., (The Florida Veterans Foundation), and in consultation with the Department of Agriculture and Consumer Services (DACCS), to include a section in the FDVA Benefits Guide<sup>21</sup> on agricultural farming opportunities in the state for veterans. The Benefits Guide must include information on federal, state, and local agricultural farming programs, incentives, assistance, and grants available to veterans.

Additionally, the FDVA must make the Benefits Guide available at all military installations in Florida, and provide a concise description of the Guide's agricultural farming section on the FDVA website, including a link to the new section.

**Section 5** requires the DHSMV and the DMA to create a pilot program by June 30, 2016, to make commercial driving license testing opportunities available to qualified members of the Florida National Guard. The testing must be held at a Florida National Guard Armory, an Armed Forces Reserve Center, or Camp Blanding Joint Training Center. The pilot program must be accomplished using existing funds appropriated to each department.

**Section 6** provides an effective date of July 1, 2015.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

#### **V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

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<sup>21</sup> The 2015 guide is available at: <http://floridavets.org/resources/va-benefits-guide/> (last visited April 16, 2015).

**B. Private Sector Impact:**

**Section 2:** A broader group of veterans and their families may be eligible for assistance provided by local governing bodies under the bill.

**Section 3:** Expanding eligibility for the DBPR general licensing fee waiver may encourage additional applicants to participate in the fee waiver program.

**Section 4:** Providing information on veteran-specific farming opportunities in the Benefits Guide may encourage veterans to seek career opportunities in the agricultural farming industry.

**Section 5:** A successful pilot program providing commercial driver license testing opportunities for members of the Florida National Guard may lead to recruiting and training of new commercial motor vehicle drivers.

**C. Government Sector Impact:**

**Section 1:** The expansion of the Florida Defense Reinvestment Grant Program includes economic development grants provided to businesses that are defense-dependent. While additional business projects may become eligible for grant funding, the program remains subject to an annual appropriation.

**Section 3:** In administering the licensure fee waiver program for honorably discharged veterans, DBPR's current practice allows veterans with a general discharge under honorable conditions to participate. However, the extent to which veterans with a discharge under this category have knowledge about DBPR's current practice is unknown. The bill codifies the DBPR's current practice<sup>22</sup> and, therefore, has no fiscal impact.

**Section 4:** The Benefits Guide is an annual publication printed by the Florida Veterans Foundation (Foundation), the FDVA's direct-support organization. The cost to print (approximately \$16,000) and distribute the Benefits Guide (currently 100,000 copies) is paid through donations collected by the Foundation.<sup>23</sup> The bill requires that the Benefits Guide contain information on agricultural farming opportunities for veterans. This information will be incorporated into the existing Benefits Guide; therefore there is no fiscal impact to state funds. However, the Benefits Guide has been published and distributed for the 2015 year, and the Foundation will incur an expense if it must print updated Benefits Guides that include the new section on agricultural farming opportunities for veterans.

The requirement for the FDVA to make the Benefits Guide available to all military installations in Florida can be accomplished via e-mail within existing resources.

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<sup>22</sup> Email from the DBPR to staff of the Senate General Government Appropriations Committee, received 4/9/15.

<sup>23</sup> Telephone conversation between staff of the Senate General Government Appropriations Committee and FDVA staff, April 9, 2015.



**Section 5:** The bill requires the DHSMV to partner with the DMA to jointly create a pilot program to provide on-site commercial driver license testing opportunities to Florida National Guard members. The pilot program may be incorporated into the DHSMV's existing Florida Licensing on Wheels (FLOW) program with minimal fiscal impact. The FLOW program provides a convenient method to renew a driver license, obtain a replacement driver license, change a name or address on a driver license, etc. The DHSMV has five FLOW mobiles that provide services from a large bus and six mini-FLOWS that can be set up at tables at smaller venues and indoor events.<sup>24</sup> The bill requires the DHSMV and the DMA to implement the pilot program within existing resources.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 288.980, 292.10, and 455.213

This bill creates two undesignated sections of Florida law.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Fiscal Policy on April 20, 2015:**

As recommended by the Appropriations Subcommittee on General Government, the committee substitute expands the scope of the Defense Reinvestment Grant Program to provide economic development grants to defense-related businesses.

- B. **Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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<sup>24</sup> DHSMV Florida Licensing on Wheels (FLOW) program. Available at: <http://www.flhsmv.gov/offices/FLOW.htm> (last visited April 16, 2015).