CHAPTER 2017-6

Senate Bill No. 7008

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

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

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

292.055 Direct-support organization.—

(1) SHORT TITLE; DIRECT-SUPPORT ORGANIZATION ESTAB-
LISHED.—This section may be cited as the “Sergeant First Class Paul R. Smith Memorial Act.” The Department of Veterans’ Affairs may establish a direct-support organization to provide assistance, funding, and support for the department in carrying out its mission. This section governs the creation, use, powers, and duties of the direct-support organization.

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

(a) “Department” means the Department of Veterans’ Affairs.

(b) “Direct-support organization” means an organization that is:

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

2. Organized and operated exclusively to obtain funds; request and receive grants, gifts, and bequests of moneys; acquire, receive, hold, invest, and administer in its own name securities, funds, or property; and make expenditures to or for the direct or indirect benefit of the department, the veterans of this state, and congressionally chartered veteran service organizations having subdivisions that are incorporated in this state.

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

(c) “Personal services” includes full-time or part-time personnel.

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

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

CODING: Words stricken are deletions; words underlined are additions.
(b) The term of office of the board members shall be 3 years, except that the terms of the initial appointees shall be for 1 year, 2 years, or 3 years in order to achieve staggered terms. A member may be reappointed when his or her term expires. The executive director of the department or his or her designee shall serve as an ex officio member of the board of directors.

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

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

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

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

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

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

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

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

(5) USE OF PROPERTY.—

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

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

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

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

(7) ANNUAL BUDGETS AND REPORTS.—

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

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

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

(9) CONFIDENTIALITY OF DONORS.—

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

(b) Portions of meetings of the direct-support organization during which the identity of a donor or prospective donor, whose identity is confidential and exempt pursuant to paragraph (a), is discussed are exempt from s. 286.011 and s. 24(b), Art. I of the State Constitution.

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

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

Approved by the Governor April 5, 2017.

Filed in Office Secretary of State April 5, 2017.

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