

**California VFW Legislative Report–8-1-2010**  
*William Manes, State Legislative/PAC Chairman*

Most of the Members of the State Legislature have been “out of town” on an unofficial summer recess since the first of July, except for the Leaders and Budget Conference Committee members. The Legislators plan to reconvene on Monday, August 2. The only Committees, other than Budget Committees, which are supposed to meet between that date and August 13 are the Appropriations Committees. Beginning August 16, until the 31st, there are not supposed to be any Committee meetings – only Floor votes on the bills waiting for final action. The Legislature plans to start the Final Recess for this year on August 31, but....

**State Budget Update.**

There has been negligible state budget activity during the month. The Budget Conference Committee last met on July 7. A “deficit clock” has been installed outside the Governor’s office which tracks the days without a state budget and calculates the \$52.3 million per day cost of inaction, according to the Governor. This is one way to look at the problem, another way to view the issue is that the dollar figure should reflect the fact that the longer it takes to get a state budget, the larger the solutions must be to close the deficit.

There are efforts still being made to gain legislative approval for the Governor’s Welcome Home Veterans program which was intended to provide some \$8.4 million in new spending for the County Veteran Service Offices and the Veteran Service Organizations. An additional message will be sent to those Districts which have members who are constituents of the legislators who are on the Budget Conference Committee for assistance in these efforts.

**Committee actions on pending bills.**

There are a couple of bills on veterans issues which have had significant actions during July:

AB 2143 Workforce development: Employment Development Department: veterans: report . (Danny Gilmore, Hanford)

As originally written, this bill would have created a new division in the Department of Veterans Affairs, for Veterans Services and Workforce Development, by transferring personnel from the Employment Development Department.

As amended, the bill would merely require a study concerning veterans employment programs which would show how EDD's veteran employment and job training programs are currently structured and which would make recommendations to improve service delivery efficiency and enhance program performance.

In a subsequent amendment, a requirement has been added for the Department of Veterans Affairs to consult with other state agencies and departments, including, but not limited to, the Employment Development Department, the Labor Workforce Development Agency, the Employment Training Panel, the California Workforce Investment Board, the State Department of Mental Health, the Department of General Services, the State Department of Alcohol and Drug Programs, and representatives of the University of California, the California State University, and the California Community Colleges, for the purpose of coordinating and administering veterans assistance programs in the state.

In an interesting situation resulting from the early date of the Summer Recess by the Legislature, this bill, after it was passed by the Assembly, failed to be referred to a policy committee in the Senate. There will probably be a “unanimous consent” agreement to suspend the Rules and let this bill go to a committee hearing in the next few days.

AB 2651 Veterans farm and home purchases (CAL-VET Program). (Stephen Knight, Lancaster)

This bill establishes a bond debt service payment method that will improve the ratings provided by the credit rating agencies for Veterans General Obligation Bonds which would save hundreds of millions of dollars in interest payments for California veterans that participate in the home loan program. This would provide a legal payment process that would allow the national rating agencies to rate the Veterans General Obligation Bonds at least as high as CalVet's revenue bonds. Currently, the States General Obligation Bond rating is Baa1 and the Veterans Revenue bonds are rated AA-.  
Passed by the Legislature and signed by the Governor.

SB 1382 Student financial aid: Cal Grant Program: methodology. (Senate Committee on Veterans Affairs: Jeff Denham, Merced, Chair; Lou Correa, Vice Chair, Santa Ana; Gil Cedillo, Los Angeles; Abel Maldonado, Santa Maria; Gloria Negrete McLeod, Chino; Patricia Wiggins, Santa Rosa; and Mark Wyland, Escondido.)

The bill makes some technical changes to the calculation of financial need for students receiving assistance under this program. As described by the authors, A recent change in Federal formula laws for computing the income of veteran students means the Federal Government no longer collects certain data. California's formula for Cal-Grant eligibility was based on this information previously collected by the Federal Government. This change would have caused California to incur an annual cost to collect its own data from every Cal-Grant applicant in the state. This bill changes the Cal-Grant formula to allow the money that would have been spent collecting data annually from all Cal-Grant applicants to instead be used to fund those low-income veterans who apply for the Cal-Grant.  
Passed by the Legislature and signed by the Governor.

Complete information on all state legislation involving veterans issues is available at the website:  
<http://www.califveterans.com>