

An act to amend Sections 1012, 1012.1, 1012.2, 1012.3, 1012.4, 1023, 1025, 1030.1, 1031, 1032, 1034, 1035, 1035.05, 1035.1, 1035.2, 1035.3, 1035.4, 1035.5, 1035.6, 1035.7, 1036, 1037, 1038, 1038.1, 1038.5, 1039.3, 1042, 1042.1, 1043, 1044, 1044.5, 1045, 1046, and 1050 of, to add Sections 79.3 and 79.4 to, to repeal Sections 1012.6, 1014, 1015, 1024, 1026, 1033.2, and 1051 of, and to repeal and add Sections 1010, 1011, and 1033.1 of, the Military and Veterans Code, relating to veterans.



THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 79.3 is added to the Military and Veterans Code, to read:

79.3. (a) Notwithstanding any other law, the department may adopt, amend, or repeal regulations concerning the administration and operation of the Veterans' Home of California. Except as otherwise provided, these regulations shall be adopted pursuant to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(b) The department may adopt, amend, and repeal emergency regulations concerning the administration and operation of the Veterans' Home of California in compliance with Section 11346.1 of the Government Code. However, if special circumstances, as defined in subdivision (c), are present, then those regulations shall not be subject to the requirements regarding findings of emergency in paragraph (2) of subdivision (b) of Section 11346.1 of the Government Code. The emergency regulations adopted pursuant to this subdivision shall remain in effect for one year, or until the effective date of regulations adopted pursuant to subdivision (a), whichever is earlier.

(c) Special circumstances shall be deemed to exist if the Secretary of Veterans Affairs states in writing to the Office of Administrative Law and the Department of Finance that the adoption, amendment, or repeal is necessary for one or more of the following reasons:

- (1) The possible loss or delay in the receipt of federal, state, or local funding.
- (2) The need to maintain licensing or certification by any state or federal agency for any Veterans' Home of California facility or program.



(3) The need to protect against a serious and immediate threat to the health or safety of residents or staff in one or more of the facilities of the Veterans' Home of California.

(4) The urgent need to comply immediately with recommendations of the Department of Finance or the California State Auditor.

SEC. 2. Section 79.4 is added to the Military and Veterans Code, to read:

79.4. (a) The department shall do all of the following concerning the operation and administration of the veterans' homes:

(1) Take the necessary steps to ensure that all medical or other facilities under its jurisdiction satisfy all applicable federal and state and local licensing, certification, and other approval requirements, including, but not limited to, the requirements of the United States Department of Veterans Affairs, the federal Centers for Medicare and Medicaid Services, the State Department of Public Health, the State Department of Social Services, and the California State Board of Pharmacy, including preparation of plans of correction as required.

(2) Develop and maintain clinical policies and procedures, including all of the following:

(A) Community standards for best clinical practices, including, but not limited to, practices recommended by the federal Centers for Disease Control and Prevention and the federal Centers for Medicare and Medicaid Services.

(B) The appropriate clinical standard of practice.



(C) Adopt fire and life safety policies and procedures consistent with the requirements of the State Fire Marshal and other applicable regulatory and licensing agencies.

(D) Adopt earthquake and environmental protection policies and procedures.

(b) The department may adopt regulations to implement this section. The adoption, amendment, or repeal of a regulation authorized by this section is hereby exempted from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

SEC. 3. Section 1010 of the Military and Veterans Code is repealed.

~~1010. As used in this chapter:~~

~~(a) "Home" means the Veterans' Home of California, Yountville, and the Veterans' Home of California, Barstow.~~

~~(b) "Administrator" means the Administrator of the Veterans' Home of California, Yountville, and the Administrator of each site of the southern California Veterans' Home, including, but not limited to, the Veterans' Home of California, Barstow.~~

~~(c) "Department" means the Department of Veterans Affairs.~~

~~(d) "Director" means the Director of Veterans Affairs.~~

~~(e) "Veteran" means a member of the home.~~

SEC. 4. Section 1010 is added to the Military and Veterans Code, to read:

1010. As used in this chapter:

(a) "Home" means any facility operated by the department for the provision of long-term care, assisted living, adult day health, independent living, or other health



care services to eligible veterans. The Veterans' Home of California system is comprised of the following subsidiary home locations:

- (1) The Veterans' Home of California, Yountville, in Napa County.
- (2) The Veterans' Home of California, Barstow, in San Bernardino County.
- (3) The Veterans' Home of California, Chula Vista, in San Diego County.
- (4) The Veterans' Home of California, West Los Angeles, in Los Angeles County.
- (5) The Veterans' Home of California, Lancaster, in Los Angeles County.
- (6) The Veterans' Home of California, Ventura, in Ventura County.
- (7) The Veterans' Home of California, Fresno, in Fresno County.
- (8) The Veterans' Home of California, Redding, in Shasta County.

(b) "Administrator" means the senior executive appointed to operate a home.

(c) "Department" means the Department of Veterans Affairs.

(d) "Member" means a veteran or nonveteran spouse or domestic partner who has been admitted to residency at a veterans' home.

(e) "Secretary" means the Secretary of Veterans Affairs.

(f) "Veteran" means a person who is eligible for benefits under this chapter.

SEC. 5. Section 1011 of the Military and Veterans Code is repealed.

~~1011. (a) There is in the department a Veterans' Home of California, Yountville, situated at Veterans' Home, Napa County.~~

~~(b) (1) The department may establish and construct a second home that shall be situated in the County of Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, or Ventura. The home may be located on one or more sites. The department shall operate the second home concurrently with the first home.~~



~~(2) The initial site is the Veterans' Home of California, Barstow, situated in Barstow, San Bernardino County. That site may provide skilled nursing care for up to 250 residents.~~

~~(3) When completed, the second site shall be the Veterans' Home of California, Chula Vista, situated in Chula Vista, San Diego County, pursuant to the recommendations made by the commission established pursuant to former Section 1011.5.~~

~~(4) When completed, the third site shall be the Veterans' Home of California, Lancaster, situated in Lancaster, Los Angeles County, pursuant to the recommendations made by the commission established pursuant to former Section 1011.5.~~

~~(5) When completed, the fourth site shall be the Veterans' Home of California, Ventura, situated in the community of Saticoy, Ventura County.~~

~~(6) There shall be an administrator for, and located at, each site of the southern California home.~~

~~(7) The department may complete any preapplication process necessary with the United States Department of Veterans Affairs for construction of the second home.~~

~~(c) The Legislature hereby finds and declares that the second home is a new state function. The department may perform any or all work in operating the second home by independent contractors, except the overall administration and management of the home. Any and all actions of the department taken before September 17, 1996, that are consistent with this subdivision are hereby ratified and confirmed, it having at all times been the intent of the Legislature that the department be so authorized.~~



~~(d) There shall be an administrator for each home or homesite, who shall be recommended by the Secretary of Veterans Affairs and appointed by the Governor, and shall be located at that home or homesite. The salary for each administrator shall be subject to the approval of the Department of Human Resources.~~

SEC. 6. Section 1011 is added to the Military and Veterans Code, to read:

1011. (a) There is in the department a Veterans' Home of California system, as defined in subdivision (a) of Section 1010.

(b) There shall be an administrator for each home or homesite in that system, who shall be recommended by the Secretary of Veterans Affairs and appointed by the Governor, and shall be located at that home or homesite. The salary for each administrator shall be subject to the approval of the Department of Human Resources.

SEC. 7. Section 1012 of the Military and Veterans Code is amended to read:

1012. (a) Except as provided in Section 1012.4, ~~the home is~~ veterans' homes are for aged and or disabled persons who served in the Armed Forces of the United States of America who were discharged or released from active duty under ~~honorable conditions from service, conditions other than dishonorable,~~ who are eligible for health care benefits, hospitalization or domiciliary care in a veterans' facility in accordance with the rules and regulations of the United States Department of Veterans Affairs, and who are bona fide residents of this state at the time of application; and for the spouses or domestic partners of these persons if all of the following conditions, as are applicable, are satisfied:

(1) Space is available.



(2) Joint residency will be in the best interests of the home member, as determined by the administrator.

(3) The spouse or domestic partner is a bona fide resident of this state at the time of application for admission to the home and either is married to, and has resided with, the ~~home member~~ veteran applicant for at least one year, or is the widow or widower of a recipient of the Medal of Honor or a former prisoner of war (POW).

(4) The home member and spouse or domestic partner agree to pay the fees and charges for joint residency, or for a widow or widower, for the residency, that the administrator department may establish.

(b) (1) Veterans who qualify for benefits under this chapter due to service during a time of war shall be given priority over veterans who qualify due to service during a time of peace.

(2) Veterans who qualify for benefits under this chapter who are recipients of the Medal of Honor or who were prisoners of war (POWs) shall be given priority over all other qualified veterans, regardless of the level of care required.

(3) Veterans who qualify for benefits under this chapter who have been rated by the United States Department of Veterans Affairs as being 70 percent or greater service-connected disabled may be given priority over other veterans.

(4) The secretary may establish needs-based criteria for admission to the homes, and any veteran meeting those criteria may be given priority over veterans who do not qualify for prioritization under paragraph (2) or (3) and can afford to provide for their own care elsewhere.



(5) Paragraphs (3) and (4) shall not apply to veterans who, as of January 1, 2018, are on a waitlist awaiting admission to a veterans' home.

(c) ~~A resident spouse~~ A member spouse or domestic partner may continue residence after the veteran's ~~death~~ death so long as they continue to pay all applicable fees.

(d) The property of the home shall be used for this purpose.

SEC. 8. Section 1012.1 of the Military and Veterans Code is amended to read:

1012.1. (a) Prior to the admission of a ~~veteran~~ veteran, spouse, or domestic partner as a member of ~~the~~ a home, and at any time during which a ~~veteran~~ veteran, spouse, or domestic partner is a member of ~~the~~ a home, the department may investigate the ~~veterans'~~ an applicant's or member's financial status ~~to insure~~ or personal background to determine the applicant's or member's income, assets, and suitability for residence at a home to ensure that the veteran is unable to pay for necessary hospital or domiciliary care outside of the home. The department may contract with any other ~~state~~ state, federal, or private agency to conduct ~~such an~~ the investigation in its behalf.

(b) Providing false financial and other information by an applicant or member or nonpayment of fees may be grounds for financial penalties or denial of admission to, or discharge from, a home.

SEC. 9. Section 1012.2 of the Military and Veterans Code is amended to read:

1012.2. (a) (1) Notwithstanding any other law, any member of the home who is receiving an aid and attendance allowance from the United States Department of Veterans Affairs ~~and who has no dependent spouse, child, grandchild, father, or mother~~



for his or her own care shall pay to the home an amount equal to that allowance in all levels of care excluding domiciliary.

(2) Paragraph (1) shall not apply to a member of ~~the~~ a home who is in intermediate care or skilled nursing care and has a disability that has been rated by the United States Department of Veterans Affairs as being 70 percent or more service-connected, as determined under Part 4 of Title 38 of the Code of Federal Regulations.

(b) One hundred percent of the moneys received by ~~the~~ a home under this section shall be placed to the credit of the home and shall augment the current appropriation for the support of the home.

SEC. 10. Section 1012.3 of the Military and Veterans Code is amended to read:

1012.3. (a) Members of ~~the~~ a home, including members who are nonveteran ~~spouses, spouses or domestic partners,~~ shall pay fees ~~and charges~~ as determined by the ~~department,~~ department to cover room and board and other expenses defined in regulations, except that the total of the individual member's fees ~~and charges~~ for any fiscal year shall not be greater than as set forth in the following schedule:

(1) Forty-seven and one-half percent of the member's annual income for domiciliary care.

(2) Fifty-five percent of the member's annual income for residential care for the elderly or assisted living.

(3) Sixty-five percent of the member's annual income for intermediate care.

(4) Seventy percent of the member's annual income for skilled nursing care.



(b) Subdivision (a) shall not apply to a member of ~~the~~ a home who is in intermediate care or skilled nursing care and has a disability that has been rated by the United States Department of Veterans Affairs as being 70 percent or more service-connected, as determined under Part 4 of Title 38 of the Code of Federal Regulations and whose related payments made under Section 51.41 of Title 38 of the Code of Federal Regulations are considered by the United States Department of Veterans Affairs as payment in full for the member's care.

(c) Subdivision (a) shall not apply to penalties for late fee payment.

(d) Failure to pay the required fees may be cause for the administrator to refer the member to collections or dismiss the member from the home.

SEC. 11. Section 1012.4 of the Military and Veterans Code is amended to read:

1012.4. Notwithstanding Section 1012, the department may arrange by contract or any other form of agreement with the United States Department of Veterans Affairs to do ~~both~~ all of the following:

(a) Authorize veterans, collateral dependents, and other beneficiaries authorized by the United States Department of Veterans Affairs, who are not ~~residents of the~~ members of a Veterans' Home of California, Yountville, to receive outpatient medical services at that home.

(b) Establish rates for reimbursement from the federal government to the State of California for outpatient services rendered by ~~the~~ a Veterans' Home of ~~California,~~ Yountville California to veterans who are authorized under subdivision (a).

(c) Establish and charge fees for outpatient services rendered by a Veterans' Home of California.



(e)

~~(d) The outpatient services and reimbursement procedures authorized under subdivisions (a) and (b) (a), (b), and (c) may be established for the veterans' home located in Barstow, California, and any veterans' home constructed within the state on or after January 1, 2000. any veterans' home established by the department.~~

SEC. 12. Section 1012.6 of the Military and Veterans Code is repealed.

~~1012.6. The department may accept and process applications from veterans who are seeking residency at a home, beginning on the start date of construction of that particular home.~~

SEC. 13. Section 1014 of the Military and Veterans Code is repealed.

~~1014. The home shall be under the management and control of the department and subject to the policies adopted by the California Veterans Board.~~

SEC. 14. Section 1015 of the Military and Veterans Code is repealed.

~~1015. (a) It is the intent of the Legislature that installation of air-conditioning at the hospital and related buildings of the home be given high priority whenever any new construction or reconstruction is done, and that this construction or reconstruction be accelerated so as to accomplish the purposes of this section. The department shall, in this connection, consider whether construction of a new hospital facility at the home may be more cost-effective than renovation of the existing facility. The Master Plan for the Veterans' Home of California construction schedule shall be revised to reflect this acceleration. The department shall submit the revised schedule to the Legislature on or before November 1, 1984. For each additional year of the master plan following the 1984-85 fiscal year, the Governor's Budget shall include an appropriation in an~~



~~amount necessary to complete all projects relating to the installation of air-conditioning as shown in the revised schedule.~~

~~(b) The sum of ninety-one thousand dollars (\$91,000) is hereby appropriated from the Special Account for Capital Outlay in the General Fund to the Department of Veterans Affairs for expenditure during the 1984-85 fiscal year for the purposes of subdivision (a) in accordance with the following schedule:~~

Renovate hospital support services (preliminary plans).....	16,000
Hospital wards 1, 2, 3A (SNF) (preliminary plans).....	45,000
Section B (ICF) (preliminary plans).....	30,000

~~(c) Notwithstanding any other provision of law, the department, through the Office of the State Architect, may prepare and advertise bids for any master plan project in advance of funds being appropriated by the Legislature, but shall not award any contract for construction of the project until construction funds are available and appropriated therefor.~~

~~(d) No contract for construction of any project related to the master plan shall be entered into prior to the department's obtaining a written commitment from the federal government to fund either 65 percent of the project cost, as approved by the federal government, or the maximum amount available to the state.~~

SEC. 15. Section 1023 of the Military and Veterans Code is amended to read:

1023. (a) The department may sue and be sued in any of the courts of this state. All property held by the department for ~~the~~ a home shall be held in trust for the state and for the use and benefit of the home. The ~~administrator~~ department shall manage



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~~the home and administer its~~ homes and administer their affairs, and, subject to the direction of the ~~director,~~ secretary, adopt rules and regulations for the government of the ~~home~~ homes in conformity, as nearly as possible, to the rules and regulations of the United States Department of Veterans Affairs for their facilities.

(b) The Director of General Services may lease or let any real property held by the department for ~~the~~ a home, and not needed for any direct or immediate purpose of the home, to any entity or person upon terms and conditions determined to be in the best interests of the home. In any leasing or letting, primary consideration shall be given to the use of real property for agricultural purposes, and except as provided in Section 1048, all moneys received in connection therewith shall be deposited in the General Fund to the credit of, and shall augment the current appropriation for the support of, the home.

SEC. 16. Section 1024 of the Military and Veterans Code is repealed.

~~1024. The department may conduct such investigation as may be required to determine the total value of the property and assets of any veteran applying for admission to the home, and may contract with any other state agency to conduct such an investigation in its behalf.~~

SEC. 17. Section 1025 of the Military and Veterans Code is amended to read:

1025. The home shall be open at any time to the inspection of the Secretary of the United States Department of Veterans Affairs or his or her authorized representative.

SEC. 18. Section 1026 of the Military and Veterans Code is repealed.



~~1026. The records, reports, and accounts kept by the home shall conform, as nearly as possible, to the requirements of the United States Department of Veterans Affairs.~~

SEC. 19. Section 1030.1 of the Military and Veterans Code is amended to read:

1030.1. The department may enter into contracts with the United States or any agency thereof, any governmental agency, any person, or any corporation for the performance of services or manufacture of articles by disabled members of the ~~home.~~ homes. The proceeds of ~~any such contract,~~ a contract described in this section, less the actual operating expenses, shall be paid to the individual disabled veterans who perform the services or labor.

SEC. 20. Section 1031 of the Military and Veterans Code is amended to read:

1031. All moneys received by the ~~State~~ state from the United States for the use of ~~the~~ a home shall be placed to the credit of and shall augment the current appropriation for the support of the home.

SEC. 21. Section 1032 of the Military and Veterans Code is amended to read:

1032. The department shall fix a schedule of wages for ~~veterans~~ members who are employed at ~~the~~ a home, subject to the approval of the Director of Finance.

SEC. 22. Section 1033.1 of the Military and Veterans Code is repealed.

~~1033.1. The department shall pay the premiums in behalf of veterans which are required to provide coverage for such veterans under the medical assistance provisions contained in an act of Congress entitled "Social Security Amendments of 1965" (Pub. L. 89-97), from funds appropriated for the support of the home.~~

SEC. 23. Section 1033.1 is added to the Military and Veterans Code, to read:



1033.1. (a) The department may pay the premiums on behalf of its members who are required to participate in eligible coverage, including medical assistance provisions contained in Title XVIII and Title XIX of the federal Social Security Act, from funds appropriated for the support of a home.

(b) The department may pay for copayments and deductibles for members receiving care under the limitations of the veterans' home medical program and under the direction of the veterans' home physician. Medical expenditures in excess of the premiums, copayments, and deductibles are the responsibility of the member.

(c) When entering a home and while residing in a home, a member is required to obtain and maintain basic medical insurance policies that are in accordance with all applicable state and federal laws and regulations.

SEC. 24. Section 1033.2 of the Military and Veterans Code is repealed.

~~1033.2. If the total amount collected for reimbursements for Medi-Cal and Medicare services provided in any fiscal year by a veterans' home exceeds the budgeted reimbursements for that home, the additional funds collected shall be used to repay any unpaid General Fund loans provided to the veterans' home in prior fiscal years for the operation of that home.~~

SEC. 25. Section 1034 of the Military and Veterans Code is amended to read:

1034. Except money received from this ~~State~~ state for disbursement, all moneys received by ~~the a~~ home, or by ~~any an~~ officer of ~~the a~~ home, including pension and other moneys belonging to ~~veterans~~ members and other trust moneys, shall be immediately paid to the ~~executive officer~~ administrator of the home. On or before the tenth day of each month the ~~executive officer of the~~ administrator of each home shall forward to



the State Treasurer all moneys in his or her possession, except pension and other moneys belonging to ~~veterans, members,~~ trust moneys, ~~the post funds, donations made to each home,~~ and the emergency fund, hereinafter mentioned, together with a statement of the sources from which the ~~same~~ moneys have been received. The moneys shall be deposited by the State Treasurer to the credit of the General ~~Fund of the State;~~ Fund; provided, however, that abatements of support expenditures shall be credited to the support appropriation current at the time of collection.

SEC. 26. Section 1035 of the Military and Veterans Code is amended to read:

1035. (a) (1) All moneys and other personal property of any ~~veteran member~~ held by ~~the~~ a home, or by its authority, or left by the ~~veteran member~~ upon the premises of ~~the~~ a home, shall, upon the death of the ~~veteran, member,~~ be held by the home in trust to be paid or delivered by the home upon proof determined to be proper to the administrator, directly and without probate, to the heirs of the ~~veteran, member,~~ except that the administrator may disburse funds of any deceased ~~veteran member~~ for payment of funeral expenses or any obligation owed to ~~the~~ any home, including the cost of any care rendered by ~~the~~ a home in excess of the fees paid by the ~~veteran member~~ to the home. Any funds of the deceased ~~veteran member~~ representing the cost of care rendered by ~~the~~ a home in excess of the fees paid by the ~~veteran member~~ to the home shall be paid to the Morale, Welfare, and Recreation Fund.

(2) This subdivision applies only to ~~veterans~~ veterans, spouses, and domestic partners becoming members of ~~the~~ a home on or after January 1, 1984.

(b) (1) All moneys and other personal property of any ~~veteran member~~ held by ~~the~~ a home, or by its authority, or left by the ~~veteran member~~ upon the premises of ~~the~~



a home, shall, upon the death of the ~~veteran, member~~, be held by the home in trust to be paid or delivered by the home upon proof determined to be proper to the administrator, directly and without probate, to the spouse, domestic partner, children, grandchildren, or father or mother of the ~~veteran, member~~, except that the administrator may disburse funds of any deceased ~~veteran member~~ for payment of funeral expenses or any obligation owed to ~~the~~ any home.

(2) This subdivision applies only to ~~veterans~~ veterans, spouses, and domestic partners who have become members of ~~the~~ a home prior to January 1, 1984.

SEC. 27. Section 1035.05 of the Military and Veterans Code is amended to read:

1035.05. (a) (1) All moneys and other personal property of any ~~veteran member~~ other than that described in Section 1035 shall, upon the death of the ~~veteran, member~~, first be paid to the administrator for payment of funeral expenses or any obligation owed to ~~the~~ any home remaining unpaid after the disbursement required by Section 1035 is completed; and second, in the absence of an heir or heirs or a will, pass and descend to and become the property of the ~~home state~~ for credit to the Morale, Welfare, and Recreation Fund. If the total value of that property in the state over and above any amounts due the veteran for services in the Armed Forces of the United States or from any other employment does not exceed ~~three thousand dollars (\$3,000)~~, fifteen thousand dollars (\$15,000), the home may, without procuring letters of administration, collect any money due the decedent, receive the property of the decedent, and have any evidences of interest, indebtedness, or right transferred to it upon furnishing the person, representative, corporation, official, or body owning the money, having custody of the



property, or acting as registrar or transfer agent of the evidence of that interest, indebtedness, or right, with an affidavit showing the right of the home to receive the money or property or to have the evidences transferred. The receipt of the home shall constitute sufficient acquittance for any payment of money or delivery of property made pursuant to this section and shall fully discharge that person, representative, corporation, officer, or body from any further liability with reference thereto, without the necessity of inquiring into the truth of any of the facts stated in the affidavit. However, that payment or transfer does not preclude administration when necessary to enforce payment of the decedent's debts, and the administrator may, upon proof determined to be sufficient, pay the debts directly and without administration.

(2) This subdivision applies only to ~~veterans~~ veterans, spouses, and domestic partners becoming members of ~~the~~ a home on or after January 1, 1984.

(b) (1) All moneys and other personal property of any ~~veteran~~ member other than that described in Section 1035 shall, upon the death of the ~~veteran, member,~~ in the absence of a spouse, domestic partner, children, grandchildren, or father or mother, pass and descend to and become the property of the ~~home~~ state for credit to the Morale, Welfare, and Recreation Fund. If the total value of that property in the State of California over and above any amounts due the veteran for services in the Armed Forces of the United States or from any other employment does not exceed ~~three thousand dollars (\$3,000),~~ fifteen thousand dollars (\$15,000), the home may, without procuring letters of administration or awaiting probate of any will, collect any money due the decedent, receive the property of the decedent and have any evidences of interest, indebtedness, or right transferred to it upon furnishing the person, representative, corporation, official,



or body owning the money, having custody of that property, or acting as registrar or transfer agent of the evidence of that interest, indebtedness, or right, with an affidavit showing the right of the home to receive that money or property or to have those evidences transferred. The receipt of the home shall constitute sufficient acquittance for any payment of money or delivery of property made pursuant to this section and shall fully discharge the person, representative, corporation, officer, or body from any further liability with reference thereto, without the necessity of inquiring into the truth of any of the facts stated in the affidavit. However, the payment or transfer does not preclude administration when necessary to enforce payment of the decedent's debts, and the administrator may, upon proof determined to be sufficient, pay those debts directly and without administration.

(2) This subdivision shall apply only to ~~veterans~~ veterans, spouses, and domestic partners who have become members of ~~the~~ a home prior to January 1, 1984.

(c) For the purpose of application to this section of the provisions of the Probate Code governing distribution of property, the home shall be deemed to be a beneficiary of the decedent.

SEC. 28. Section 1035.1 of the Military and Veterans Code is amended to read:

1035.1. ~~(a) Any~~

(a) (1) A will executed by a ~~veteran~~ member who was a member of ~~the~~ a home at the time of death, whether executed prior or subsequent to January 1, 1984, which purports to leave any part of the ~~veteran's~~ member's estate to ~~any~~ an officer or employee of ~~the~~ a home, unless that officer or employee would be eligible to take by intestate succession under the probate laws of this state, is void as to that provision.



(2) This subdivision shall apply only to ~~veterans~~ veterans, spouses, and domestic partners becoming members of ~~the~~ a home on or after January 1, 1984.

~~(b) Any~~

(b) (1) A will heretofore or hereafter executed by a ~~veteran, member,~~ whether executed before or after admission to ~~the~~ a home, shall not be valid as to any provision therein contained which purports to dispose, either directly or indirectly, of moneys or personal property to other than the spouse, domestic partner, children, grandchildren, or father or mother of the ~~veteran, member.~~ This section does not apply to any ~~veteran~~ veteran, spouse, or domestic partner who is not a member of ~~the~~ a home at the time of death.

(2) This subdivision shall apply only to ~~veterans~~ veterans, spouses, or domestic partners who became members of ~~the~~ a home prior to January 1, 1984.

SEC. 29. Section 1035.2 of the Military and Veterans Code is amended to read:

1035.2. Any personal property held by ~~the~~ a home pursuant to Section 1035 ~~which~~ that the administrator determines to be of no substantial monetary value may be immediately delivered to any heir, devisee, or legatee under a will of the deceased ~~veteran, member,~~ or to any other interested person who makes application therefor, or if unclaimed within one year, may be destroyed or used, as the administrator directs, for the benefit of the home or its members.

SEC. 30. Section 1035.3 of the Military and Veterans Code is amended to read:

1035.3. (a) (1) If no will or heir is discovered within two years after the death of the ~~veteran, member,~~ any moneys not exceeding ~~three thousand dollars (\$3,000)~~ fifteen thousand dollars (\$15,000) held by ~~the~~ a home pursuant to Section 1035 and



not paid or otherwise delivered to the heir or heirs or pursuant to the will of the deceased ~~veteran, member~~, or otherwise disbursed by the administrator pursuant to Section 1035, shall be paid to the Morale, Welfare, and Recreation Fund.

(2) If no will or heir is discovered within five years after the death of the ~~veteran, member~~, any moneys exceeding ~~three thousand dollars (\$3,000)~~ fifteen thousand dollars (\$15,000) held by ~~the~~ a home pursuant to Section 1035 and not paid or otherwise delivered to the heir or heirs or pursuant to the will of the deceased ~~veteran, member~~, or otherwise disbursed by the administrator pursuant to Section 1035, shall be paid to the Morale, Welfare, and Recreation Fund.

(3) This subdivision applies only to ~~veterans~~ veterans, spouses, and domestic partners becoming members of ~~the~~ a home on or after January 1, 1984.

(b) (1) If no spouse, domestic partner, child, grandchild, or father or mother is discovered within two years after the death of the ~~veteran, member~~, any moneys not exceeding ~~three thousand dollars (\$3,000)~~ fifteen thousand dollars (\$15,000) held by ~~the~~ a home pursuant to Section 1035 and not paid or otherwise delivered to the spouse, domestic partner, children, grandchildren, or father or mother, or otherwise disbursed by the administrator pursuant to Section 1035, shall be paid to the Morale, Welfare, and Recreation Fund.

(2) If no spouse, domestic partner, child, grandchild, or father or mother is discovered within five years after the death of the ~~veteran, member~~, any moneys exceeding ~~three thousand dollars (\$3,000)~~ fifteen thousand dollars (\$15,000) held by ~~the~~ a home pursuant to Section 1035 and not paid or otherwise delivered to the spouse, domestic partner, children, grandchildren, or father or mother, or otherwise disbursed



by the administrator pursuant to Section 1035, shall be paid to the Morale, Welfare, and Recreation Fund.

(3) This subdivision applies only to ~~veterans~~ veterans, spouses, and domestic partners who have become members of ~~the~~ a home prior to January 1, 1984.

SEC. 31. Section 1035.4 of the Military and Veterans Code is amended to read:

1035.4. (a) All personal property held or received by ~~the~~ a home pursuant to Section 1035, other than moneys or property described in Section 1035.2, which is unclaimed by, or not otherwise delivered to, the heir or heirs or pursuant to the will of a deceased ~~veteran member~~ member within one year after death, may be sold by the administrator by public auction or private sale. The sale shall take place at a public place in the home, and notice of the sale shall be posted in that place at least 10 days previous to the date of the sale. The proceeds of the sale shall be credited to the Morale, Welfare, and Recreation Fund.

This subdivision applies only to ~~veterans~~ veterans, spouses, and domestic partners becoming members of ~~the~~ a home on or after January 1, 1984.

(b) All personal property held or received by ~~the~~ a home pursuant to Section 1035, other than moneys or property described in Section 1035.2, which is unclaimed by, or not otherwise delivered to, the spouse, domestic partner, children, grandchildren, or father or mother of a deceased ~~veteran member~~ member within one year after death, may be sold by the administrator by public auction or private sale. The sale shall take place at a public place in the home, and notice of the sale shall be posted in that place at least 10 days previous to the date of the sale. The proceeds of the sale shall be credited to the Morale, Welfare, and Recreation Fund.



This subdivision applies only to ~~veterans~~ veterans, spouses, and domestic partners who have become members of ~~the~~ a home prior to January 1, 1984.

SEC. 32. Section 1035.5 of the Military and Veterans Code is amended to read:

1035.5. (a) The administrator shall provide to the heirs or devisees of every deceased ~~veteran~~ member who became a member of ~~the~~ a home on or after January 1, 1984, a statement or accounting of all charges made against the ~~veteran's~~ member's money or personal property under Sections 1035 to 1035.4, inclusive.

(b) Every veteran applying for membership in ~~the~~ a home on or after January 1, 1984, shall be furnished a written explanation of the limitations and restrictions on the right to dispose of money and personal property contained in Sections 1035 to 1035.4, inclusive.

SEC. 33. Section 1035.6 of the Military and Veterans Code is amended to read:

1035.6. (a) The administrator shall provide each member of ~~the~~ a home with a quarterly statement or accounting of all charges for the costs of care rendered to the member in excess of the member fee, as defined in subdivision (b). The quarterly statement or accounting of charges shall include, in plain, straightforward language, avoiding technical terms as much as possible and using a coherent and easily readable style, all of the following:

(1) A statement that the charges for the excess costs of care are provided to the member for informational purposes only.

(2) A statement that, if the ~~veteran~~ member is a resident of ~~the~~ a home at the time of death, the home may use his or her money or personal property that is in possession of the home or outside the home for payment of unreimbursed costs of care.



(3) A statement that advises the member to seek counsel from a legal expert to protect his or her assets.

(b) "Costs of care in excess of the member fee" means all costs that are not covered by the member contribution fee, including, but not limited to, the unreimbursed costs of medical or dental services rendered to the member, either by ~~the~~ a home or under contract with ~~the~~ a home. The Department of Veterans Affairs shall promulgate regulations specifying the costs that are in excess of the member contribution fee and constitute the unreimbursed costs of care.

(c) The quarterly statement or accounting described in subdivision (a) and any notice relating to quarterly statements posted in ~~any veterans'~~ a home shall be in 14-point font or larger.

SEC. 34. Section 1035.7 of the Military and Veterans Code is amended to read:

1035.7. (a) Upon admission to a ~~California veterans'~~ home, the administrator of each home shall provide written notice to the ~~veteran~~ member informing him or her of costs of care that may be incurred in excess of the member contribution fee. The notification shall:

(1) Include an explanation of circumstances under which the member may incur costs that are in excess of the contribution fee.

(2) Specifically indicate that these excess costs of care are costs in addition to, or above and beyond, the member contribution fee.

(3) Provide examples of "excess costs of care that are frequently incurred by ~~veterans.~~" members."



(4) Inform the member that he or she will receive a quarterly accounting statement of the total excess costs of care, but that the statement is provided for informational purposes only.

(5) Inform the ~~veteran~~ member that, if he or she is a resident of ~~the~~ a home at the time of death, the home may disburse his or her moneys or personal property for payment of unreimbursed excess costs of care.

(6) Include a statement advising the member to seek counsel from a legal expert to protect his or her assets.

(7) Include the terms and conditions upon which the member fees and costs can be changed.

(b) The notification shall require the signature of ~~the veteran~~ member that acknowledges that he or she has read and understands the notification.

(c) The notification shall be written in plain, straightforward language, avoiding technical terms as much as possible, and using a coherent and easily readable style.

(d) A copy of the notification, containing all the information specified in subdivision (a) and titled in large font "NOTICE TO RESIDENTS," shall be conspicuously posted in each ~~veterans~~² home by the administrator of the ~~veterans~~² home.

SEC. 35. Section 1036 of the Military and Veterans Code is amended to read:

1036. ~~The veterans~~ The members may voluntarily deposit money with ~~the~~ a home, which the home shall receive and keep without charge as a trust fund.

SEC. 36. Section 1037 of the Military and Veterans Code is amended to read:



1037. The money belonging to a ~~veteran~~ member and voluntarily deposited with ~~the a~~ a home may be withdrawn, in whole or in part, at the will of the ~~veteran~~ member.

SEC. 37. Section 1038 of the Military and Veterans Code is amended to read:

1038. All money deposited with ~~the a~~ a home for a ~~veteran~~ member shall be paid to him or her on demand, upon his or her discharge or voluntary departure from the home. If the money is not so demanded at the time of his or her discharge or departure or within a period of two years thereafter, if the amount does not exceed ~~three thousand dollars (\$3,000)~~, five thousand dollars (\$5,000) or within a period of five years thereafter, if the amount exceeds ~~three thousand dollars (\$3,000)~~ five thousand dollars (\$5,000) either by the ~~veteran~~, member, or, in the event of the ~~veteran's~~ member's death after his or her discharge or departure, by the ~~veteran's~~ member's heirs, devisees, legatees, or qualified executor or administrator of his or her estate, the money shall be paid to the Morale, Welfare, and Recreation Fund.

SEC. 38. Section 1038.1 of the Military and Veterans Code is amended to read:

1038.1. All personal property other than money left at ~~the a~~ a home by a ~~veteran~~ member at the time of his or her discharge or voluntary departure therefrom, unclaimed within a period of ~~one year therefrom~~, year, either by ~~such veteran~~ the member or, in the event of his or her decease after his or her discharge or departure, by his or her heirs, devisees, legatees, or qualified executor or administrator of his or her estate, shall be sold in the manner described in Section 1035.4 and the proceeds paid to the ~~post fund~~, Morale, Welfare, and Recreation Fund.

SEC. 39. Section 1038.5 of the Military and Veterans Code is amended to read:



1038.5. Any money deposited with ~~the~~ a home by a ~~veteran member~~ shall be credited with interest ~~at no more than the State Monetary Investment Fund rate, less 0.75 percent,~~ in compliance with applicable federal law and regulation, and shall be paid to the ~~veteran member~~ or to his or her heirs, devisees, legatees, or the qualified executor or the administrator of his or her estate pursuant to Section 1037 or Section 1038.

SEC. 40. Section 1039.3 of the Military and Veterans Code is amended to read:

1039.3. The administrator, subject to the approval of the secretary, may accept cash donations or other gifts to be used for the welfare of the ~~veterans~~ members. Cash shall be paid into trust funds as the administrator may establish, and shall be expended for promoting the welfare of the ~~veterans~~ members and for the purpose designated by the donor.

SEC. 41. Section 1042 of the Military and Veterans Code is amended to read:

1042. All accrued interest on money turned over to the ~~executive officer~~ administrator and retained by him or her under this chapter shall be accounted for by the ~~executive office~~ home and deposited to the credit of the ~~post fund~~ Morale, Welfare, and Recreation Fund and used for the common benefit of ~~veterans~~ members.

SEC. 42. Section 1042.1 of the Military and Veterans Code is amended to read:

1042.1. If any check is drawn upon any trust fund of ~~the~~ a home, except checks drawn by members of the home on their own accounts, and remains unclaimed, or is not cashed, for a period of one year, it shall be canceled and the amount ~~thereof~~ of the check shall be turned over to the ~~executive officer~~ administrator and be deposited to



the credit of the ~~post fund~~ Morale, Welfare, and Recreation Fund and used for the common benefit of the members of the ~~home~~, homes.

SEC. 43. Section 1043 of the Military and Veterans Code is amended to read:

1043. With the exception of officers and employees and their families, no person shall be admitted to reside in ~~the home~~, a home who is not eligible under Section 1012.

SEC. 44. Section 1044 of the Military and Veterans Code is amended to read:

1044. ~~The administrator, in accordance with the policies adopted by the California Veterans Board and subject to the direction of the director,~~ The secretary may adopt rules and regulations governing the admission of applicants and may prescribe the conditions upon which they may enter and remain with ~~the~~ a home.

SEC. 45. Section 1044.5 of the Military and Veterans Code is amended to read:

1044.5. (a) ~~A resident of a veterans~~ A member of a home has the right to complain and otherwise exercise the freedom of expression and assembly guaranteed by the Sections 2 and 3 of Article I of the California Constitution and the First Amendment to the United States Constitution. The administrator of the home shall inform each ~~resident member~~ member in writing at the time of admission of the right to complain to the administrator about home accommodations and services. A notice of the right to complain shall be posted in the home. The administrator shall also inform each ~~resident member~~ member of the right to complain to the board or to the Secretary of Veterans Affairs. Each ~~resident member~~ member of a home shall be encouraged and assisted, throughout the period of stay in the home, to understand and exercise the rights of freedom of expression and assembly as a ~~resident member~~ member and as a citizen. To this end, the ~~resident member~~ member may voice grievances and recommend changes in policies and services to



home staff, other ~~residents, members,~~ and outside representatives of the ~~resident's~~ member's choice, free from restraint, interference, coercion, discrimination, or reprisal, including retaliatory eviction.

(b) An administrator may not retaliate against any ~~resident~~ member who exercises the right to voice grievances by evicting the ~~resident.~~ member. There shall be a rebuttable presumption that any eviction within 45 days of the exercise by a ~~resident~~ member of the right to voice grievances is retaliatory. This presumption does not apply in favor of a ~~resident~~ member who has failed to pay maintenance fees unless the ~~resident~~ member pays the overdue fees.

SEC. 46. Section 1045 of the Military and Veterans Code is amended to read:

1045. ~~Nothing in this chapter shall~~ This chapter does not prevent the State ~~state~~ from transferring the property and management of ~~the~~ a home to the United States for a home of similar character.

SEC. 47. Section 1046 of the Military and Veterans Code is amended to read:

1046. (a) If it appears necessary or proper that a guardian or conservator of the estate of a ~~veteran~~ member be appointed, ~~the court in its discretion may,~~ court, in its discretion, upon application of the administrator, or officer designated by the administrator, may ~~appoint~~ the ~~a~~ home as guardian or conservator of the ~~veteran's~~ member's estate and cause letters of guardianship or conservatorship of the estate to be issued to the home.

(b) For the purposes of this chapter, ~~the~~ a home is a corporation and, acting through an officer designated by the administrator, may act as guardian or conservator of estates, assignee, receiver, depository, or trustee under appointment of any court or



by authority of any law of this state and may transact business in that capacity in the same manner as an individual, and for this purpose may sue and be sued in any court of this state.

(c) ~~The~~ A home shall be appointed as guardian, conservator, assignee, receiver, depository, or trustee without bond. The home shall receive reasonable fees for its expenses for filing fees and attorneys' fees. The fees paid to the home may be used as a trust account from which may be drawn expenses for filing fees and attorneys' fees in all estates it undertakes to administer. Whenever the balance remaining in the trust account exceeds a sum determined to be necessary by the administrator for the payment of the filing fees and attorneys' fees incurred in the various estates, the excess shall be paid annually into the ~~post fund of the home.~~ Morale, Welfare, and Recreation Fund.

(d) ~~The home, when~~ When acting as guardian or conservator of a ~~veteran,~~ member, a home may deposit the funds of the estate in the special deposit fund of the home, and may invest and reinvest the funds in securities which are legal investments for savings banks in this state.

SEC. 48. Section 1050 of the Military and Veterans Code is amended to read:

1050. Veterans' Home Allied Councils, which are established pursuant to the constitution of the Allied Council, Veterans' Home of California, for each ~~veterans'~~ home, and which are composed of members of each home, are hereby recognized as established advisory bodies to the administrator of each ~~veterans'~~ home. Each Veterans' Home Allied Council may also represent ~~veterans~~ members who reside at the ~~veterans'~~ home for which the council was established in matters before the Legislature. In the



course of providing that representation, each council shall comply with the following requirements:

(a) The council's representation shall be approved by a majority of the voting members of the council.

(b) The council shall not engage in any campaign or endorse public candidates in connection with that representation.

(c) The council's actions shall be in accordance with its constitution, bylaws, and policies and procedures.

SEC. 49. Section 1051 of the Military and Veterans Code is repealed.

~~1051. (a) There is hereby established in the State Treasury the California Veterans Homes Fund to receive those amounts transferred to the fund pursuant to Section 18811 of the Revenue and Taxation Code.~~

~~(b) Any funds remaining in the Veterans' Quality of Life Fund, as established by Section 2 of Chapter 143 of the Statutes of 2005, shall be transferred to the California Veterans Homes Fund established by subdivision (a).~~



LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, _____

General Subject: Veterans homes.

Existing law provides for the establishment and operation of veterans' homes at various sites, and provides for an administrator of each home, as specified. Existing law establishes the duties of the Department of Veterans Affairs with regard to the establishment and regulation of veterans' homes.

This bill would revise and recast various provisions relating to veterans' homes, including expanding the definition of the veterans' home system to incorporate multiple home locations, clarifying and authorizing membership for domestic partners, updating and replacing obsolete references and provisions, and making other technical changes. The bill would authorize the department to adopt, amend, or repeal regulations concerning the administration and operation of the Veterans' Home of California, including emergency regulations, as specified. The bill would require the department to take specified actions to ensure that medical or other facilities under its jurisdiction



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satisfy all applicable federal and state and local licensing, certification, and other approval requirements. The bill would require the department to develop and maintain clinical policies and procedures for the homes, as prescribed.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.



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