

Introduced by Senator NielsenFebruary 10, 2016

An act to amend Sections 1010, 1012, 1012.1, 1012.2, 1012.3, 1023, 1031, 1034, 1035.3, 1038, and 1044 of, to repeal Sections 1012.4, 1012.6, 1014, 1015, 1024, 1033.2, and 1051 of, to repeal and add Section 1011 of, and to add Sections 1011.1, 1011.2, 1011.3, and 1011.4 to, the Military and Veterans Code, relating to veterans, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 980, as introduced, Nielsen. 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 those provisions. Among other things, the bill would provide that the administrator is the senior executive appointed to oversee the operations of a veterans' home. The bill would specify which veterans' homes are administered by the Department of Veterans Affairs. The bill would require the Secretary of Veterans Affairs to adopt uniform statewide policies and procedures, by regulation, for the operation of those veterans' homes, as specified. The bill would require the department to establish a quality of care assessment team, by a specified date, to conduct periodic reviews of each veterans' home. The bill would require the secretary to implement a statewide electronic medical record system for veterans' homes by a specified date. The bill would require the secretary to annually report to the veterans policy committees of the Legislature, as specified.

Existing law establishes the criteria for admission to a veterans' home, as specified. Existing law establishes the fees and charges for residency, as established by each administrator of a home, and requires each administrator to adopt rules and regulations for the administration of the homes.

This bill would instead require that the fees and charges be established by the secretary, rather than by each administrator, and that the secretary adopt rules and regulations that apply to the homes and the criteria for admission. The bill would authorize the secretary to establish needs-based criteria for admission to veterans' homes, as specified.

Existing law authorizes a resident spouse to continue his or her residency after a veteran spouse's death.

This bill would require a resident spouse who continues residency after a veteran spouse's death to continue to pay all applicable fees and to comply with all department regulations.

Existing law authorizes the department to investigate a veteran's financial status for admission purposes.

This bill would further authorize the department to determine the total worth of any member's property or assets for purposes of admission, including to validate income levels for purposes of establishing fees.

Existing law requires 100% of the moneys received by a veterans' home from veterans receiving federal aid to be placed to the credit of the home to augment the current appropriation for the support of the home.

This bill would delete that provision, and would instead require moneys received by a veterans' home from those veterans to be deposited into the Federal Trust Fund, a continuously appropriated fund, to be used for the operating costs of the home. Because the moneys would be continuously appropriated for those purposes, the bill would make an appropriation.

Existing law requires members of a veterans' home to pay fees and charges as determined by the department, subject to a specified fee schedule.

This bill would prohibit the fees paid by a member from exceeding the average costs of care for the level of care in which the member currently resides.

Existing law, upon the death of a veteran in a home, requires any moneys not in excess of \$3,000 held by the home for the veteran to be paid to the home's Morale, Welfare, and Recreation Fund, if no will or

heir or other family member is discovered within a specified number of years after his or her death.

This bill would increase the amount that may be transferred to \$15,000.

Existing law, upon the departure of a veteran from a home, requires any moneys not in excess of \$3,000 held by the home for the veteran to be paid to the home’s Moral, Welfare, and Recreation Fund, if the money is not requested by the veteran within a specified number of years after his or her departure.

This bill would increase the amount that may be transferred to \$5,000.

This bill would make other conforming changes and would delete obsolete provisions and references, as specified.

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

The people of the State of California do enact as follows:

1 SECTION 1. Section 1010 of the Military and Veterans Code
2 is amended to read:

3 1010. As used in this ~~chapter:~~ *chapter, the following terms*
4 *have the following meanings:*

5 (a) ~~“Home” means the Veterans’ Home of California,~~
6 ~~Yountville, and the Veterans’ Home of California, Barstow.~~

7 (b)
8 (a) ~~“Administrator” means the Administrator of the Veterans’~~
9 ~~Home of California, Yountville, and the Administrator of each site~~
10 ~~of the southern California Veterans’ Home, including, but not~~
11 ~~limited to, the Veterans’ Home of California, Barstow. senior~~
12 ~~executive appointed to oversee the operations of a home.~~

13 (c)
14 (b) ~~“Department” means the Department of Veterans Affairs.~~

15 (c) ~~“Deputy secretary” means the Deputy Secretary of Veterans~~
16 ~~Homes.~~

17 (d) ~~“Director” or “secretary” means the Director Secretary of~~
18 ~~Veterans Affairs.~~

19 (e) ~~“Veteran” means a member of the home.~~

20 (e) ~~“Home” means any facility operated by the department for~~
21 ~~the provision of long-term care, assisted living, adult day health,~~
22 ~~independent living, or other health care services to eligible~~
23 ~~veterans.~~

1 (f) “Member” means any veteran or nonveteran spouse who
2 has been admitted to residency at any home.

3 (g) “Veteran” means a person who is eligible for benefits under
4 this chapter.

5 SEC. 2. Section 1011 of the Military and Veterans Code is
6 repealed.

7 ~~1011. (a) There is in the department a Veterans’ Home of
8 California, Yountville, situated at Veterans’ Home, Napa County.~~

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

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

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

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

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

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

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

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

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

6 SEC. 3. Section 1011 is added to the Military and Veterans
7 Code, to read:

8 1011. There is in the department a Veterans' Home of
9 California, which the department shall administer. The Veterans'
10 Home of California is a system comprising the following subsidiary
11 home locations:

12 (a) The Veterans' Home of California, Yountville, in Napa
13 County.

14 (b) The Veterans' Home of California, Barstow, in San
15 Bernardino County.

16 (c) The Veterans' Home of California, Chula Vista, in San Diego
17 County.

18 (d) The Veterans' Home of California, West Los Angeles, in
19 Los Angeles County.

20 (e) The Veterans' Home of California, Lancaster, in Los Angeles
21 County.

22 (f) The Veterans' Home of California, Ventura, in Santa Barbara
23 County.

24 (g) The Veterans' Home of California, Fresno, in Fresno County.

25 (h) The Veterans' Home of California, Redding, in Shasta
26 County.

27 SEC. 4. Section 1011.1 is added to the Military and Veterans
28 Code, to read:

29 1011.1. (a) The secretary shall adopt uniform statewide policies
30 and procedures, by regulation, in accordance with the
31 Administrative Procedure Act (Chapter 3.5 (commencing with
32 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
33 Code), for the operation of the homes. The policies and procedures
34 shall be in conformity, as nearly as possible, to the rules and
35 regulations of the United States Department of Veterans Affairs
36 for their facilities and to ensure that adequate care and a homelike
37 environment is provided in a cost-effective manner for members
38 of the homes.

39 (b) These policies and procedures shall implement the
40 requirements to obtain and maintain required licenses and

1 accreditations, as well as to ensure members in all homes
2 throughout the state, to the extent possible, receive equitable
3 treatment, benefits, and services, and to ensure that high-quality
4 care is provided.

5 (c) These policies and procedures shall include, but are not
6 limited to, all of the following:

7 (1) The admission of applicants.

8 (2) The conditions upon which members may enter and remain
9 in the home.

10 (3) Resident disciplinary procedures.

11 (4) Quality of care standards.

12 (5) An internal quality of care review process.

13 (6) Delineating which services will be provided to members by
14 the state.

15 (7) Setting staffing standards.

16 (8) Staff training requirements.

17 (9) Establishment and operation of allied councils.

18 (10) Any other policies and procedures to ensure the safe and
19 effective operation of the homes.

20 (d) On or before July 1, 2017, the department shall establish a
21 quality of care assessment team, from within existing resources,
22 to conduct periodic reviews of how each home meets the quality
23 of care standards adopted pursuant to this section.

24 SEC. 5. Section 1011.2 is added to the Military and Veterans
25 Code, to read:

26 1011.2. (a) There shall be an administrator for each home,
27 who shall be recommended by the secretary and appointed by the
28 Governor, and who shall be located at that home. The salary for
29 each administrator shall be subject to the approval of the
30 Department of Human Resources.

31 (b) The administrator shall be responsible for ensuring
32 compliance with all state and federal statutes and regulations
33 related to the operation of the home and for implementation of all
34 statewide policies and procedures, as specified in Section 1011.1.

35 SEC. 6. Section 1011.3 is added to the Military and Veterans
36 Code, to read:

37 1011.3. The secretary shall make an annual report to the
38 veterans policy committees of the Legislature by January 1 of each
39 year, beginning January 1, 2018, reporting on significant veterans

1 home-related performance issues, which shall include, but are not
2 limited to, all of the following:

- 3 (a) Current census and census changes since last report.
- 4 (b) Any major changes to home policy and the impact of those
5 changes on the residents.
- 6 (c) Changes in provision of care, including licensure changes.
- 7 (d) Significant events that impacted the operations of the home.
- 8 (e) Results of regulatory agency inspections or reviews and
9 corrective action taken to address findings.
- 10 (f) Significant patient care complaints, results of any
11 investigations into those complaints, and any corrective action
12 taken to address validated complaints.
- 13 (g) Results of internal quality of care reviews.
- 14 (h) A comparison of veterans home quality of care metrics to
15 industry averages.
- 16 (i) Other significant issues that may be of interest to the
17 committee members.

18 SEC. 7. Section 1011.4 is added to the Military and Veterans
19 Code, to read:

20 1011.4. On or before January 1, 2018, the secretary shall
21 implement an electronic medical record system. The usage of the
22 electronic medical record system shall be standardized in all homes.

23 SEC. 8. Section 1012 of the Military and Veterans Code is
24 amended to read:

25 1012. (a) ~~Except as provided in Section 1012.4, the~~ *The* home
26 is for aged and disabled persons who served in the Armed Forces
27 of the United States of ~~America~~ *America*, who were discharged or
28 released from active duty under honorable conditions from service,
29 who are eligible for hospitalization or domiciliary care in a
30 veterans' facility in accordance with the rules and regulations of
31 the United States Department of Veterans Affairs, *are unable to*
32 *pay for necessary domiciliary and licensed long-term care outside*
33 *the home*, and who are bona fide residents of this state at the time
34 of application; and for the spouses of these persons if all of the
35 following conditions, as are applicable, are satisfied:

- 36 (1) Space is available.
- 37 (2) Joint residency will be in the best interests of the home
38 member, as determined by the administrator.
- 39 (3) The spouse is a bona fide resident of this state at the time
40 of application for admission to the home and either is married to,

1 and has resided with, the home member for at least one year, or is
 2 the widow or widower of a recipient of the Medal of Honor or a
 3 former prisoner of war (POW).

4 (4) The home member and spouse agree to pay the fees and
 5 charges for joint residency, or for a widow or widower, ~~for the~~
 6 ~~residency~~, that the ~~administrator~~ *secretary* may establish.

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

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

14 (3) *The secretary may establish needs-based criteria for*
 15 *admission to the homes, and any veteran meeting those criteria*
 16 *shall be given priority over veterans who can afford to provide for*
 17 *their own care elsewhere.*

18 (c) A resident spouse may continue residence after the veteran's
 19 ~~death~~ *death, so long as he or she continues to pay all applicable*
 20 *fees and comply with the department's policies, procedures, and*
 21 *regulations.*

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

23 SEC. 9. Section 1012.1 of the Military and Veterans Code is
 24 amended to read:

25 1012.1. Prior to the admission of a veteran as a member of the
 26 home, and at any time during which a veteran is a member of the
 27 home, the department may investigate ~~the veterans'~~ *any member's*
 28 *financial status to determine the total value of the property and*
 29 *assets of any veteran applying for admission to the home, or to*
 30 ~~insure~~ *ensure that the* ~~veteran~~ *member* *is unable to pay for*
 31 *necessary hospital or domiciliary care outside of the* ~~home~~ *home,*
 32 *or to validate income levels for the purposes of establishing fees.*
 33 The department may contract with any other state agency to
 34 conduct such an investigation in its behalf.

35 SEC. 10. Section 1012.2 of the Military and Veterans Code is
 36 amended to read:

37 1012.2. (a) (1) Notwithstanding any other law, any member
 38 of the home who is receiving an aid and attendance allowance
 39 from the United States Department of Veterans Affairs and who
 40 has no dependent spouse, child, grandchild, father, or mother shall

1 pay to the home an amount equal to that allowance in all levels of
2 care excluding domiciliary.

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

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

12 *(b) Moneys received by a home under this section shall be
13 deposited into the Federal Trust Fund and shall be used for the
14 operating costs of the home.*

15 SEC. 11. Section 1012.3 of the Military and Veterans Code is
16 amended to read:

17 1012.3. (a) Members of the home, including members who
18 are nonveteran spouses, shall pay fees and charges as determined
19 by the department, except that the total of the individual member's
20 fees and charges for any fiscal year shall not be greater than as set
21 forth in the following schedule:

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

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

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

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

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

39 *(c) Fees paid by a member shall not exceed the average cost of
40 care for the level of care in which the member currently resides.*

1 SEC. 12. Section 1012.4 of the Military and Veterans Code is
2 repealed.

3 ~~1012.4. Notwithstanding Section 1012, the department may~~
4 ~~arrange by contract or any other form of agreement with the United~~
5 ~~States Department of Veterans Affairs to do both of the following:~~

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

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

15 ~~(c) The outpatient services and reimbursement procedures~~
16 ~~authorized under subdivisions (a) and (b) may be established for~~
17 ~~the veterans' home located in Barstow, California, and any~~
18 ~~veterans' home constructed within the state on or after January 1,~~
19 ~~2000.~~

20 SEC. 13. Section 1012.6 of the Military and Veterans Code is
21 repealed.

22 ~~1012.6. The department may accept and process applications~~
23 ~~from veterans who are seeking residency at a home, beginning on~~
24 ~~the start date of construction of that particular home.~~

25 SEC. 14. Section 1014 of the Military and Veterans Code is
26 repealed.

27 ~~1014. The home shall be under the management and control~~
28 ~~of the department and subject to the policies adopted by the~~
29 ~~California Veterans Board.~~

30 SEC. 15. Section 1015 of the Military and Veterans Code is
31 repealed.

32 ~~1015. (a) It is the intent of the Legislature that installation of~~
33 ~~air-conditioning at the hospital and related buildings of the home~~
34 ~~be given high priority whenever any new construction or~~
35 ~~reconstruction is done, and that this construction or reconstruction~~
36 ~~be accelerated so as to accomplish the purposes of this section.~~
37 ~~The department shall, in this connection, consider whether~~
38 ~~construction of a new hospital facility at the home may be more~~
39 ~~cost-effective than renovation of the existing facility. The Master~~
40 ~~Plan for the Veterans' Home of California construction schedule~~

1 shall be revised to reflect this acceleration. The department shall
2 submit the revised schedule to the Legislature on or before
3 November 1, 1984. For each additional year of the master plan
4 following the 1984-85 fiscal year, the Governor's Budget shall
5 include an appropriation in an amount necessary to complete all
6 projects relating to the installation of air conditioning as shown
7 in the revised schedule.

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

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

20
21 (c) Notwithstanding any other provision of law, the department,
22 through the Office of the State Architect, may prepare and advertise
23 bids for any master plan project in advance of funds being
24 appropriated by the Legislature, but shall not award any contract
25 for construction of the project until construction funds are available
26 and appropriated therefor.

27 (d) No contract for construction of any project related to the
28 master plan shall be entered into prior to the department's obtaining
29 a written commitment from the federal government to fund either
30 65 percent of the project cost, as approved by the federal
31 government, or the maximum amount available to the state.

32 SEC. 16. Section 1023 of the Military and Veterans Code is
33 amended to read:

34 1023. (a) The department may sue and be sued in any of the
35 courts of this state. All property held by the department for the
36 home shall be held in trust for the state and for the use and benefit
37 of the home. The administrator shall manage the home and
38 administer its affairs, and, subject to the direction of the director,
39 adopt rules and regulations for the government of the home in
40 conformity, as nearly as possible, to the rules and regulations of

1 the United States Department of Veterans Affairs for their facilities.
2 *secretary shall adopt rules and regulations for the administration*
3 *of the homes conforming as nearly as possible to the rules and*
4 *regulations of the United States Department of Veterans Affairs*
5 *and those of other states with veterans' homes.*

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

17 SEC. 17. Section 1024 of the Military and Veterans Code is
18 repealed.

19 ~~1024. The department may conduct such investigation as may~~
20 ~~be required to determine the total value of the property and assets~~
21 ~~of any veteran applying for admission to the home, and may~~
22 ~~contract with any other state agency to conduct such an~~
23 ~~investigation in its behalf.~~

24 SEC. 18. Section 1031 of the Military and Veterans Code is
25 amended to read:

26 1031. All moneys received by the ~~State~~ *state* from the United
27 States for the use of the home shall be placed to the credit of and
28 shall augment the current appropriation for the support of the home.
29 *deposited into the General Fund as a reimbursement for operating*
30 *costs of the home.*

31 SEC. 19. Section 1033.2 of the Military and Veterans Code is
32 repealed.

33 ~~1033.2. If the total amount collected for reimbursements for~~
34 ~~Medi-Cal and Medicare services provided in any fiscal year by a~~
35 ~~veterans' home exceeds the budgeted reimbursements for that~~
36 ~~home, the additional funds collected shall be used to repay any~~
37 ~~unpaid General Fund loans provided to the veterans' home in prior~~
38 ~~fiscal years for the operation of that home.~~

39 SEC. 20. Section 1034 of the Military and Veterans Code is
40 amended to read:

1 1034. Except money received from this—~~State~~ *state* for
2 disbursement, all moneys received by the home, or by any officer
3 of the home, including pension and other moneys belonging to
4 veterans and other trust moneys, shall be immediately paid to the
5 ~~executive officer~~ *administrator* of the home. On or before the ~~tenth~~
6 ~~10th~~ day of each ~~month~~ ~~the executive officer~~ *month, the*
7 *administrator* of the home shall forward to the State Treasurer all
8 moneys in his *or her* possession, except pension and other moneys
9 belonging to veterans, trust moneys, the post funds, ~~and~~ the
10 emergency fund, *and donations made to each home*, hereinafter
11 mentioned, together with a statement of the sources from which
12 the ~~same~~ *moneys* have been received. The moneys shall be
13 deposited by the State Treasurer to the credit of the General Fund
14 of the State; provided, however, that abatements of support
15 expenditures shall be credited to the support appropriation current
16 at the time of collection.

17 SEC. 21. Section 1035.3 of the Military and Veterans Code is
18 amended to read:

19 1035.3. (a) If no will or heir is discovered within two years
20 after the death of the veteran, any moneys not exceeding ~~three~~
21 ~~fifteen~~ thousand dollars ~~(\$3,000)~~ *(\$15,000)* held by the home
22 pursuant to Section 1035 and not paid or otherwise delivered to
23 the heir or heirs or pursuant to the will of the deceased veteran, or
24 otherwise disbursed by the administrator pursuant to Section 1035,
25 shall be paid to the Morale, Welfare, and Recreation Fund.

26 If no will or heir is discovered within five years after the death
27 of the veteran, any moneys exceeding ~~three~~ ~~fifteen~~ thousand dollars
28 ~~(\$3,000)~~ *(\$15,000)* held by the home pursuant to Section 1035 and
29 not paid or otherwise delivered to the heir or heirs or pursuant to
30 the will of the deceased veteran, or otherwise disbursed by the
31 administrator pursuant to Section 1035, shall be paid to the Morale,
32 Welfare, and Recreation Fund.

33 This subdivision applies only to veterans becoming members of
34 the home on or after January 1, 1984.

35 (b) If no spouse, child, grandchild, or father or mother is
36 discovered within two years after the death of the veteran, any
37 moneys not exceeding ~~three~~ ~~fifteen~~ thousand dollars ~~(\$3,000)~~
38 *(\$15,000)* held by the home pursuant to Section 1035 and not paid
39 or otherwise delivered to the spouse, children, grandchildren, or
40 father or mother, or otherwise disbursed by the administrator

1 pursuant to Section 1035, shall be paid to the Morale, Welfare,
2 and Recreation Fund.

3 If no spouse, child, grandchild, or father or mother is discovered
4 within five years after the death of the veteran, any moneys
5 exceeding ~~three~~ *fifteen* thousand dollars ~~(\$3,000)~~ *(\$15,000)* held
6 by the home pursuant to Section 1035 and not paid or otherwise
7 delivered to the spouse, children, grandchildren, or father or
8 mother, or otherwise disbursed by the administrator pursuant to
9 Section 1035, shall be paid to the Morale, Welfare, and Recreation
10 Fund.

11 This subdivision applies only to veterans who have become
12 members of the home prior to January 1, 1984.

13 SEC. 22. Section 1038 of the Military and Veterans Code is
14 amended to read:

15 1038. All money deposited with the home for a veteran shall
16 be paid to him or her on demand, upon his or her discharge or
17 voluntary departure from the home. If the money is not so
18 demanded at the time of his or her discharge or departure or within
19 a period of two years thereafter, if the amount does not exceed
20 ~~three~~ *five* thousand dollars ~~(\$3,000)~~ *(\$5,000)*, or within a period
21 of five years thereafter, if the amount exceeds ~~three~~ *five* thousand
22 dollars ~~(\$3,000)~~ *(\$5,000)* either by the veteran, or, in the event of
23 the veteran's death after his or her discharge or departure, by the
24 veteran's heirs, devisees, legatees, or qualified executor or
25 administrator of his or her estate, the money shall be paid to the
26 Morale, Welfare, and Recreation Fund.

27 SEC. 23. Section 1044 of the Military and Veterans Code is
28 amended to read:

29 1044. ~~The administrator, in accordance with the policies~~
30 ~~adopted by the California Veterans Board and subject to the~~
31 ~~direction of the director,~~ *secretary* may adopt rules and regulations
32 governing the admission of applicants and may prescribe the
33 conditions upon which they may enter and remain with the home.

34 SEC. 24. Section 1051 of the Military and Veterans Code is
35 repealed.

36 ~~1051. (a) There is hereby established in the State Treasury the~~
37 ~~California Veterans Homes Fund to receive those amounts~~
38 ~~transferred to the fund pursuant to Section 18811 of the Revenue~~
39 ~~and Taxation Code.~~

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

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