

AMENDED IN SENATE JUNE 30, 2020
AMENDED IN SENATE MAY 26, 2020
AMENDED IN SENATE SEPTEMBER 5, 2019
AMENDED IN SENATE AUGUST 12, 2019
AMENDED IN SENATE JULY 11, 2019
AMENDED IN SENATE MAY 28, 2019
AMENDED IN ASSEMBLY APRIL 1, 2019
AMENDED IN ASSEMBLY FEBRUARY 19, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 240

**Introduced by Assembly Member Irwin
(Principal coauthor: Assembly Member Salas)
(Coauthors: Assembly Members Brough, Daly, and Voepel)**

January 18, 2019

An act to amend Sections ~~1010~~, 1012, 1023, 1025, and 1043 of, and to add Sections 1023.1 and 1023.2 to, the Military and Veterans Code, relating to veterans' homes.

LEGISLATIVE COUNSEL'S DIGEST

AB 240, as amended, Irwin. Veterans' homes: lease of property.

Existing law establishes the Veterans' Home of California system for the operation of veterans' homes at various sites. Existing law sets forth the duties of the Department of Veterans Affairs regarding the administration and regulation of veterans' homes. Existing law authorizes the Director of General Services to lease or let any real

property held by the department for a home, as specified, to any entity or person upon terms and conditions determined to be in the best interests of the home.

This bill would prohibit a lease or let from exceeding 5 years, unless the lessee is a local government or a nonprofit organization that provides services exclusively for veterans of the Armed Forces of the United States and their families, or the contract for the lease was executed before January 1, 2021. The bill would require each use, other than an easement, of real property held by the department for a home by a person or entity, other than the home or a resident of the home, to be in writing and meet certain criteria, including that it provide substantial and direct benefits to the home and its members and be appropriate and compatible with the nature of the home.

Vote: majority. Appropriation: no. 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:~~
- 4 ~~(a) “Home” means any facility operated by the department for~~
- 5 ~~the provision of long-term care, assisted living, adult day health,~~
- 6 ~~independent living, or other health care services to eligible~~
- 7 ~~veterans. The Veterans’ Home of California system is comprised~~
- 8 ~~of the following subsidiary home locations:~~
- 9 ~~(1) The Veterans’ Home of California, Yountville, in Napa~~
- 10 ~~County.~~
- 11 ~~(2) The Veterans’ Home of California, Barstow, in San~~
- 12 ~~Bernardino County.~~
- 13 ~~(3) The Veterans’ Home of California, Chula Vista, in San~~
- 14 ~~Diego County.~~
- 15 ~~(4) The Veterans’ Home of California, West Los Angeles, in~~
- 16 ~~Los Angeles County.~~
- 17 ~~(5) The Veterans’ Home of California, Lancaster, in Los Angeles~~
- 18 ~~County.~~
- 19 ~~(6) The Veterans’ Home of California, Ventura, in Ventura~~
- 20 ~~County.~~
- 21 ~~(7) The Veterans’ Home of California, Fresno, in Fresno County.~~

1 ~~(8) The Veterans' Home of California, Redding, in Shasta~~
2 ~~County.~~

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

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

6 ~~(d) "Member" means a veteran or nonveteran spouse or domestic~~
7 ~~partner who has been admitted by the department to reside at a~~
8 ~~home or receives services from the department at a home.~~

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

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

12 ~~SEC. 2.~~

13 *SECTION 1.* Section 1012 of the Military and Veterans Code
14 is amended to read:

15 1012. (a) Except as provided in Sections 1012.4, 1023, and
16 1023.1, veterans' homes are for aged or disabled persons who
17 served in the Armed Forces of the United States of America who
18 were discharged or released from active duty under conditions
19 other than dishonorable, who are eligible for health care benefits,
20 hospitalization, or domiciliary care in a veterans' facility in
21 accordance with the rules and regulations of the United States
22 Department of Veterans Affairs, and who are bona fide residents
23 of this state at the time of application; and for the spouses or
24 domestic partners of these persons if all of the following conditions,
25 as are applicable, are satisfied:

26 (1) Space is available.

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

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

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

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

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

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

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

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

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

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

21 ~~SEC. 3.~~

22 *SEC. 2.* Section 1023 of the Military and Veterans Code is
 23 amended to read:

24 1023. (a) The department may sue and be sued in any of the
 25 courts of this state. All property held by the department for a home
 26 shall be held in trust for the state and for the use and benefit of the
 27 home. The department shall manage the homes and administer
 28 their affairs, and, subject to the direction of the secretary, adopt
 29 rules and regulations for the government of the homes in
 30 conformity, as nearly as possible, to applicable state and federal
 31 rules and regulations, including, but not limited to, the United
 32 States Department of Veterans Affairs regulations.

33 (b) With the consent of the secretary, the Director of General
 34 Services may lease or let any real property held by the department
 35 for a home, and not needed for any direct or immediate purpose
 36 of the home, to any entity or person upon terms and conditions
 37 determined to be in the best interests of the home and its members.
 38 In any leasing or letting, except as provided in Section 1049, all
 39 moneys received in connection therewith shall be deposited in the
 40 General Fund.

1 ~~SEC. 4.~~

2 *SEC. 3.* Section 1023.1 is added to the Military and Veterans
3 Code, to read:

4 1023.1. (a) A lease of real property held by the department
5 for a home shall not exceed five years, unless one of the following
6 apply:

7 (1) The lessee is a town, city, county, or city and county, or a
8 political subdivision thereof, where the home is located.

9 (2) The lessee is a nonprofit organization that provides services
10 exclusively for veterans of the Armed Forces of the United States
11 and their families.

12 (3) The contract for the lease with the department or the Director
13 of General Services was executed before January 1, 2021.

14 (b) The department or the Director of General Services and a
15 lessee may renegotiate the terms of the contract described in
16 paragraph (3) of subdivision (a), except that any terms regarding
17 the duration or renewal of the contract shall not be extended, unless
18 those terms meet the requirements of this section.

19 (c) A lease contract with any other party may be granted for a
20 term greater than five years only with the approval of the
21 Legislature by statute.

22 ~~SEC. 5.~~

23 *SEC. 4.* Section 1023.2 is added to the Military and Veterans
24 Code, to read:

25 1023.2. (a) The general purpose of any use, other than an
26 easement, of real property held by the department for a home by
27 a person or entity, other than the home or a resident of the home,
28 shall meet all of the following criteria, as determined by the
29 secretary:

30 (1) Provide substantial and direct benefits to the home and its
31 members.

32 (2) Be appropriate and compatible with the nature of the home.

33 (3) Compensate the department in an amount that approximates
34 fair market value, taking into consideration the value of the benefit
35 provided to the home's members and the investment by the lessee
36 in the property development of the home.

37 (4) When the use contemplated carries a reasonable risk of injury
38 or loss to the state, the home, or the members of the home, that
39 use is appropriately insured by the lessee to cover those risks and

1 to insure home residents, the department, and the state against
2 liability.

3 (b) Each use, other than an easement, of real property held by
4 the department for a home by a person or entity, other than the
5 home or a resident of the home, shall be governed by a written
6 agreement between the department or the Director of General
7 Services and the person or entity using the real property that
8 establishes exactly how the person or entity meets the criteria in
9 subdivision (a).

10 (c) For the purposes of this section, a benefit may include any
11 function or activity that enhances the morale, welfare, and
12 recreation of the home’s members.

13 ~~SEC. 6.~~

14 *SEC. 5.* Section 1025 of the Military and Veterans Code is
15 amended to read:

16 1025. For those services and programs administered by the
17 department and within the purview of the United States Department
18 of Veterans Affairs, appropriate facilities of the home shall be
19 open at any time to the inspection of the Secretary of the United
20 States Department of Veterans Affairs or the secretary’s authorized
21 representative.

22 ~~SEC. 7.~~

23 *SEC. 6.* Section 1043 of the Military and Veterans Code is
24 amended to read:

25 1043. With the exception of officers and employees and their
26 families, no person shall be admitted to reside in a home who is
27 not a member eligible under Section 1012.

28 ~~SEC. 8.~~

29 *SEC. 7.* Nothing in this act is intended to override or interfere
30 with Section 14671.2 of the Government Code.

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