

ASSEMBLY BILL

No. 1580

Introduced by Assembly Member Yamada

January 30, 2014

An act to amend Section 1047 of the Military and Veterans Code, relating to veterans.

LEGISLATIVE COUNSEL'S DIGEST

AB 1580, as introduced, Yamada. Veterans' homes: Morale, Welfare, and Recreation Fund.

Existing law provides for the establishment of veterans' homes and requires the administrator of a veterans' home to maintain a Morale, Welfare, and Recreation Fund to be used, subject to the approval of the Secretary of Veterans Affairs, to provide certain operations and activities relating to the general welfare of the veterans.

This bill would additionally require, for proposed expenditures of Morale, Welfare, and Recreation Fund moneys of more than \$5,000, proposed contracts of more than \$25,000 per year, or proposed contracts of more than \$100,000, the administrator to submit the proposed expenditure or contract to the secretary for approval. This bill would require legal counsel of the Department of Veterans Affairs, or another similarly qualified reviewer, to review the proposed expenditure or contract, and to issue an advisory opinion, as described. This bill would also require the Department of Veterans Affairs to make a presentation to the Morale, Welfare, and Recreation Fund Advisory Committee of the home at a publicly noticed meeting, and would require interested and affected parties to be given an opportunity to provide input on the proposed expenditure or contract. The bill would require the secretary to consider specified advisory opinions, any input or information

provided in the meeting, and any other relevant information when determining whether a contract will be approved.

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 1047 of the Military and Veterans Code
2 is amended to read:

3 1047. (a) (1) The administrator shall maintain a Morale,
4 Welfare, and Recreation Fund that shall be used, at the discretion
5 of the administrator and subject to the approval of the secretary,
6 to provide for the general welfare of the veterans, including, but
7 not limited to, providing for operations of the Veterans' Home
8 Exchange, hobby shop, motion picture theater, library, band, and
9 any other function that is operated for the morale, welfare, and
10 recreation of the veterans, and to pay for newspapers, chapel
11 expenses, welfare and entertainment expenses, sport activities,
12 celebrations, and any other activity that is for the morale, welfare,
13 and recreation of the veterans.

14 (2) *For proposed expenditures of Morale, Welfare, and*
15 *Recreation Fund moneys of more than five thousand dollars*
16 *(\$5,000), proposed contracts of more than twenty-five thousand*
17 *dollars (\$25,000) per year, or proposed contracts of more than*
18 *one hundred thousand dollars (\$100,000), all of the following*
19 *shall apply:*

20 (A) *The administrator shall submit the proposed expenditure*
21 *or contract to the secretary for approval. The secretary shall*
22 *consider the advisory opinion required in subparagraph (B), any*
23 *input or information provided in the meeting described in*
24 *subparagraph (C), any advisory opinion issued by a body*
25 *representing the residents of the home, and any other relevant*
26 *information when determining whether a contract will be approved.*

27 (B) *The proposed expenditure or contract shall be reviewed by*
28 *legal counsel of the department, or another similarly qualified*
29 *reviewer designated by the secretary. The reviewer shall issue an*
30 *advisory opinion to the secretary identifying those laws and*
31 *regulations with which the proposed expenditure or contract or*
32 *execution of the contract must comply, and any other relevant*

1 *legal issues that may arise with respect to compliance with those*
2 *laws and regulations.*

3 (C) (i) *The department shall make a presentation about the*
4 *proposed expenditure or contract and the advisory opinion*
5 *described in subparagraph (B) to the Morale, Welfare, and*
6 *Recreation Fund Advisory Committee of the home at a publicly*
7 *noticed meeting. The department shall provide written public notice*
8 *of a meeting at least 30 days prior to the meeting.*

9 (ii) *Interested and affected parties, including, but not limited*
10 *to, residents of the home, family members of the residents, and*
11 *representatives from local government and the community shall*
12 *be given an opportunity to provide input on the proposed*
13 *expenditure or contract at the meeting. The Morale, Welfare, and*
14 *Recreation Fund Advisory Committee, the Veterans' Home Allied*
15 *Council, or other body representing residents of the home may*
16 *also issue an advisory opinion on the proposed expenditure or*
17 *contract.*

18 (b) *Money in the Morale, Welfare, and Recreation Fund may*
19 *not be expended for any of the following:*

20 (1) *Medical treatments or any other related treatment.*

21 (2) *Maintenance of the physical plant of the home.*

22 (3) *Any function, operation, or activity that is not directly related*
23 *to the morale, welfare, or recreation of the veterans.*

24 (c) *Appropriations from the General Fund for the purposes*
25 *described in paragraph (3) of subdivision (b) may not be reduced*
26 *for the purpose of, or to have the effect of, requiring increased*
27 *expenditures from the Morale, Welfare, and Recreation Fund for*
28 *those described purposes.*

29 (d) *The administrator shall prepare an itemized report that is*
30 *organized by category and accounts for all expenditures made from*
31 *the Morale, Welfare, and Recreation Fund during the previous*
32 *fiscal year and shall submit the report on or before August 20 of*
33 *each year to all of the following:*

34 (1) *The secretary.*

35 (2) *The fiscal committees of the Assembly and the Senate.*

36 (3) *The committees of the Assembly and the Senate that have*
37 *subject matter jurisdiction over veterans' affairs.*

38 (4) *The Veterans' Home Allied Council.*

39 (e) *The Morale, Welfare, and Recreation Fund for the Veterans'*
40 *Home of California, Yountville, shall maintain a reserve in the*

1 amount of two million dollars (\$2,000,000). The reserve shall be
2 invested in securities, upon the advice of the Morale, Welfare, and
3 Recreation Fund Advisory Committee and with the approval of
4 the administrator and the secretary.

5 (f) The administrator may enter into an agreement with an allied
6 council that authorizes that council to operate facilities and
7 activities authorized pursuant to this section. The agreement shall
8 be in the form and manner as specified by the administrator.

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