

**ASSEMBLY BILL**

**No. 487**

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**Introduced by Assembly Member Cook  
(Principal coauthors: Assembly Members Allen and Chesbro)**

February 15, 2011

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An act to amend Section 1012.3 of the Military and Veterans Code, relating to veterans.

LEGISLATIVE COUNSEL'S DIGEST

AB 487, as introduced, Cook. Veterans homes: fees and charges.

Existing law provides for the establishment and operation of the Veterans' Home of California at various sites for aged and disabled veterans who meet certain eligibility requirements. Existing law requires members of the homes to pay fees and charges as determined by the department, but prohibit the total of the member's fees and charges for specified types of care for any fiscal year to be greater than a certain percentage of the member's annual income.

This bill would instead require the member's fees and charges for any fiscal year be the lesser of a percentage of the member's annual income or a flat amount. This bill would also, beginning January 1, 2012, and each year thereafter, require the flat amount to be recalculated to reflect any changes in the Consumer Price Index, as prepared by the Department of Finance, from the previous year.

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 1012.3 of the Military and Veterans Code  
2 is amended to read:

3 1012.3. (a) Members of the home shall pay fees and charges  
4 as determined by the department, except that the total of the  
5 individual member’s fees and charges for any fiscal year shall not  
6 be greater than as set forth in the following schedule:

7 (1) Forty-seven and one-half percent of the member’s annual  
8 income *or one thousand six hundred sixty-five dollars (\$1,665)*  
9 *per month, whichever is less*, for domiciliary care.

10 (2) Fifty-five percent of the member’s annual income *or one*  
11 *thousand eight hundred dollars (\$1,800) per month, whichever is*  
12 *less*, for residential care for the elderly or assisted living.

13 (3) Sixty-five percent of the member’s annual income *or three*  
14 *thousand four hundred fifty dollars (\$3,450) per month*, for  
15 intermediate care.

16 (4) Seventy percent of the member’s annual income *or three*  
17 *thousand seven hundred fifty dollars (\$3,750) per month, whichever*  
18 *is less*, for skilled nursing care.

19 (b) Nonveteran spouses who become members of the home on  
20 or after July 1, 2009, shall pay fees and charges based on the level  
21 of care, as described in subdivision (a), or an amount equal to the  
22 annual amount of federal per diem received for a veteran member  
23 in domiciliary care, whichever is greater. If the nonveteran  
24 member’s income is less than the annual amount of federal per  
25 diem for a veteran member in domiciliary care, the nonveteran  
26 member shall pay a maximum of 90 percent of his or her annual  
27 income.

28 (c) *Beginning January 1, 2012, and January 1 of every year*  
29 *thereafter, limits to member fees and charges defined in subdivision*  
30 *(a) shall be recalculated to reflect any changes in the Consumer*  
31 *Price Index, as prepared by the Department of Finance, from the*  
32 *previous year beginning January 1 and ending December 31. The*  
33 *same percentage change in the Consumer Price Index shall be*  
34 *applied to each fee and charge limit, rounded to the nearest dollar*  
35 *amount.*

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