



# 127th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2016

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Legislative Document

No. 1524

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S.P. 586

In Senate, January 6, 2016

### An Act To Update the Laws Governing the Maine Veterans' Homes

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Secretary of the Senate

Presented by Senator KATZ of Kennebec.

Cosponsored by Representatives: DEVIN of Newcastle, DOORE of Augusta, FOWLE of Vassalboro, GOLDEN of Lewiston, LUCHINI of Ellsworth, POULIOT of Augusta.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 22 MRSA §1812-D**, as enacted by PL 1987, c. 830, §1 and amended by  
3 PL 2003, c. 689, Pt. B, §6, is repealed.

4 **Sec. 2. 22 MRSA §1867**, as repealed and replaced by PL 1993, c. 205, §1, is  
5 amended to read:

6 **§1867. Distance restriction on placement of Medicaid recipients**

7 The department may make Medicaid reimbursement for a nursing facility contingent  
8 on a maximum distance between a patient's home and the nursing facility if the maximum  
9 distance is not more than 60 miles; except that the distance restriction may not be applied  
10 to a the Maine Veterans' Home Homes.

11 **Sec. 3. 37-B MRSA §509, sub-§2, ¶G**, as amended by PL 2015, c. 175, §3, is  
12 further amended to read:

13 G. The ~~administrator~~ chief executive officer of the Maine Veterans' Home Homes  
14 when in the conduct of official duties; or

15 **Sec. 4. 37-B MRSA §601**, as repealed and replaced by PL 2009, c. 652, Pt. A,  
16 §59, is amended to read:

17 **§601. Homes established; purpose**

18 There must be public homes for veterans in Maine known as "Maine Veterans'  
19 Homes." ~~In addition to the existing 120-bed home located in Augusta, a 120-bed home~~  
20 ~~located in Scarborough, a home not to exceed 40 beds located in Caribou, a home located~~  
21 ~~in Bangor not to exceed 120 beds, of which 40 beds are dedicated to patients with~~  
22 ~~dementia, and a home located in South Paris not to exceed 90 beds, of which 30 beds are~~  
23 ~~dedicated to patients with dementia, may be constructed if federal Veterans'~~  
24 ~~Administration funds are available to meet part of the costs of each facility for~~  
25 ~~construction or operation. In addition, a home located in Machias not to exceed 60 beds~~  
26 ~~may be constructed if federal Veterans' Administration funds or funds from any other~~  
27 ~~state, federal or private source are available to meet part of the costs of the facility for~~  
28 ~~construction or operation, except that the Machias home may not begin operation prior to~~  
29 ~~July 1, 1995 and the construction and funding of the Machias home may not in any way~~  
30 ~~jeopardize the construction, funding or financial viability of any other home. Homes" for~~  
31 ~~the purpose of providing long-term care, support and related services to eligible veterans~~  
32 ~~and family members of veterans. The Maine Veterans' Homes also are authorized to~~  
33 ~~provide nonnursing facility care and services to Maine veterans if approved by~~  
34 ~~appropriate state and federal authorities. The Board of Trustees of the Maine Veterans'~~  
35 ~~Homes shall plan and develop the Machias home and any nonnursing facility care and~~  
36 ~~services using any funds available for that purpose, except for the Augusta facility's~~  
37 ~~funded depreciation account. The Maine Veterans' Homes are authorized to construct~~  
38 ~~community-based outpatient clinics for Maine veterans in cooperation with the United~~  
39 ~~States Department of Veterans Affairs and may construct and operate veterans hospice~~  
40 ~~facilities, veterans housing facilities and other facilities authorized by the Board of~~

1 Trustees of the Maine Veterans' Homes, using available funds. Any funds loaned to the  
2 Maine Veterans' Homes for operating purposes from the funded depreciation accounts of  
3 the Maine Veterans' Homes must be reimbursed from any funds received by the Maine  
4 Veterans' Homes and available for that purpose. The primary purpose of the Maine  
5 Veterans' Homes is to provide support and care for honorably discharged veterans who  
6 served on active duty in the United States Armed Forces or who served in the Reserves of  
7 the United States Armed Forces on active duty for other than training purposes.

8 **Sec. 5. 37-B MRSA §602, first ¶**, as enacted by PL 1983, c. 460, §3, is amended  
9 to read:

10 The Maine Veterans' ~~Home~~ Homes is a body corporate. In addition to other powers  
11 granted by this chapter, the Maine Veterans' ~~Home~~ Homes may:

12 **Sec. 6. 37-B MRSA §602, sub-§2**, as enacted by PL 1983, c. 460, §3, is amended  
13 to read:

14 **2. Acquire property.** Acquire, in the name of the ~~home~~ homes, real or personal  
15 property or any interest therein, including rights or easements, on either a temporary or  
16 long-term basis by gift, purchase, transfer, foreclosure, lease or otherwise;

17 **Sec. 7. 37-B MRSA §602, sub-§5**, as enacted by PL 1983, c. 460, §3, is amended  
18 to read:

19 **5. Receive bequests and donations.** Receive, on behalf of the State, bequests and  
20 donations that may be made to improve the general comfort and welfare of the members  
21 of the ~~home~~ homes or for the betterment of the ~~home~~ homes;

22 **Sec. 8. 37-B MRSA §602, sub-§6**, as amended by PL 1991, c. 702, §2, is further  
23 amended to read:

24 **6. Borrow funds.** Borrow funds, not in excess of ~~\$15,000,000~~ \$50,000,000 in the  
25 aggregate, make and issue bonds and negotiate notes and other evidences of indebtedness  
26 or obligations of the veterans' ~~home~~ homes for prudent and reasonable capital, operational  
27 and maintenance purposes. The ~~home~~ homes may secure payments of all or part of the  
28 obligations by pledge of part of the revenues or assets of the ~~home~~ homes that are  
29 available for pledge and that may be lawfully pledged or by mortgage of part, or all, of  
30 any property owned by the ~~home~~ homes. The ~~home~~ homes may do all lawful things  
31 necessary and incidental to those powers. The ~~home~~ homes may borrow money from the  
32 Federal Government and its agencies, from state agencies and from any other source.  
33 The ~~home~~ homes may borrow money from the State subject to approval by the Treasurer  
34 of State and the Governor. Bonds, notes and other evidences of indebtedness issued  
35 under this subsection ~~shall do not be deemed to~~ constitute debts of the State, nor a pledge  
36 of the credit of the State, but ~~shall be~~ are payable solely from the funds of the ~~home~~  
37 homes; and

38 **Sec. 9. 37-B MRSA §602-A**, as enacted by PL 1987, c. 830, §2 and amended by  
39 PL 2003, c. 689, Pt. B, §6, is repealed.

1           **Sec. 10. 37-B MRSA §603**, as amended by PL 2001, c. 676, §1, is further  
2 amended to read:

3           **§603. Board of trustees**

4           The administration of the homes is vested in the Board of Trustees of the Maine  
5 Veterans' Homes, as authorized by Title 5, section 12004-G, subsection 34. The board  
6 consists of 11 members, one of whom must be the Director of the Bureau of Maine  
7 Veterans' Services, ex officio, who serves without term. The Governor shall appoint the  
8 remaining trustees, who must be honorably discharged ~~war~~ veterans. One member must  
9 be a woman. One member must be appointed from and represent each of the largest  
10 veterans' organizations, not exceeding 5, that are nationally chartered and have a  
11 department in Maine. The remaining members must be appointed at large and serve  
12 staggered 3-year terms. The membership must be distributed across the State so that  
13 approximately 1/3 reside in the southern part of the State, approximately 1/3 in the central  
14 part and approximately 1/3 in the northern part. In the event of a vacancy, a successor  
15 must be appointed to complete a member's unexpired term. Each trustee continues to  
16 hold office until a successor is appointed and qualified.

17           **Sec. 11. 37-B MRSA §604, sub-§5**, as enacted by PL 1983, c. 460, §3, is  
18 amended to read:

19           **5. Appointment of chief executive officer.** The board shall appoint ~~an~~  
20 ~~administrator~~ a chief executive officer in accordance with section 606.

21           **Sec. 12. 37-B MRSA §604, sub-§§6 and 7**, as enacted by PL 1983, c. 460, §3,  
22 are amended to read:

23           **6. Other funds.** The board may apply for and receive any grants-in-aid for which  
24 the State or the ~~home~~ homes may be eligible.

25           **7. Rules.** The board shall adopt rules necessary to administer the ~~home~~ homes, to  
26 establish just charges for the maintenance of members and to oversee the operation of the  
27 ~~home~~ homes. In adopting rules, the board shall seek comments and information from  
28 ~~home~~ staff of the homes, members, members' families and other relevant sources, but the  
29 Maine Administrative Procedure Act provisions regarding rulemaking, Title 5, chapter  
30 375, ~~subchapter H~~ subchapters 2 and 2-A, shall do not apply.

31           **Sec. 13. 37-B MRSA §606**, as amended by PL 1997, c. 147, §1, is further  
32 amended to read:

33           **§606. Chief executive officer**

34           The ~~administrator~~ chief executive officer must be an honorably discharged veteran  
35 who shall administer the ~~home~~ homes in accordance with the rules, guidelines and  
36 general policies established by the board. The ~~administrator~~ chief executive officer  
37 serves an indefinite term, but may be removed for cause by the board. The  
38 ~~administrator's~~ chief executive officer's salary is set by the board. The ~~administrator~~ chief  
39 executive officer shall hire the necessary employees to operate the ~~home~~ homes and,

1 whenever possible, give preference in hiring to ~~war~~ veterans. These employees are not  
2 deemed employees of the State.

3 **Sec. 14. 37-B MRSA §607**, as amended by PL 1997, c. 395, Pt. P, §2, is further  
4 amended to read:

5 **§607. Admission**

6 Veterans desiring admission to the ~~home~~ homes must apply on forms prescribed by  
7 the ~~administrator~~ chief executive officer. The ~~administrator~~ chief executive officer shall  
8 grant admission only to veterans who were residents of Maine at the time of their entry  
9 into the United States Armed Forces or who are residents of Maine at the time of  
10 application, and to the spouses, widows or widowers of eligible veterans, ~~provided that as~~  
11 long as suitable facilities are available. Parents of armed services members who are  
12 killed in action or die as a consequence of wounds received in battle are also eligible, as  
13 ~~so-called~~ so-called "gold star" parents, for admission. Admission must be granted when  
14 provisions of the rules governing private payment, Medicare and Medicaid eligibility to  
15 entitled persons are met.

16 **Sec. 15. 37-B MRSA §608**, as enacted by PL 1983, c. 460, §3, is repealed.

17 **Sec. 16. 37-B MRSA §610, first ¶**, as amended by PL 1997, c. 395, Pt. P, §4 and  
18 PL 2003, c. 689, Pt. B, §6, is further amended to read:

19 All funds received by the Maine Veterans' ~~Home~~ Homes, including federal Veterans'  
20 Administration stipend funds, must be held in a permanent fund to be used as required by  
21 the ~~administrator~~ chief executive officer for the support and maintenance of the homes.  
22 A percentage of these funds approved by the board of trustees must be placed in reserve  
23 for capital improvement expenditures. The board of trustees shall operate the homes,  
24 when constructed, as self-liquidating projects until all the bonds issued as provided by  
25 this chapter are retired. ~~Any funds received in excess of that necessary for the support and~~  
26 ~~maintenance of the homes, the capital reserve fund and funds necessary for retirement of~~  
27 ~~any outstanding bonds or indebtedness as those payments become due at the end of each~~  
28 ~~fiscal year must be transferred to the Treasurer of State where they are to be applied as~~  
29 ~~credits to the General Fund.~~ The Department of Health and Human Services may not  
30 modify its principles of reimbursement for long-term care facilities to specifically  
31 exclude reimbursement for the depreciation of the assets created with federal or state  
32 grants.

33 **Sec. 17. 37-B MRSA §610-B**, as amended by PL 1999, c. 288, §2 and PL 2003, c.  
34 689, Pt. B, §6, is repealed.

35 **Sec. 18. 37-B MRSA §611**, as enacted by PL 1983, c. 460, §3, is amended to  
36 read:

37 **§611. Reports**

38 The board shall ~~make~~ submit an annual report to the Governor and the joint standing  
39 committee of the Legislature having jurisdiction over veterans affairs. This report ~~shall~~

1 ~~must contain an accounting for all money received and expended a copy of audited~~  
2 ~~financial statements,~~ statistics on members who resided in the ~~home~~ homes during the  
3 year, recommendations to the Governor and Legislature and such other matters as the  
4 board deems pertinent. ~~The administrator, subject to approval of the board, shall compile~~  
5 ~~a biennial budget on the forms and at the time required of other state agencies.~~

6 **Sec. 19. Maine Revised Statutes headnote amended; revision clause.** In  
7 the Maine Revised Statutes, Title 37-B, chapter 11, in the chapter headnote, the words  
8 "Maine veterans' home" are amended to read "Maine veterans' homes" and the Revisor of  
9 Statutes shall implement this revision when updating, publishing or republishing the  
10 statutes.

## 11 SUMMARY

12 This bill updates the laws governing the Maine Veterans' Homes and repeals outdated  
13 provisions. It removes references to specific veterans' home locations. It increases the  
14 borrowing authority of the Maine Veterans' Homes from \$15,000,000 to \$50,000,000. It  
15 repeals a requirement that the Maine Veterans' Homes develop and implement a geriatric  
16 training program. It changes the title of the position of the person who administers the  
17 homes from administrator to chief executive officer. It repeals a requirement relating to  
18 payment of costs by veterans admitted to the homes. It repeals a requirement that excess  
19 funds be transferred to the General Fund. It repeals a provision relating to the use of  
20 stipend funds. It makes changes to an annual reporting requirement. It also makes  
21 technical changes to provide consistent reference to the Maine Veterans' Homes.