

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #:	5205	FINAL HOUSE FLOOR ACTION:		
SUBJECT/SHORT TITLE	Department of Veterans' Affairs	108	Y's 2	N's
SPONSOR(S):	Health Care Appropriations Subcommittee, Brodeur	GOVERNOR'S ACTION:	Approved	
COMPANION BILLS:				

SUMMARY ANALYSIS

HB 5205 passed both chambers on May 8, 2017.

The bill conforms statutes to the funding decisions related to the Department of Veterans Affairs included in the General Appropriations Act (GAA) for Fiscal Year 2017-2018.

The State Homes for Veterans Trust Fund was created in s. 20.375(4), F.S., as a depository for specialty license plate revenues and can only be used for the purpose of constructing, operating, and maintaining domiciliary and nursing homes for veterans and for continuing promotion and marketing of veteran related specialty license plates. The Operations and Maintenance Trust Fund was created in s. 20.375(3), F.S., as a depository for the funds received from the United States Department of Veterans Affairs for the care of domiciliary and nursing home residents and can only be used for the purpose of operating and maintaining homes.

The bill terminates the State Homes for Veterans Trust Fund, transfers any balances in and revenues of the State Homes for Veterans Trust Fund to the Operations and Maintenance Trust Fund within the Department of Veterans' Affairs, and expands the use of the funds in the Operations and Maintenance Trust Fund to include supporting program operations that benefit veterans or the operations, maintenance, or construction of a nursing home.

The bill redirects the revenues received from the Florida Salutes Veterans, United State Marine Corps, Military Services, Support Our Troops, U.S. Paratroopers, and various other Armed Forces related specialty plates from the State Homes for Veterans Trust Fund to the Operations and Maintenance Trust Fund within the Department of Veterans' Affairs.

The bill redirects the voluntary contributions received from motor vehicle registration or renewals and applications for an original, renewal, or replacement of a driver license or identification from the State Homes for Veterans Trust Fund to the Operations and Maintenance Trust Fund within the Department of Veterans' Affairs.

A personal needs allowance is the amount of income a resident may retain for personal expenditures not covered by the nursing home such as toiletries and haircuts. Section 296.37, F.S., requires every resident of a state veteran domiciliary or nursing home who receives a pension, compensation, or gratuity from the United States Government or income from any other source of more than \$35 per month to contribute to his or her maintenance and support while residing in a home. For the past three fiscal years the General Appropriations Act implementing legislation increased the personal needs allowance to \$105 per month. This prior legislation expires July 1, 2017.

The bill permanently changes the personal needs allowance from \$35 to \$105 per month to reflect Medicaid funding in the General Appropriations Act for the 2017-2018 Fiscal Year.

The bill was approved by the Governor on June 23, 2017, ch. 2017-157, L.O.F., and will become effective on July 1, 2017.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h5205z1.HCA.docx

DATE: June 27, 2017

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Current Situation

The State Homes for Veterans Trust Fund was created as a depository for specialty license plate revenues and can only be used for the purpose of constructing, operating, and maintaining domiciliary and nursing homes for veterans and for continuing promotion and marketing of veteran related specialty license plates.¹

The Operations and Maintenance Trust Fund was created as a depository for the funds received from the United States Department of Veterans Affairs for the care of domiciliary and nursing home residents and can only be used for the purpose of operating and maintaining homes.²

Specialty License Plates

Any voluntary contributions that are collected from motor vehicle registrations or renewals³ and any voluntary contributions for state homes for veterans that are collected from an application for an original, renewal, or replacement driver license or identification card are deposited in the State Homes for Veterans Trust Fund.⁴

A portion of the fees received from issuance of the Florida Salutes Veterans License Plate, United States Marine Corps License Plate, Military Services License Plate, and Support Our Troops License Plate are deposited in the State Homes for Veterans Trust Fund and used for constructing, operating, and maintaining domiciliaries and nursing homes for veterans.⁵ A portion of the revenue generated from a license plate issued pursuant to s. 320.089(1)(b), F.S., is deposited in the State Homes for Veterans Trust Fund.⁶ Revenues generated from the U.S. Paratroopers License Plate are deposited in the State Homes for Veterans Trust Fund.⁷

Personal Needs Allowance

Once an individual requiring an institutional level of care has established Medicaid eligibility, some of his or her income is used to pay for Medicaid services. For individuals residing in an institution, most of their incomes are applied to the cost of that care, with the exception of a small personal needs allowance used to pay for personal needs that are not covered by Medicaid. A personal needs allowance is the amount of income a resident may retain for personal expenditures not covered by Medicaid such as clothing, toiletries and haircuts. Every resident of a state veterans home who receives a pension, compensation, or gratuity from the United States Government or income from any other source of more than \$35 per month is required to contribute to his or her maintenance and support while residing in a home, pursuant to a schedule of payment determined by the home administrator and department director.⁸ The total amount of such contributions shall not exceed the actual cost of operating and maintaining the home.⁹

¹ S. 20.375(4), 320.08058, 320.0891(6).

² S. 20.375(3), 296.11(1).

³ 320.02(15)(f).

⁴ 322.08.

⁵ 320.08058(4)(b)2., (28)(b)2.a., (38)(b), (63)(b)2.

⁶ 320.089(1)(b). Such plates include Veterans of the United States Armed Forces, members of the Florida National Guard, and survivors of Pearl Harbor, among many others.

⁷ 320.0891(6).

⁸ 296.37(1).

⁹ 296.37(1).

In 2015 the median personal needs allowance amount for an individual residing in an institution was \$50 per month. Four states (AL, IL, NC, and SC) set their personal needs allowance at the federal minimum of \$30 per month. Florida's personal needs allowance at \$105 is the highest personal needs allowance for all 50 states and Washington D.C.¹⁰

Chapter 2014-53, Laws of Florida, amended s. 296.37, F.S., to increase the personal needs allowance to \$105 per month. Subsequent implementing legislation for the General Appropriations Act has maintained the personal needs allowance for residents at \$105 per month.¹¹ This provision is set to expire July 1, 2017.

Effect of Proposed Changes

The bill terminates the State Homes for Veterans Trust Fund and transfers remaining balances and all revenues to the Operations and Maintenance Trust Fund within the Department of Veterans' Affairs. The bill directs the Department of Veterans' Affairs to pay any outstanding debts or obligations of the trust fund.

The bill amends the allowable uses of funds within the Operations and Maintenance Trust Fund to include supporting program operations that benefit veterans or the operations, maintenance, or construction of a nursing home.

The bill amends the voluntary contributions that are collected from motor vehicle registrations or renewals and any voluntary contributions for state homes for veterans that are collected from an application for an original, renewal, or replacement driver license or identification card to be deposited in the Operations and Maintenance Trust Fund within the Department of Veterans' Affairs.

The bill amends the Florida Salutes Veterans License Plate, United States Marine Corps License Plate, Military Services License Plate, Support Our Troops License Plate, and U.S. Paratroopers License Plate sections of statute to redirect the revenues received to the Operations and Maintenance Trust Fund within the Department of Veterans' Affairs. The bill amends the specialty license plates issued pursuant to s. 320.089(1)(b), F.S., to redirect the revenues received to the Operations and Maintenance Trust Fund within the Department of Veterans' Affairs.

The bill permanently sets the personal needs allowance at \$105 per month to reflect Medicaid funding in the General Appropriations Act for the 2017-2018 Fiscal Year.

The bill provides an effective date of July 1, 2017.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

This bill requires all remaining balances in, and all revenues of the State Homes for Veterans Trust Fund to be transferred to the Operations and Maintenance Trust Fund within the Department of Veterans' Affairs.

¹⁰ Kaiser Family Foundation - Kaiser Commission on Medicaid and the Uninsured, *Medicaid Financial Eligibility for Seniors and People with Disabilities in 2015* (March 2016), accessible at <http://files.kff.org/attachment/report-medicaid-financial-eligibility-for-seniors-and-people-with-disabilities-in-2015> (last accessed March 24, 2017).

¹¹ Ch. 2015-222 and Ch. 2016-62, Laws of Florida.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Residents in a nursing home will retain \$105 per month as a personal needs allowance.

D. FISCAL COMMENTS:

None.