

**SENATE BILL REPORT**

**SB 6237**

**AS REPORTED BY COMMITTEE ON WAYS & MEANS, FEBRUARY 23, 1994**

**Brief Description:** Implementing the veteran estate management program.

**SPONSORS:** Senators Franklin, M. Rasmussen, Winsley, Erwin, Quigley, Sellar and Oke; by request of Department of Veterans Affairs

**SENATE COMMITTEE ON GOVERNMENT OPERATIONS**

**Majority Report:** That Substitute Senate Bill No. 6237 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, McCaslin, Oke, Owen and Winsley.

**Staff:** Diane Smith (786-7410)

**Hearing Dates:** January 27, 1994; February 4, 1994

**SENATE COMMITTEE ON WAYS & MEANS**

**Majority Report:** That Second Substitute Senate Bill No. 6237 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Rinehart, Chairman; Quigley, Vice Chairman; Bauer, Bluechel, Cantu, Gaspard, Hochstatter, Ludwig, McDonald, Moyer, Owen, Pelz, Roach, L. Smith, Snyder, Spanel, Sutherland, Talmadge, West, Williams and Wojahn.

**Staff:** Tim Yowell (786-7715)

**Hearing Dates:** February 21, 1994; February 23, 1994

**BACKGROUND:**

The Director of the Department of Veterans Affairs or his designee is authorized to act as (1) executor under the last will of any deceased veteran; (2) administrator of the estate of any deceased veteran; (3) guardian or duly appointed federal fiduciary of the estate of any insane or incompetent veteran; (4) or guardian or duly appointed federal fiduciary of the estate of any person who (a) resides in the state of Washington and (b) who is certified as having money due from the Veterans Administration, the payment of which is dependent upon the appointment of a guardian or other type of fiduciary.

No fee to the director or his designee or to any attorney may be charged to the estate. The director or his designee or any other interested person may petition the court for the appointment of the director or his designee. This petition is again without cost or fee.

Currently, this only applies to estates valued at \$15,000 or less.

**SUMMARY:**

The Veteran Estate Management Program is created in order to allow the Director of the Department of Veteran Affairs or his designee to serve as administrator, guardian of the estate or federal fiduciary of an incapacitated veteran's estate or as the executor of a deceased veteran's estate. The estate of an incapacitated veteran's dependant is newly brought under the statute's purview.

Some veterans or their dependents are incapacitated. In order to receive benefits or entitlements, these incapacitated people may be required by the United States Department of Veterans Affairs or by the Social Security Administration to have a federal fiduciary or representative payee to receive their benefits on their behalf. When a family member is not available to serve as guardian and the incapacitated person requires the services of a court appointed guardian or other type of fiduciary, the Director of Veterans Affairs or any other interested party may petition a court or authority to be appointed as guardian or fiduciary. Likewise, when a veteran is deceased and has not designated an executor, the director or any other interested person may petition the court to be appointed as executor.

There is no limitation on the size of the estate which may come under the Veteran Estate Management Program's jurisdiction. The Veteran Estate Management Program is authorized, but not required, to charge the estate of the incapacitated or deceased veteran, but not the estate of the incapacitated dependent, who is a client of the program. The director is also given authority to contract with private legal counsel. Any fees collected are to be deposited in the veteran estate management program fund in the custody of the State Treasurer to be available for the cost of managing and supporting the program.

An amendment is made to the Uniform Veterans Guardianship Act to add the Department of Veterans Affairs to those entities not limited to five or less wards at one time.

**EFFECT OF PROPOSED SUBSTITUTE:**

The section authorizing the program to place a claim against the veteran's estate also allows the director to waive all or part of that claim that poses a hardship to the veteran. The director may not retain private legal counsel on behalf of a veteran. No member of the department may serve as guardian for a resident of the state veterans' homes.

**EFFECT OF PROPOSED SECOND SUBSTITUTE:**

Fees are to be set at the amount allowed by federal Department of Veterans Affairs rules. Fees are to be deposited into an

appropriated local fund, rather than a new nonappropriated account.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested January 17, 1994

**TESTIMONY FOR (Government Operations):**

Veterans needing guardianship services are a vulnerable population whose interests need to be protected by this bill. Charging veterans for the services provided by the veteran estate management program will offset budgetary cuts and allow for expanding the client base.

**TESTIMONY AGAINST (Government Operations):** None

**TESTIFIED (Government Operations):** Beau Bergeron, WDVA Director (pro); John Lee, WDVA Asst. Director (pro)

**TESTIMONY FOR (Ways & Means):**

With legislative approval, the Department of Veterans Affairs would be able to reduce state expenditures while expanding services.

**TESTIMONY AGAINST (Ways & Means):** None

**TESTIFIED (Ways & Means):** PRO: Senator Rosa Franklin, prime sponsor; John Lee, Department of Veterans Affairs; Keith Sherman, WA Veterans Legislative Coalition; Kary Hyre, WA State Long-Term Care Ombudsman