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FISCAL IMPACT REPORT

ORIGINAL DATE 02/06/13

SPONSOR Roybal-Caballero LAST UPDATED _____ HB 411

SHORT TITLE Indigent Veterans Burial Fund SB _____

ANALYST Wojahn

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Minimal	Minimal	Minimal	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Veterans' Services Department (VSD)

SUMMARY

Synopsis of Bill

House Bill 411 appropriates \$100.0 to the VSD for the purpose of reimbursing counties for costs incurred for burials, cremations, and the opening and closing of graves for indigent veterans. The VSD would also be required to report to the LFC annually on the income and expenditures of the indigent veterans' burial fund.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY14 shall revert to the general fund. The VSD contends the Indigent Veterans Burial Fund would be a non-reverting fund consisting of appropriations, gifts, grants, and donations.

Continuing Appropriations Language

House Bill 411 creates a new fund, the “indigent veterans burial fund,” and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the Legislature to establish spending priorities.

SIGNIFICANT ISSUES

The VSD works with each county in the state when they identify indigent remains that may be a veteran. It is incumbent on New Mexico to honor these veterans with a proper burial. House Bill 411 would allow the VSD to reimburse the counties for any costs incurred for the burial or cremation of those remains.

Once the remains are identified as a veteran, counties will use due diligence to find next of kin. If there is no next of kin that has been identified after two years, the VSD will claim the remains and ensure proper veteran burial at the Santa Fe National Cemetery or the Ft. Bayard National Cemetery. To date, the VSD has assisted in the burial of approximately 40 cremains across New Mexico.

ADMINISTRATIVE IMPLICATIONS

The VSD would need to set up strict guidelines and rules regarding the payout of this fund to reimburse counties.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Counties would need to find funds within their own budgets to cover the costs incurred.

MEW/bm