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## FISCAL IMPACT REPORT

**SPONSOR** Munoz **ORIGINAL DATE** 1/28/2016 **LAST UPDATED** 2/15/2016 **HB** \_\_\_\_\_

**SHORT TITLE** Veterans' Cemetery Fund and Distributions **SB** 229/aSFC

**ANALYST** Rogers

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18		
\$0.0	≈ \$10.0	≈ \$10.0	Recurring	Veterans' state cemetery fund

(Parenthesis ( ) Indicate Revenue Decreases)

Duplicates HB 185

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Veterans' Services Department (VSD)

### SUMMARY

#### Synopsis of Senate Finance Committee Amendment

Adds the following language on page 2, line 8 before the period: "after the city of Santa Fe has received the balance of tax refund contributions in the amount of one million seventy thousand dollars (\$1,070,000)." The amendment restores funding to the City of Santa Fe and directs balances in excess of \$1,070.0 thousand be directed to the Santa Fe State Cemetery Fund.

#### Synopsis of Bill

HB 185 amends Section 7-1-6.18 NMSA 1978 by changing the name of the National Cemetery Fund to the Veterans' State Cemetery Fund and would allow VSD to retain the funds for the operation and maintenance of the new state cemetery program. .

Under current statute, any New Mexico state taxpayer can elect to donate all or part of their state personal income tax refund to the National Cemetery Fund, housed at VSD, that is donated to the City of Santa Fe.

VSD reports that since its creation in 1987, this check off has generated slightly more than \$400,000, with a current balance of \$2,329 at the end of December 2015. The SHARE cash balance report at the end of December 2015 shows the balance as \$11,440.

### **FISCAL IMPLICATIONS**

The fund consists only of money donated by taxpayers; as a result, there is no impact on the general fund.

The funds generated by this proposal would lessen the need for general fund dollars to maintain and operate the state veteran cemeteries by allowing VSD to capture the funds donated by taxpayers.

### **SIGNIFICANT ISSUES**

VSD provided information from the United States Department of Veterans Affairs (VA). The VA is suggesting a move away from opening future National Veteran Cemeteries and are instead working with the states to develop State Veteran Cemeteries. The VA is offering grant programs to assist states in designing and building smaller state run cemeteries for veterans.

New Mexico is in the process of constructing a new veteran cemetery in Ft. Stanton and a proposed cemetery to begin construction in Gallup.

TMR/jle/jo/al/jle