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## FISCAL IMPACT REPORT

SPONSOR: Carraro DATE TYPED: 2/03/03 HB \_\_\_\_\_

SHORT TITLE: Provide for State's Veterans Cemetery SB 285

ANALYST: Chabot

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$50.0		See Narrative	Non-Recurring	State Veterans' Cemetery Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
	(\$50.0)	(\$150.0)	Non-Recurring	General Fund
	\$50.0	\$150.0 (See Narrative)	Non-Recurring	State Veterans' Cemetery Fund
		See Narrative	Non-Recurring	Federal

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Department of Military Affairs

Energy, Minerals and Natural Resources

New Mexico Veterans' Service Commission (VSC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 285 appropriates \$50.0 from the general fund to create the State Veterans' Cemetery Fund for the purpose of establishing a state veterans' cemetery. Money in the fund is appropri-

ated to VSC and will not revert to any other fund. The appropriation for fiscal year 2004 is to be used to conduct a study of parcels of state land in Rio Rancho in Sandoval county and other available state lands to assess their suitability for a state veterans' cemetery.

### Significant Issues

At present, the federal Veterans' Administration has no plans for establishing new or expanding existing veterans' cemeteries in New Mexico even though the New Mexico congressional delegation has expressed support to do so. It is estimated that the cemetery in Santa Fe will use all its available space in approximately ten years. There is sufficient available space for expansion at the Fort Bayard National Cemetery in southwest New Mexico but it a considerable distance from the population centers in Northern New Mexico.

States may establish their own veterans' cemeteries and the federal government will provide grants for establishing and the initial maintenance at these cemeteries. This process is being used to convert the state-owned cemetery at Fort Stanton to a state veterans' cemetery. Once grant funds for a specific location are used, maintenance and administrative costs are state responsibility. A condition of the grants is that the cemetery will be kept at the same or higher standards as federal veterans' cemeteries.

DOH recommends considering using state cemeteries, such as at the Las Vegas Medical Center, where a portion of the cemetery could be used for veterans. Such an arrangement might reduce the costs of having separate cemeteries. The Veterans' Home in Truth or Consequences should also be considered.

VSC states that 1 FTE would be required to oversee the eligibility and bureau of veterans and oversee the upkeep and maintenance of the site once the cemetery has been completed.

### **FISCAL IMPLICATIONS**

The appropriation of \$50.0 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall not revert to the general fund but will remain in the Veterans' Cemetery Fund. If a site is selected, additional funds would need to be appropriated for the architectural design of the cemetery so it can be submitted as part of the grant application to the U.S. Department of Veterans' Affairs. The cost for the design at Fort Stanton was \$192.0.

### **ADMINISTRATIVE IMPLICATIONS**

VSC will have to establish the fiscal year 2004 budget from the Veterans' Cemetery Fund through a budget adjustment request.

### **TECHNICAL ISSUES**

The bill does not impose any reporting requirement on the VSC. It is recommended that on page 3, line 18 the following sentence be inserted following the word "cemetery": "The veterans' service commissions will report its findings to the interim legislative health and human services committee during the October meeting."