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FISCAL IMPACT REPORT

ORIGINAL DATE 2/8/06
 SPONSOR Varela LAST UPDATED 2/13/06 HB 693/aHCPAC
 SHORT TITLE Equip New Mexico Honor Guard SB _____
 ANALYST Peery

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|--------|-------------------------|------------------|
| FY06 | FY07 | | |
| | \$25.0 | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)
 Department of Military Affairs (DMA)

SUMMARY

Synopsis of HCPAC Amendment

The House Consumer and Public Affairs Committee on House Bill 693 on page one, line 11 deletes “MILITARY AFFAIRS” and inserts “VETERANS’ SERVICES”. The amendment on page one, line 17 deletes “military affairs” and inserts “veterans’ services”.

Synopsis of Bill

House Bill 693 appropriates \$25.0 from the general fund to the Department of Military Affairs for the purpose of a statewide effort to equip the New Mexico Honor Guard.

FISCAL IMPLICATIONS

The appropriation of \$25.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

DFA reports the Veterans’ Service Department currently administers the Military Honors Burial

program and receives an annual appropriation of \$50,000. These funds are to pay for the Honor Guard uniforms, bugles, rifles, per diem and training.

SIGNIFICANT ISSUES

DMA states the Honor Guard activity is under the purview of the Veterans' Services Department.

DFA reports the Department of Military Affairs is completely separate from the New Mexico Honor Guard. DFA reports the Veterans' Service Department reimburses a volunteer Honor Guard which participates in veteran funeral services. DFA states both agencies are aware of the error and are taking steps to correct the proposed legislation.

ADMINISTRATIVE IMPLICATIONS

The Veterans' Service Department administers the Military Honors Burial program that deals with the volunteer Honor Guard.

TECHNICAL ISSUES

DFA reports the appropriate recipient of the funding in the proposed legislation would be the Veterans' Service Department.

OTHER SUBSTANTIVE ISSUES

DFA reports by federal law all veterans are to be buried with full military honors. DFA reports in the United States approximately 1,500 veterans die each day. DFA states in New Mexico, due to an aging population, there are too many funerals and too few volunteers for the Honor Guard. DFA reports the Veterans' Service Department two years ago established the Military Honors Burial program to alleviate some of the financial difficulties faced by the volunteers of the Honor Guard.

RLP/nt:mt