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## FISCAL IMPACT REPORT

ORIGINAL DATE 2-10-2007

SPONSOR Anderson LAST UPDATED \_\_\_\_\_ HB 545

SHORT TITLE Special Wartime Medal SB \_\_\_\_\_

ANALYST Dearing

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		\$173.0		\$173.0	Non- recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Veterans' Services Department (VSD)  
Department of Military Affairs (DMA)

### SUMMARY

#### Synopsis of Bill

House Bill 545 carries no appropriation. If enacted the Veterans' Services Department would develop a commemorative medal specifying that the recipient had served in the United States Military during certain Congressionally recognized armed conflicts, and that the recipient was either from New Mexico, or had become a long-time resident prior to receiving the medal.

### FISCAL IMPLICATIONS

If enacted, the VSD would incur costs of \$104.5 thousand to produce the commemorative medals. The department estimates production costs of up to ninety-five cents per medal and eligibility for approximately 110,000 of 180,000 New Mexico veterans. \$104.5 thousand would provide unit costs for the adequate number of medals, the fiscal impact estimates and additional \$69.3 thousand for the delivery and disbursement process to eligible veterans. The estimate does not consider any additional costs associated in designing a medal, or maintaining eligibility records.<sup>1</sup> Estimated costs would change if veterans' were required to purchase the proposed medals or pay for their shipping costs.

<sup>1</sup> Veterans' Services department unit cost estimates of \$.80-.95, and United States Postal Service First-Class rates of \$.63 for items weighing two ounces or less.

**SIGNIFICANT ISSUES**

The Secretary of the United States Veterans Affairs has recently called on America's veterans to help kindle a new spark of patriotism on Veterans' Day by wearing the medals they earned during military service.

Although an Active Duty military member cannot wear State-issued awards, veterans can wear non-military awards.<sup>2</sup>

**ADMINISTRATION**

The department of Military Affairs cites inherent administrative implications incurred with this legislation as potentially increasing the cost of record keeping.

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<sup>2</sup> OPNAVINST 3591.1C