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FISCAL IMPACT REPORT

ORIGINAL DATE 01/27/10

SPONSOR Sandoval LAST UPDATED _____ HB 103

SHORT TITLE Create Veteran's National Cemetery Fund SB _____

ANALYST Chabot

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
None	None		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Secretary of State (SOS)

Veterans' Services Department (VSD)

Responses Not Received From

Taxation and Revenue Department (TRD)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 103 creates the nonreverting Veterans' National Cemetery Fund in the state treasury consisting of appropriations, gifts, grants donations and amounts designated by statute for the purpose of collecting contributions to be used for the purchase of addition acreage for the Santa Fe National Cemetery. After the fund reaches \$1,070,000, additional collections will be distributed to the substance abuse education fund. The bill continues providing for contributions through designation on the personal income tax form.

FISCAL IMPLICATIONS

This bill creates a new 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

Current statute repeals the provisions for contributions when the fund balance reaches \$1,070,000. This will continue collections into the fund and provides a second use when the fund reaches \$1,070,000. Fund balance as of December 31, 2009 was \$112,900.85.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The provision for voluntary collection through the personal income tax will be repealed when the fund balance reaches \$1,070,000.

GAC/svb