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FISCAL IMPACT REPORT

SPONSOR Anderson **ORIGINAL DATE** 02/04/11
LAST UPDATED 03/07/11 **HB** 122/aHAFC
SHORT TITLE Veterans' Enterprise Fund **SB** _____
ANALYST Esquibel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	Unknown	Recurring	Veterans' Enterprise Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY11	FY12	FY13		
	Unknown	Unknown	Recurring	Veterans' Enterprise Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Veterans' Services

SUMMARY

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment to HB122 removes federal funds from the non-reverting "veterans' enterprise fund".

Synopsis of Original Bill

House Bill 122 would create an enterprise fund within the Department of Veterans' Services (DVS). This fund would allow the DVS to accept donations, grants, gifts, bequests, and proceeds from the sale of publications that might be produced by the department.

FISCAL IMPLICATIONS

House Bill 122 creates a “veterans’ enterprise fund” consisting of appropriations, gifts, grants, donations, bequests, proceeds from the sale of publications, fees, and interest. The fund would be non-reverting.

The DVS indicates the fund would create a possibility for the department to pursue private and public monies to fund various projects such as the Veteran Museum, the Veteran Wellness Project, or other such programs without having to rely solely on general fund revenue.

This bill creates a new fund, the veterans’ enterprise 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.

OTHER SUBSTANTIVE ISSUES

Within current law, DVS cannot accept donations, grants, or other gifts. It has at times been offered donations or gifts and has had to refer donors to other non-profit agencies that might be able to accept such bequests.

RAE/mew:bym