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HOUSE FISCAL AGENCY

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HB4225 AS INTRODUCED

Sponsor
Committee

Rep. Ken Bradstreet
VETERANS AFFAIRS

Analyst(s) Jen, Kyle

Completed 5/30/01

State Fiscal Impact

Cost	Increase
Revenues	Increase

Local Fiscal Impact

Cost	None
Revenues	None

House Bill 4225 would create the State Veterans Cemetery Act. The bill would authorize the Department of Military and Veterans Affairs to acquire and purchase land in Crawford County suitable for a veterans cemetery and to accept money or gifts for that purpose. The bill would also require the state Veterans Affairs Directorate of the Department of Military and Veterans Affairs to apply for and accept grants available under the National Cemetery System and to administer the veterans cemetery in compliance with all federal laws and regulations. Finally, the bill would direct the legislature to appropriate sufficient funds to accomplish the purpose of the act.

This bill would increase state costs, as well as state revenue from federal sources. Based on current federal policy, the state could receive a grant for 100 percent of the costs of establishing a state cemetery (the state would be required to fund design and planning of the cemetery, with subsequent reimbursement for allowable costs). The state would be responsible for the acquisition costs of the land for the cemetery and the ongoing administrative, operational, and maintenance costs associated with the cemetery. The state would be obligated to maintain the cemetery perpetually.

The costs of acquiring the land for the cemetery are indeterminate; no costs would be incurred if suitable land for a cemetery is currently owned by the state. One potential site for the cemetery is the Camp Grayling Military Reservation. According to a December 1999 estimate by the U.S. Veterans Administration (VA), the recommended size for a cemetery located at Camp Grayling would be 48.5 acres (based on estimated burials for a 20-year period).

According to the VA estimate, annual administrative and operational costs for a cemetery located at Camp Grayling would be \$302,834. Additionally, there would be costs associated with maintenance, repairs, and equipment replacement. Given the time necessary for start-up of a cemetery, these costs would not be incurred until three to five years after enactment of the bill.

Service members who die on active duty, veterans, and their spouses and dependent children are eligible for burial at state veterans cemeteries; the state may impose a residency requirement. The VA is authorized to pay states a plot allowance of \$150 for expenses incurred in the burial of an eligible veteran without charge. Revenue from this allowance could be allocated towards the operational costs of the cemetery. If the allowance were received for 100 percent of the approximately 517 veterans buried in the cemetery each year (as estimated by the VA), revenue of \$77,550 would be collected by the state annually.