

## STATE VETERAN'S CEMETERY

### House Bill 4225 (Substitute H-4) First Analysis (6-19-01)

**Sponsor: Rep. Ken Bradstreet**  
**Committee: Veterans' Affairs**

#### ***THE APPARENT PROBLEM:***

The United States operates a system of 119 national cemeteries to bury its veterans. Since 1862, more than 2 million veterans have been buried at these sites. In addition, state cemeteries have provided burials for thousands of veterans and family members. There are also approximately 125,000 war dead in twenty-four permanent American burial grounds on foreign soil, which are administered by the American Battle Monuments Commission. The federal government pays burial costs related to the gravesite, opening and closing a grave, markers, burial receptacles, and perpetual maintenance. A single gravesite is provided for a veteran, spouse, and dependent children. The government estimates that these services save a veteran's family approximately \$3,000. (Funeral expenses, including the casket, professional services, and transportation remain the responsibility of the family). To qualify for burial in a national cemetery, a veteran must have been discharged with 24 or more months of active military service, or have died while on active service.

To assist states in providing gravesites for veterans in areas where national cemeteries cannot fully meet the need, the federal State Cemetery Grants Program (338 CFR 39.1) was established in 1978 to complement the national cemetery system. Under the program, the U.S. Department of Veterans' Affairs (V.A.) has provided \$82 million in grants to build or improve veterans' cemeteries in 23 states. To qualify for burial in a state cemetery, Michigan law specifies that the person must have received an honorable discharge, have served for at least 180 days during a war era or during the Vietnam conflict, and be a state resident for six months before entering the service or for a period of three years immediately before death. Recently, the V.A. has increased the pace of this program: 25 percent of the \$82 million total was appropriated in fiscal year 2000-2001, \$25 million has been authorized for fiscal year 2001-2002, and \$25 million has been requested for the following fiscal year.

The V.A. has established a goal of locating either a state or national cemetery within a 75-mile radius of

each veteran's home. Currently, a single national cemetery -- the Fort Custer National Cemetery outside Battle Creek, serves Michigan veterans. This cemetery also serves the veterans of northwestern Indiana and northeastern Illinois. According to the Department of Military and Veterans Affairs, the V.A. proposes to establish a second national cemetery to serve families in southeastern Michigan. Four sites in Lapeer, Macomb, Oakland, and Wayne counties are under consideration, and the proposed federal budget for fiscal year 2002-2003 includes money for land acquisition. With the V.A.'s goal of locating their cemeteries within a 75-mile radius of each veteran's home in mind, the Department of Military and Veterans Affairs has proposed that two new state cemeteries be constructed to serve veterans in the northern part of the state.

#### ***THE CONTENT OF THE BILL:***

The bill would create a new act, the "State Veterans Cemetery Act," and would authorize the Department of Military and Veterans Affairs to "acquire and purchase" land in Crawford County and in Dickinson County, each suitable for such a cemetery. The bill would also establish a veterans' cemeteries fund to provide money for expenses such as architectural design and/or engineering plans, legally required environmental impact studies, and for expenses required to qualify for federal grants under the National Cemetery System.

**Grants.** The bill would require the Veterans Affairs Directorate in the Department of Military and Veterans Affairs to apply for, and accept, all grants available under the National Cemetery System (under section 2408 [Aid to States for Establishment, Expansion, and Improvement of Veterans' Cemeteries] of Title 38 [Veterans Benefits] of the United States Code, 38 U.S.C. 2408), and to administer the veterans' cemetery created under the proposed act in compliance with all federal laws and regulations.

Veterans' Cemeteries Fund. The bill would establish the fund within the state treasury to provide money for the following expenses:

- architectural design or engineering plans, or both, and any necessary environmental impact studies prescribed by law; and
- necessary expenses to qualify for federal grants under the national cemetery system.

Interest and earnings from fund investments would be credited to the fund, and, at the end of the fiscal year money remaining in the fund would remain there and not lapse to the general fund.

Appropriations. The bill would require the legislature to appropriate sufficient money to accomplish the proposed act's purpose.

### ***BACKGROUND INFORMATION:***

State Cemetery Grants. The U.S. Department of Veterans Affairs (V.A.) established the State Cemetery Grant Program in 1978 to aid in its goal of building a national or state cemetery within a 75-mile radius of the home of each veteran. The program complements the national cemetery system by assisting states in providing gravesites in areas where national cemeteries cannot fully meet the need. Under the program, the V.A. provides grants for the planning, development, and construction costs of an approved project. Each state must provide land that meets the V.A.'s standards for such cemeteries. These include immediate access to a paved road, utilities, drainage, the proper soil type, and appropriate zoning. Each state must also pay for start-up costs, usually about ten percent of the total construction cost, for preliminary planning. The state receives reimbursement for start-up costs later, but is not reimbursed for the cost of the land.

The V.A. places no limit on the number of cemeteries that each state may build, but each must conform to the V.A.'s standards and guidelines regarding site selection, planning, and construction, and must be large enough to remain active for twenty years or more. According to written testimony provided to the House committee, by the Department of Military and Veterans Affairs, Missouri currently has four cemeteries either planned or under construction. Twenty-four new cemeteries are planned in Arizona, California, Colorado, Idaho, Indiana, Kentucky, Louisiana, Maine, Massachusetts, Missouri, Nebraska, and Puerto Rico. Nine other existing cemeteries plan expansions or improvements.

Each state must assume responsibility for the administration, operation, and maintenance of a cemetery after it is built. The V.A. pays a plot allowance of up to \$150 for expenses incurred for the burial of each veteran, provided that it is performed at no cost to the veteran's next of kin. The state may use the allowance to offset the cemetery's operational costs. The cemetery also must be operated solely for the burial of members of the services who die while on active duty, veterans, and their eligible spouses and dependent children. However, states may impose other restrictions, such as residency requirements, burials provided for wartime service only, or burials provided for veterans with service that has been characterized as "honorable." Michigan imposes each of these requirements.

### ***FISCAL IMPLICATIONS:***

The House Fiscal Agency reports that the 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 establishing one or more state cemeteries. The state would be required to fund design and planning costs, estimated at 10 percent of construction costs, with subsequent reimbursement. The state would be responsible for land acquisition costs and ongoing administrative, operational, and maintenance costs for cemeteries.

The HFA reports that land acquisition costs are indeterminate. No costs would be incurred if suitable land is already owned by the state. One potential site is the Camp Grayling Military Reservation.

According to V.A. estimates, annual administrative and operational costs for the two cemeteries would be \$455,000. There would be additional maintenance costs.

Revenue of \$114,000 annually from federal plot allowances of \$150 per veteran could be allocated toward operational costs. (6-19-01)

### ***ARGUMENTS:***

#### ***For:***

The U.S. Department of Veterans Affairs (V.A.) is in the process of approving the construction of new veterans' cemeteries all over the country. It is proposed that one of these, a new national cemetery, be constructed in Michigan, which currently has only one veteran's cemetery – the Fort Custer National Cemetery near Battle Creek. A single gravesite is

provided in one of these cemeteries for a veteran, spouse, and dependent children. The government pays burial costs related to the grave site, opening and closing the site for the initial and subsequent burials, an outer burial receptacle, memorial marker, and perpetual maintenance. Funeral expenses, including the casket, professional services, and transportation remain the responsibility of the family. (If a veteran wishes to be buried with his relatives in a private cemetery, he or she is issued a voucher to cover part of this cost.)

V.A. records indicate that 80 percent of burials in its cemeteries are veterans who lived within a 74-mile radius of a national cemetery, and that one in ten eligible veterans living within such a radius will choose burial at a national cemetery. Consequently, the V.A. has stated a goal of building a national or state cemetery within a 75-mile radius of the home of each veteran in the country. In addition, the V.A. is very conscious of the increasing death rate among older veterans (V.A. records indicate that 1,100 World War II veterans die each day throughout the U.S., and projections are that these deaths will peak in Michigan in 2008). Consequently the V.A. is eager to complete a small portion of the second proposed national cemetery in Michigan, to be located in Southeast Michigan. It expects to use a "fast track" process for construction that would permit burials as early as the end of 2003. According to written testimony presented to the House committee by the Department of Military and Veterans Affairs, Michigan's veterans' groups have no objection to this approach.

The bill would permit two new state cemeteries for veterans to be built in Dickinson and Crawford counties. These, together with the national cemetery in Battle Creek, and the proposed new national cemetery in southeastern Michigan, would almost fulfill the V.A.'s goal of providing a national or state cemetery within a 75 mile radius of every veteran's home. The department's written testimony indicates that 75,650 veterans live within 75 miles of the proposed state cemetery in Crawford County, and 30,880 veterans live within 75 miles of the proposed Dickinson site. According to the department's testimony, only seven counties would fall completely outside the boundaries of the V.A.'s goal: Chippewa, Keewenaw, Luce, and Mackinac in the Upper Peninsula, and Huron, Mason, and Oceana in the Lower Peninsula. Approximately 22,000 veterans, or approximately three percent of the state's total, live in these counties.

### ***For:***

When selecting the site for a new veterans' cemetery in the Upper Peninsula, greater attention must be paid with regard to the distance that families will have to travel than in other parts of the state, due to the area's weather and its two-lane road system. The selection of Dickinson County is an excellent one for these reasons. The population of the Upper Peninsula is centered in the Dickinson, Menominee, and Delta County area. Moreover, according to the Dickinson Area Office of Veterans' Affairs, there are more veterans in this area than in any other place in the Upper Peninsula.

It is particularly important that a new cemetery be situated in the Upper Peninsula, since most veterans there are not eligible for interment in the closest veterans' cemeteries in Wisconsin. The eligibility requirements there specify that the veteran must be a resident of Wisconsin at the time he or she entered military service, or, if the veteran entered service from another state, must be a resident for five consecutive years after discharge from active duty or have died in Wisconsin. According to the Upper Peninsula Dickinson Area Office of Veterans' Affairs, these provisions would disqualify 98 percent of all the veterans in the Upper Peninsula.

### ***Against:***

Although the bill would require that the legislature appropriate sufficient money to carry out the provisions of the bill, the state is currently facing severe budget problems. Consequently, it is unlikely that the legislature could appropriate the required funds. The bill should also provide for other funding sources, such as that used in the state of Missouri, which has four state cemeteries that receive funds from lottery and casino revenues. An income tax write-off has also been suggested.

### ***POSITIONS:***

The Commanders' Group, an association consisting of the eleven commanders of the veterans' service organizations (VSOs), including the American Legion, supports the bill. (6-18-01).

The Department of Veterans' Affairs supports the concept of the bill, provided that funding is available. (6-18-01)

Analyst: R. Young

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.