

Fiscal Analysis

VETERANS BURIAL ALLOWANCE; INCREASE ASSET LIMIT



Bill/Sponsor **HOUSE BILL 4299 (H-3), Rep. Scott Shackleton**

House Committee Veterans Affairs and Homeland Security

Analysis

Summary

Public Act 235 of 1911 requires counties to provide a \$300 burial allowance for veterans or their wives if the veteran and his wife have an estate not exceeding \$25,000 “over and above all encumbrances.” House Bill 4299 would amend this act to increase the allowable estate amount to \$40,000, with a provision allowing a county board of commissioners to pass a resolution exempting the county from the required increase.

Fiscal Impact

No statewide figures exist as to the total number of \$300 allowances paid by counties. Instead, the estimated costs of providing the allowances under current law have been estimated utilizing data gathered in 2001 from a sample of four counties (Ingham, Iron, Isabella, and Washtenaw) and extrapolating the figures across the entire state utilizing county veterans population estimates. Under current law, the total amount of payments paid by counties is estimated to be \$1.5 to \$1.8 million annually. This figure represents 5,000 to 6,000 allowances per year, equivalent to approximately 35 to 40 percent of total veterans deaths in Michigan.

Unfortunately, no data exist on the distribution of estate values among veterans (or some similar population), specifically the number who would qualify if the limit were raised from \$25,000 to \$40,000. The increased costs for counties that would be created by the bill, therefore, are indeterminate.

Analyst(s)

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FLOOR ANALYSIS - 3/28/03

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