

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 286

(Senator Simonaire, *et al.*)

Education, Energy, and the Environment

Health and Government Operations

**Department of Veterans Affairs - Burial in State Veterans' Cemeteries - Spouses
and Dependents**

This bill requires the Maryland Department of Veterans Affairs (MDVA) to bury the “eligible spouse” or “eligible dependent” (including a child or parent) of a veteran in a State veterans cemetery without charge. MDVA must provide a grave liner at no cost for the veteran or eligible spouse or dependent. An “eligible spouse” or “eligible dependent” must meet requirements established under federal regulations regarding eligibility for burial in a national veterans’ cemetery.

Fiscal Summary

State Effect: MDVA special fund revenues decrease, likely by a significant amount, beginning in FY 2024 from the requirement to bury an eligible spouse or dependent without charge and to provide a grave liner at no cost. Special fund expenditures decrease and general fund expenditures correspondingly increase to maintain the MDVA Cemetery Program, as discussed below. The FY 2024 budget as passed by the General Assembly includes \$1.0 million in general funds (and a corresponding reduction in special funds) for the Cemetery Program, contingent on the enactment of this bill.

Local Effect: The bill is not anticipated to materially affect local government operations or finances.

Small Business Effect: None.

Analysis

Current Law: MDVA is authorized to establish one or more cemeteries in the State for the burial of veterans and their eligible spouse or dependents as authorized by the Secretary

of Veterans Affairs. MDVA's Cemetery Program operates and maintains five veterans' cemeteries to provide for their internment.

To qualify for a plot in the State veterans' cemetery, the applicant must be a veteran who meets the requirements for burial at a national veterans' cemetery or an eligible spouse or dependent of a veteran who meets specified requirements. In addition, if the applicant is a veteran, the veteran must also have been a resident of the State (1) when the veteran entered the U.S. Armed Forces; (2) when the veteran died; or (3) for two years, unless, for a reason that MDVA finds compelling, MDVA waives the time period. In a plot that is allotted to a veteran, MDVA must bury the veteran and any member of the immediate member who is an eligible spouse or dependent of the veteran if the family member can be buried in a space above or below the veteran or in the next available plot.

MDVA must bury the veteran without charge. For the burial of a member of the immediate family who is an eligible spouse or dependent, MDVA may set a fee that does not exceed the cost of burial. For an eligible spouse or dependent, the grave liner must be paid for by the family or estate.

State Fiscal Effect: An eligible veteran receives a burial plot, grave liner, headstone, and internment services at no expense. Effective November 2022, the burial cost for a veteran's spouse or dependent is \$893 (inclusive of casketed and cremated interments and liner costs). MDVA advises that, in fiscal 2022, the department provided interment services for 1,388 spouses and dependents. Fees collected for the interment of veterans' spouses and dependents maintains the Cemetery Program. As special fee revenues are collected at an amount to cover expenditures, there is no special fund balance. Any loss of fee revenue will result in an increase in general fund expenditures to ensure the viability of the program.

For illustrative purposes only, if the number of interments for veterans' spouses and dependents remains constant (1,388), special fund revenues decrease by \$1.24 million annually beginning in fiscal 2024. Special fund expenditures decrease while general fund expenditures increase accordingly to offset the decrease in special fund revenues otherwise available for the Cemetery Program. To the extent that the number of interments of veterans' spouses and dependents is less than 1,388 annually, the impact is reduced. Conversely, to the extent that a greater number of veterans' spouses and dependents seek burial in a State veterans' cemetery under the bill, the resulting revenue loss (and the reduction in special fund expenditures and corresponding amount of general funds required to backfill funding for the Cemetery Program) increases.

The fiscal 2024 budget as passed by the General Assembly includes \$1,032,098 in general funds (and a corresponding reduction in special funds) for the Cemetery Program, contingent on the enactment of this bill.

Additional Information

Prior Introductions: Similar legislation has been introduced within the last three years. See HB 1251 of 2022.

Designated Cross File: HB 480 (Delegate Rogers, *et al.*) - Health and Government Operations.

Information Source(s): Department of Veterans Affairs; Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2023
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