

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 29, 2023

TO: Honorable Terry M. Wilson, Chair, House Committee on Defense & Veterans' Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4739 by Lopez, Janie (Relating to the establishment and operation of veterans cemeteries.), **As Introduced**

The fiscal implications of the bill cannot be determined because the timing and amount of available land, federal funding, and other funds made available to the agency being unknown at this time.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

This bill would require one of the state's seven veterans cemeteries to be sited in a county that is contiguous to an international border and the Gulf of Mexico. The bill would increase veterans' land fund, veterans' housing assistance fund, and veterans housing assistance fund II amounts that can be used for veterans cemeteries from \$7,000,000 to \$10,000,000 per fiscal year. The bill would add language stating that in addition to using these funds, the Veterans' Land Board (VLB) may plan and design, operate, maintain, enlarge, or improve veterans cemeteries using funds available or appropriated to the VLB for that purpose

The fiscal implications of the bill cannot be determined because the timing, availability of land to be donated, and the amount of available federal funding and other funds made available to the GLO for the planning, construction, operation, or maintenance of veterans' cemetery are unknown.

There are four existing state veterans cemeteries and one additional cemetery planned to be constructed in Lubbock during the 2024-25 biennium. Based upon the criteria established in the bill, it is assumed that the bill would require one of the state's seven veterans cemeteries to be located in Cameron County. The General Land Office and the Veterans' Land Board (GLO) estimates that the annual ongoing expenses for operation of the cemetery, including one On Site Representative, operator costs, and capital improvements, would be approximately \$1,300,000 each fiscal year. It is assumed that the increase in the veterans' land fund, veterans' housing assistance fund, and veterans housing assistance fund II amounts available be used for veterans cemeteries would be sufficient to fund these operating expenses.

The construction of State Veterans Cemeteries is typically funded with federal grants awarded through the U.S. Department of Veterans Affairs. Based upon information provided by the GLO, it is assumed that federal funds will not be available during the five year period after the effective date of the bill for the construction of a cemetery in Cameron County. If no federal funds are ultimately awarded for construction, the estimated one-time cost to construct the cemetery would be approximately \$10,200,000 in General Revenue.

Local Government Impact

Based on information provided by the GLO, a local government (city or county) must provide cemetery operations via a support contract for a new veterans cemetery which typically includes personnel, operating costs and supplies. In addition, a local government would be required to deed at least 50.0 acres of land to the

GLO on which the cemetery would be constructed.

Source Agencies: 304 Comptroller of Public Accounts, 305 General Land Office and Veterans' Land Board, 403 Veterans Commission

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