HOUSE RESEARCH ORGANIZATION bill analysis

SUBJECT:	Establishing state veterans' cemeteries
COMMITTEE:	State, Federal and International Relations — committee substitute recommended
VOTE:	7 ayes — Hunter, Chavez, Elkins, Madden, Miller, Najera, Raymond
	0 nays
	2 absent — P. Moreno, Berman
WITNESSES:	For — Chet Brooks
	Against — None
	On — David Dewhurst, Texas General Land Office/Veterans' Land Board; Billy Green, Texas Veterans' Commission
BACKGROUND:	The Texas Veterans' Land Program, established in 1949, uses bond funding to purchase land and then resell it to eligible veterans under a 30-year contract of sale and purchase. The Veterans' Housing Assistance Program, established in 1983, assists eligible Texas veterans in purchasing new or existing homes by providing low-interest loans up to \$150,000. The Veterans' Financial Assistance Program, established in 1993, provides financial assistance to veterans for the purchase of land and for home mortgage loans. All three programs are administered by the Veterans' Land Board (VLB) through the General Land Office. Statutory authority is set forth in Natural Resources Code, chapters 161, 162, and 164.
	The U.S. Veterans' Administration currently funds four national veterans' cemeteries in Texas — in San Antonio, Dallas, Houston, and El Paso.
DIGEST:	CSHB 310 would amend Natural Resources Code, ch. 164 to authorize the VLB to create and provide funding through its veterans' assistance programs for up to seven state veterans' cemeteries.

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CSHB 310 would require the board to establish guidelines for determining the location and size of veterans' cemeteries and the eligibility of veterans and their relatives to be buried in those cemeteries. CSHB 310 also would require the VLB to consult with the Texas Veterans' Commission (TVC) chairman and two representatives of the veterans' community selected by the TVC chairman. This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2001. **SUPPORTERS** Texas should recognize the service of the more than 1.6 million veterans in SAY: the state by honoring them with a final resting place and lasting memorials to commemorate their service to our country. Texas veterans were willing to answer the nation's call during the many conflicts during the 20th century, and the state should remember their sacrifices to protect our freedoms. Current plans by the U.S. Veterans Administration (DVA) would not provide for additional national veterans' cemeteries in Texas besides the existing cemeteries in Dallas, Houston, San Antonio, and El Paso. The TVC estimates a total of 400,000 Texas veterans will die between 2001 and 2030 in areas not served by federal veterans' cemeteries. State veterans' cemeteries would benefit veterans' survivors by reducing the travel time to conduct funeral services and to visit their relatives' graves in honor of Memorial Day, Veterans Day, birthdays, or other special occasions. Initial costs of establishing veterans' cemeteries would be easily managed.

According to the GLO, local communities from at least seven geographic regions in the state have expressed interest in donating land for veterans' cemeteries. The DVA operates a capital assistance program that would provide 100 percent of the funding for site preparation, administrative buildings, maintenance buildings, backhoes, mowers, and other equipment. The DVA grant program could provide between \$700,000 and \$1 million for initial capital costs for a cemetery with 1,000 plots, depending on the geographic location.

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The popularity and prudent management of veterans' land and housing loan programs have generated proceeds well in excess of those needed to retire the bonds issued to raise the initial funding and to pay ongoing administrative costs. If the Legislature and the voters approve HJR 82 by Counts, et al., a proposed constitutional amendment, assets from the program could be redirected to fund additional veterans' programs such as cemeteries and homes for veterans' care, without jeopardizing the fiscal soundness of the veterans' land and housing assistance loan programs. This would ensure a steady stream of income without allocating general revenue for perpetual care.

State veterans cemeteries address a need that would extend over decades. Veterans organizations, families of deceased veterans, and other patriotic citizens would serve as a vigilant and active constituency on behalf of funding perpetual care, particularly if veterans' cemeteries were located throughout Texas.

OPPONENTS Perpetual care for veterans' cemeteries would commit the state to an expensive and longstanding program. The GLO estimates that the cost of perpetual care would be \$3.9 million for seven veterans' cemeteries, or about \$555,000 per cemetery per year. Funding from the assets of the veterans land and housing loan programs currently may be adequate, but general revenue funding may be needed in the future to maintain veterans cemeteries.

The experience with the Texas State Cemetery illustrates that even highvisibility memorial projects can be neglected. Restoration of the State Cemetery required millions of dollars and several years. Veterans need to be assured that their final resting place will be maintained in a respectful manner.

NOTES: On April 4, the House by 146-0 approved and sent to the Senate HJR 82 by Counts et al., which would allow voters to authorize the sale of up to \$1 billion in general obligation bonds to provide additional funding for the veterans' home mortgage loan program, veterans' cemeteries, and veterans' homes. HJR 82 also would permit the VLB to authorize use of some of the proceeds of the fund to construct, acquire, own, operate, maintain, enlarge, improve, furnish, or equip veterans' homes or veterans' cemeteries. A floor

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amendment is anticipated to change the effective date for CSHB 310 to November 6, 2001, since voters would need to approve HJR 82 in order to authorize general obligation bond funding for the program.

HB 310 as originally filed would have required the VLB to create and fund the Texas Veterans' Cemetery System with seven cemeteries. The committee substitute would authorize the VLB to establish a program for providing financial assistance and to select up to seven locations.

The companion bill, SB 1163 by Truan, was considered and left pending by the Senate Veterans Affairs and Military Installations Committee.

On March 13, the House State, Federal and International Relations Committee left pending HCR 114 by Delisi and Berman requesting that the first state veterans' cemetery be located in Bell County on post at Fort Hood.