

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 431

(Delegate Pruski, *et al.*)

Health and Government Operations

Education, Energy, and the Environment

Department of Veterans Affairs - Renaming and Deputy Secretary of Military Family Policy and Programs

This bill renames the Maryland Department of Veterans Affairs (MDVA) to be the Department of Veterans and Military Families (DVMF) and the Secretary of Veterans Affairs to be the Secretary of Veterans and Military Families. The Secretary must appoint a Deputy Secretary of Military Family Policy and Programs. The deputy secretary (1) must serve at the pleasure of the Secretary; (2) is entitled to the salary provided in the State budget; and (3) must direct policy and programs related to military families. The bill also makes a series of conforming changes. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: MDVA general fund expenditures increase by \$166,600 in FY 2025 to hire a deputy secretary and for supplies related to the renaming. Future years reflect annualization, elimination of one-time costs, and ongoing costs. The proposed FY 2025 budget includes \$25,000 for supplies. Revenues are not affected.

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	166,600	174,600	182,300	190,200	198,500
Net Effect	(\$166,600)	(\$174,600)	(\$182,300)	(\$190,200)	(\$198,500)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

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

Small Business Effect: None.

Analysis

Bill Summary: DVMF is the successor of MDVA. In every law, executive order, rule, regulation, policy, or document created by an official, an employee, or a unit of the State, the names and titles of those agencies and officials mean the names and titles of the successor agency or official.

The bill does not affect the term of office of an appointed or elected member of any commission, office, department, agency, or other unit. An individual who is a member of a unit on the bill's effective date must remain for the balance of the term to which appointed or elected, unless the member sooner dies, resigns, or is removed under provisions of law.

The bill specifies that the continuity of every commission, office, department, agency, or other unit is retained by MDVA. All files, furniture, fixtures, records, other properties, credits, liabilities, and obligations are also retained by MDVA.

Documents, including letterhead and business cards, reflecting the renaming of MDVA to DVMF may not be used until all documents already in print have been used. The publisher of the Annotated Code of Maryland is required to change cross references and terminology throughout the code and to describe each change in an editor's note.

Current Law: MDVA delivers services and programs to assist Maryland veterans, their families, and survivors in obtaining State, federal, and local benefits provided by law in recognition for their service. MDVA assures the quality maintenance of veterans' cemeteries and memorials to honor Maryland veterans. MDVA also manages Charlotte Hall Veterans Home, an assisted living and skilled nursing facility for veterans and their eligible spouses who are unable to care for themselves due to disability, advancing age, or who require nursing home care. Additionally, MDVA engages in public awareness and outreach to veterans, their families, and other stakeholders.

State Expenditures: MDVA advises that the proposed fiscal 2025 budget does not include an allocation for the new deputy secretary position required under the bill but does include \$25,000 for supplies related to renaming the department.

Therefore, general fund expenditures increase by \$166,567 in fiscal 2025, which accounts for a 90-day start-up delay from the bill's July 1, 2024 effective date. This estimate reflects the cost (1) of hiring one Deputy Secretary of Military Family Policy and Programs and (2) one-time supply expenses related to the renaming and rebranding of MDVA to DVMF. It includes a salary, fringe benefits, one-time start-up costs, one-time supply expenses related to the renaming of MDVA, and ongoing operating expenses.

Position	1.0
Salary and Fringe Benefits	\$134,311
One-time Supply Expenses	25,000
Operating Expenses	<u>7,256</u>
Total FY 2025 State Expenditures	\$166,567

Future year expenditures reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 411 (Senator Gile, *et al.*) - Education, Energy, and the Environment.

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

Fiscal Note History: First Reader - January 31, 2024
js/jc Third Reader - March 18, 2024

Analysis by: Thomas S. Elder

Direct Inquiries to:
(410) 946-5510
(301) 970-5510