

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 1561 (Chair, Health and Government Operations Committee)(By
Request - Departmental - Veterans Affairs)
Health and Government Operations Education, Health, and Environmental Affairs

Maryland Veterans Trust Fund

This departmental bill establishes a Maryland Veterans Trust Fund – which is a special, nonlapsing fund – to provide grants and loans to veterans and their families as well as to public and private programs. The fund is administered by the Secretary of Veterans Affairs.

Fiscal Summary

State Effect: The bill is not expected to materially affect State finances or operations, assuming existing donations are used to capitalize the fund.

Local Effect: None.

Small Business Effect: The Maryland Department of Veterans Affairs (MDVA) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Bill Summary: The fund consists of gifts and grants received by MDVA. Money in the fund may be used to make grants and loans to veterans and their families, support public and private programs that serve veterans in the State, or support the Charlotte Hall Veterans Home. Money in the fund may also be used to invest in general obligations of the State or other securities, pay for the cost of administering the fund, or support any other programs that the Secretary considers appropriate. Money expended from the fund is supplemental to and is not intended to take the place of funding otherwise appropriated to MDVA.

By August 31 of each year, the Secretary must submit a report to the General Assembly that includes the gross amount of gifts and grants credited to the fund, the costs of administering the fund, and a detailed accounting of the use of the fund's resources.

Current Law/Background: MDVA may accept gifts or grants, or collect property, to support or maintain the Charlotte Hall Veterans Home. MDVA may accept a gift or grant and may, upon approval of the Secretary and in accordance with the terms of the donation, invest all or part of the gift or grant in general obligations of the State or any other security. These monies currently may only be used exclusively for expenses related to the Charlotte Hall Veterans Home. The bill expands the uses of the monies so that resources may be used to support other needs of veterans in the State.

The Charlotte Hall Veterans Home is an assisted living long-term care facility for Maryland veterans and eligible spouses who require disability care. The home provides shelter, sustenance, medical care, and social services.

MDVA estimates that it will receive \$118,000 in donations in fiscal 2009; the department received \$176,000 in fund donations in fiscal 2008. The department advises that the most common sources of contributions are from veterans' organizations and individuals wishing to donate in memory of a veteran. Documentation of donations must be submitted every six months for approval by the Department of Budget and Management.

MDVA advises that a trust fund enables the department to offer small grants to veterans who are in dire financial situations or to private organizations that combat homelessness and substance abuse in veteran populations. MDVA further advises that specific veteran needs may not be met through existing programs and the Maryland Veterans Trust Fund may provide the necessary flexibility in meeting individual and organizational needs to benefit veteran populations in the State. A trust fund also gives citizens and businesses in the State a way to express their support to veteran causes through their donations and contributions. Numerous states, including the nearby states of Virginia and North Carolina, have established veterans trust funds similar to the fund specified in the bill.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 24, 2009
ncs/ljm

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Maryland Veterans Trust Fund

BILL NUMBER: HB 1561

PREPARED BY: Veterans Affairs

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND
SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND
SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.