

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 237 (Chair, Education, Energy, and the Environment
Committee)(By Request - Departmental - Veterans and
Military Families)

Education, Energy, and the Environment

**State Government - Veterans - Burial at State Veterans' Cemeteries (Burial
Equity Act)**

This departmental bill repeals the State residency requirement in order for specified veterans to be buried in a State veterans' cemetery. The bill also alters the definition of "veteran" and expands those eligible for burial in a State veterans' cemetery. If the individual being buried is a member of the National Guard or the military reserves (or the individual's eligible dependent), the Department of Veterans and Military Families (DVMF) must collect at the time of burial a fee equal to the annual plot allowance established by the National Cemetery Administration. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: DVMF expenditures (general and federal funds) increase by an indeterminate amount beginning in FY 2026 for additional burials at State veterans' cemeteries. DVMF revenues (general and federal funds) increase by an indeterminate amount beginning in FY 2026 to the extent fees are collected and DVMF is reimbursed, as discussed below.

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

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

Analysis

Bill Summary: “Veteran” means an individual who, in addition to serving other than dishonorably on active duty in the armed forces of the United States: (1) served other than dishonorably as a full-time member of the Commissioned Corps of the U.S. Public Health Service (PHS) or the Commissioned Corps of the National Oceanic and Atmospheric Administration (NOAA); or (2) served other than dishonorably and completed the individual’s contractual obligation of service as a member of the National Guard or military reserves.

The bill specifies that, for members of the National Guard or the military reserves to qualify for a plot in a State veterans’ cemetery, they must also have been a resident of the State when they entered the armed forces, when they died, or for two years unless DVMF (formerly the Maryland Department of Veterans Affairs or MDVA) waives the time period. Other veterans are no longer required to meet this residency requirement.

Current Law/Background:

National Oceanic and Atmospheric Administration and Public Health Service

The NOAA Commissioned Officer Corps operates and pilots NOAA’s ships and aircraft, conducts oceanographic and atmospheric research, and coordinates responses to oceanic environmental disasters. The NOAA Commissioned Officer Corps generally comprises professionals trained in engineering, oceanography, meteorology, and other related disciplines. PHS, within the U.S. Department of Health and Human Services, responds to public health crises and promotes health-related issues in the country and abroad. PHS generally comprises doctors, nurses, and other public health-focused scientists.

State Veterans’ Cemetery Program

DVMF 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 and Military Families. DVMF’s Cemetery Program operates and maintains five veterans’ cemeteries to provide for their internment.

To qualify for a plot in a State veterans’ cemetery, an 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 have been a resident of the State when the veteran entered the U.S. Armed Forces; when the veteran died; or for two years, unless DVMF waives the time period.

DVMF must provide a grave liner at no cost to the veteran, eligible spouse, or dependent. In addition, DVMF must bury the veteran, eligible spouse, or dependent without charge.

According to the [2024 DVMF annual report](#), the Cemetery Program has averaged 3,519 interments each year for the past five years, or approximately 704 interments each fiscal year. DVMF advises that the elimination of residency requirements for interment in the State's veterans' cemeteries is a precondition for future cemetery expansion grants from the U.S. Department of Veterans Affairs (USVA). DVMF further advises that expanding those eligible for burial in a State veterans' cemetery can attract veterans living in neighboring states.

State Fiscal Effect:

Repealing the State Residency Requirement

DVMF federal fund expenditures increase beginning in fiscal 2026 for costs associated with burying additional veterans as a result of repealing the State residency requirement. However, any costs associated with these burials are reimbursed by USVA resulting in a corresponding increase in federal fund revenues and no net impact on DVMF. The number of additional veterans that may be buried under this provision cannot be reliably estimated.

Expanding Eligibility for Burial

DVMF general fund expenditures increase beginning in fiscal 2026 for costs associated with burying members of the National Guard, the military reserves, or their eligible dependents. As DVMF must charge a fee equal to the annual plot allowance (\$948 as of August 2024), expenditures are offset by general fund revenues and have no net impact on DVMF. The number of additional veterans that may be buried under this provision cannot be reliably estimated.

DVMF general fund expenditures further increase beginning in fiscal 2026 for costs associated with burying eligible commissioned officers of NOAA, PHS, and eligible spouses or dependents of veterans (as expanded under the bill). As the bill prohibits DVMF from charging a fee for these burials, there is no offset in general fund revenues. As the number of additional veterans that may be buried under this provision cannot be reliably estimated, general fund expenditures increase by an indeterminate amount.

DVMF advises that additional staff and equipment may eventually be required to handle additional burials at State veterans' cemeteries as a result of the bill. However, any additional volume cannot be reliably estimated at this time. To the extent there are a

significant number of additional burials under the bill, DVMMF may request additional resources through the annual budget process.

Additional Information

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

Designated Cross File: HB 138 (Chair, Health and Government Operations Committee)(By Request - Departmental - Veterans and Military Families) - Health and Government Operations.

Information Source(s): Department of Veterans and Military Families; Department of Legislative Services

Fiscal Note History: First Reader - January 17, 2025
km/jc

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: State Government - Veterans - Burial at State Veterans' Cemeteries
(Burial Equity Act)

BILL NUMBER: SB 237

PREPARED BY: Peter Pantzer

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

X 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 legislation will positively impact revenues at Maryland funeral homes located near Maryland's veterans cemeteries, especially Cheltenham and Rocky Gap.