

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

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Return Address:	<u>602 N. 5th St</u>	Rule Title:	<u>LAC 4:VII Chapter 9 Subchapters A, B, C, D, E, and F</u>
	<u>Baton Rouge, LA 70802</u>	Date Rule Takes Effect:	<u>Upon Promulgation</u>

SUMMARY
(Use complete sentences)

In accordance with Section 961 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule changes include a new rule allowing members of the Louisiana National Guard, members of the reserve components of the Armed Forces, and their spouses and dependent children to be buried in state-run veterans' cemeteries, in line with the recent congressionally-passed Burial Equity Act. The U.S. Department of Veterans Affairs (U.S. VA) pays the cost of interment of currently-eligible veterans (the cost of both burials and grave markers) and the cost of grave markers for currently-eligible spouses and dependents. Interment costs for veterans are currently \$949 for burial and \$355 for the cost of the grave marker, while interment costs for spouses/dependent children are \$745 for burial (as set by R.S. 29:295(C)) and \$355 for the cost of the grave marker.

The proposed rule change aims to ensure that these newly eligible veterans are treated equitably in terms of costs compared to currently-eligible veterans.

Presently, the U.S. VA is not funding the cost of interment of the newly eligible veterans or their spouses/dependent children covered by the proposed rule. Therefore, these new costs may be funded either by the state through an appropriation to the Louisiana Department of Veterans Affairs (LDVA) or by the families of the newly eligible veterans and their spouses/dependent children.

LDVA is requesting State General Fund beginning in its FY 25 budget for the cost of interment (the cost of both burials and grave markers) for the newly eligible veterans, as well as the cost of grave markers for spouses/dependents. LDVA approximates as much as a \$670,000 annual cost increase to the state if funds are appropriated by the legislature for this purpose. This projection is based on an estimated 500 newly eligible veterans at a \$949 cost for burial and \$355 cost for a gravesite marker along with 50 spouses/dependent children at a \$355 cost for the marker. Note that the families of newly eligible spouses/dependent children will pay the \$745 cost of burial, which is the same cost incurred presently by families of currently-eligible spouses and dependents.

Should the state not appropriate funds for this purpose, or should there be a future year in which such funding is not appropriated by the state or federal government, then these rules provide the mechanism by which the newly eligible veterans and spouses/dependents may still be buried in state-run veterans cemeteries, through the payment schedule provided in these rules: that the veterans would pay LDVA \$949 for their burial cost, and \$355 for the marker, and then spouses would pay LDVA \$355 for their marker (Newly eligible spouses would pay the same \$745 burial fee as currently eligible spouses pay under either scenario).

Other rule changes remove outdated sections of the administrative code and align rules to conform with revised statute and federal regulations since 2019, when LDVA last promulgated rules.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change to permit burial eligibility for Louisiana National Guard members and members of reserve components could increase revenue for the LDVA. Unless funding is provided by the U.S. VA or through state appropriations, eligible individuals who elect to be buried in state run veteran's cemeteries would pay LDVA the current plot allowance amount of \$949. Additionally, spouses or dependent children who elect to be buried in the state run cemeteries would pay \$745 in burial costs, as set in R.S. 29:295(C).

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

The proposed rule changes are mostly technical updates to existing LDVA administrative rules in order to reflect updates in statute. One of the proposed updates would set eligibility standards for members of the Louisiana National Guard and reserve components of the Armed Forces to be buried in state-run veterans' cemeteries, in line with the recent congressionally-passed Burial Equity Act, at a reasonable cost to be paid by the service members' families if funds for the burials are not appropriated by the legislature or the U.S. VA. In that case, the newly eligible veterans would pay \$949 in burial costs and \$355 for a grave marker, and spouses and dependent children of these newly eligible veterans who elect to be buried in state run veterans' cemeteries would pay \$745 in burial costs, as set in R.S. 29:295(C), and \$355 for a grave marker.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

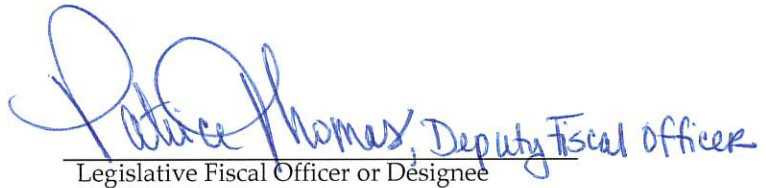
There is no estimated effect on competition and employment as a result of the proposed rule change.



Signature of Head or Designee

Julie Baxter Payer, LDVA Deputy Secretary
Typed Name & Title of Agency Head or Designee

November 8, 2023
Date of Signature



Legislative Fiscal Officer or Designee

11/08/2023

Date of Signature

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed rule changes are mostly technical updates to reflect updates in statutes since 2019, when LDVA last promulgated new rules, and to remove rules that simply duplicate the text of statutes. Within these updates are a few new rules. One of the proposed new rules would set eligibility standards for members of the Louisiana National Guard and reserve components of the Armed Forces to be buried in state-run veterans' cemeteries, in line with the recent congressionally-passed Burial Equity Act and at a reasonable cost to be paid by the service members' families, unless funds are provided by the legislature or the U.S. VA for that purpose. Other proposed new rules will adopt appeal procedures for denials of Louisiana National Guard disability benefits and Title 29 educational benefits, and proof of residency requirements for Title 29 educational benefits.

- A. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The proposed rule changes reflect updates to revised statutes since 2019 and remove rules that simply restate the enabling statutes or conflict with updated statutes. Recent changes to federal law now allow LDVA to promulgate rules surrounding the provision of interment services to members of the Louisiana National Guard and armed service reserve members.

- B. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

Yes, the proposed rule change will increase expenditures related to the burial of newly eligible veterans and their spouses and dependent children. The LDVA estimates \$670,000 in annual costs, but this amount could change depending on participation. The source of funding would be from fees paid by families for burial services, however, the LDVA has requested State General Funds in their FY 25 budget request to cover these costs.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ YES. If yes, attach documentation.

(b) _____ NO. If no, provide justification as to why this rule change should be published at this time

The LDVA has requested State General Funds to cover these expenses beginning in FY 25. There is also the possibility to receive federal funds from the U.S. VA to be allocated for this purpose. If neither of these sources materialize, newly eligible persons would be financially responsible for the costs associated with the proposed rule change.

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 24	FY 25	FY 26
PERSONAL SERVICES	\$0	\$0	\$0
OPERATING EXPENSES	\$0	\$0	\$0
PROFESSIONAL SERVICES	\$0	\$0	\$0
OTHER CHARGES	SEE BELOW	SEE BELOW	SEE BELOW
EQUIPMENT	\$0	\$0	\$0
MAJOR REPAIR & CONSTR.	\$0	\$0	\$0
TOTAL	SEE BELOW	SEE BELOW	SEE BELOW
POSITIONS (#)	0	0	0

Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The proposed rule changes include a new rule allowing members of the Louisiana National Guard, members of the reserve components of the Armed Forces, and their spouses and dependent children to be buried in state-run veterans' cemeteries, in line with the recent congressionally-passed Burial Equity Act. The U.S. VA pays the cost of interment of currently-eligible veterans (the cost of both burials and grave markers) and the cost of grave markers for currently-eligible spouses and dependents. Interment costs for veterans are currently \$949 for burial and \$355 for the cost of the grave marker, while interment costs for spouses/dependent children are \$745 for burial (as set by R.S. 29:295(C)) and \$355 for the cost of the grave marker. The U.S. VA, however, is not presently funding the cost of interment of the newly eligible veterans or their spouses/dependent children covered by the proposed rule.

LDVA is requesting State General Funds beginning in its FY 25 budget for the cost of interment (the cost of both burials and grave markers) for the newly eligible veterans, as well as the cost of grave markers for spouses/dependents. LDVA approximates as much as a \$670,000 annual cost increase to the state if funds are appropriated by the legislature for this purpose. This projection is based on an estimated 500 newly eligible veterans at a \$949 cost for burial and \$355 cost for a gravesite marker along with 50 spouses/dependent children at a \$355 cost for the marker. Note that the families of newly eligible spouses/dependent children will pay the \$745 cost of burial, which is the same cost incurred presently by families of currently-eligible spouses and dependents.

However, should the state not appropriate funds for this purpose, or should there be a future year in which such funding is not appropriated by the state or federal government, then the proposed rule provides that the cost of interment will be paid by the families of the newly eligible veterans and spouses/dependents.

2. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 24	FY 25	FY 26
STATE GENERAL FUND	\$0	SEE BELOW	SEE BELOW
AGENCY SELF-GENERATED	SEE BELOW	SEE BELOW	SEE BELOW
DEDICATED	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0
OTHER (Specify)	\$0	\$0	\$0
TOTAL	SEE BELOW	SEE BELOW	SEE BELOW

3. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

The LDVA has requested State General Funds for FY 25 to implement the proposed rule changes. If these funds are not appropriated by the legislature, then eligible individuals would be required to pay LDVA for the burial costs increasing the self-generated collections of the LDVA.

Workload adjustments will be absorbed by existing staff; however, if specific cemeteries are inundated with new burial requests additional staff might be considered in future fiscal years.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There is no cost or savings to local governmental units.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

Not applicable.

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

- A. What increase (decrease) in revenues can be anticipated from the proposed action?

REVENUE INCREASE/DECREASE	FY 24	FY 25	FY 26
STATE GENERAL FUND	\$0	SEE BELOW	SEE BELOW
AGENCY SELF-GENERATED	SEE BELOW	SEE BELOW	SEE BELOW
DEDICATED	\$0	\$0	\$0
FEDERAL FUNDS	\$0	SEE BELOW	SEE BELOW
LOCAL FUNDS	\$0	\$0	\$0
TOTAL	SEE BELOW	SEE BELOW	SEE BELOW

*Specify the particular fund being impacted.

- B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

The proposed rule change to permit burial eligibility for Louisiana National Guard members and members of reserve components could increase revenue for the LDVA. Unless funding is provided by the U.S. VA or through state appropriations, eligible individuals who elect to be buried in state run veterans' cemeteries would pay LDVA the current plot allowance amount of \$949. Additionally, spouses or dependent children who elect to be buried in the state run cemeteries would pay \$745 in burial costs, as set in R.S. 29:295(C).

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS

- A. What persons, small businesses, or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

The proposed rule changes affect the following programs, boards, or services contained within LDVA:

- Veterans Affairs Commission (proposed updates and new rule)
- State Educational Aid Program (Title 29 benefits) (proposed updates and new rules)
- State veterans' homes (proposed updates)
- Military Family Assistance Fund (proposed updates and new rules)
- State veterans' cemeteries (proposed updates and new rule)
- Louisiana National Guard disability benefits (proposed new rule)

The proposed rules are mostly technical updates to existing LDVA administrative rules in order to reflect updates in statutes since 2019, when LDVA last promulgated rules. One of the proposed updates would set eligibility standards for members of the Louisiana National Guard and reserve components of the Armed Forces to be buried in state-run veterans' cemeteries, in line with the federal Burial Equity Act and at a reasonable cost to be paid by the service members' families if funds for the burials are not appropriated by the legislature or the United States Department of Veterans Affairs. At this time, the cost of burial and a gravestone or marker would be approximately \$1,300 for the veterans and \$1,100 for their spouses and dependent children.

- B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

Not applicable.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

There is no estimated effect on competition and employment as a result of the proposed rule changes.