

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 5531
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: JUNE 26, 2023

SUMMARY

Synopsis: Establishes county veteran transportation grant program; appropriates \$2 million.

Type of Impact: Potential annual expenditure increase for State; potential expenditure and revenue increases for counties.

Agencies Affected: Department of Military and Veterans’ Affairs; certain county governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2 & Thereafter</u>
State Cost Increase	Up to \$2 million	Indeterminate
Local Cost Increase	Indeterminate	Indeterminate
Local Revenue Increase	Up to \$2 million	Indeterminate

- The Office of Legislative Services (OLS) concludes that the bill may incentivize some counties to newly provide transportation services to and from medical counseling appointments for disabled veterans for their service-connected conditions. These counties will incur an indeterminate amount of annual cost increases. Counties that may already provide these services will not experience any cost increases under the bill.
- State costs may increase by up to \$2 million in the first year the bill is in effect and by an indeterminate amount thereafter to provide reimbursements to counties for their transportation costs. The bill appropriates \$2 million for these reimbursements.
- County revenues may increase by up to \$2 million in the first year the bill is in effect and by an indeterminate amount thereafter from these State reimbursements.

BILL DESCRIPTION

This bill requires the Department of Military and Veterans’ Affairs to create a program to reimburse participating county governments that transport disabled veterans to and from medical

appointments within the State for service-connected conditions by reimbursing the operation of county-owned conveyance, subject to available State or federal funding. The bill also appropriates \$2 million from the State General Fund in the first year after the bill takes effect.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill may incentivize some counties to newly provide transportation services to and from medical counseling appointments for disabled veterans for their service-connected conditions. These counties will incur an indeterminate amount of annual cost increases. Counties that may already provide these services will not experience any cost increases under the bill. State costs may increase by up to \$2 million in the first year the bill is in effect and by an indeterminate amount thereafter to provide reimbursements to counties for their transportation costs. County revenues may increase by up to \$2 million in the first year the bill is in effect and by an indeterminate amount thereafter from these State reimbursements.

At present, there is insufficient information available to determine how many counties will participate in the program, the extent to which participating counties will rely on existing paratransit infrastructure to meet the transportation needs of disabled veterans with a service-connected disability, or the demand for county-owned transportation services among disabled veterans with a service-connected disability. As such, annual county costs under the program are indeterminate. In addition, the amount made available for the program in the out years will be determined by any additional appropriation by the State deemed necessary, and so the annual State reimbursement costs and annual county revenue increases from these reimbursements beyond the first year of the program also are indeterminate.

Section: State Government

*Analyst: Anna Harris
Assistant Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).