



HF 2471 – Veterans Affairs Commission and Trust Fund Expenditures (LSB5263HV)
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Fiscal Note Version – New

Description

House File 2471 makes the following changes in the Department of Veterans Affairs:

- Increases the membership on the Commission of Veterans Affairs by two members.
- Permits expenditures from the Iowa Veterans Trust Fund for cemetery grant development services provided by the Department of Administrative Services to not be repaid.
- Increases the spendable amount of revenue from the Iowa Lottery Authority transfer to \$500,000.
- Adds two new assistance categories from the Veterans Trust Fund benefits related to homelessness and rental housing assistance incidental costs.

Background

The **Veterans Trust Fund** was created in 2003 to assist veterans who meet certain income and asset guidelines. The Fund has received revenue from a variety of sources over the years and the goal outlined in Iowa Code section **35A.13(6)** is to have a principal balance of \$50.0 million. Currently, the Iowa Lottery Authority transfers \$2.5 million of gaming profits annually to the Fund, of which \$300,000 is made available to be spent on benefits for veterans or their families. Interest earned on the Fund is also available for awards.

Assumptions

- The Iowa Lottery will have sufficient profits to transfer \$2.5 million each year.
- The current balance in the Veterans Trust Fund is \$28.6 million.
- The Veterans Trust Fund balance currently grows at \$2.2 million annually.
- Some Commission of Veterans Affairs members decline reimbursement for expenses.

Fiscal Impact

No impact to the General Fund.

Veterans Trust Fund

Increasing the spendable portion of the Lottery transfer by \$200,000 will permit more assistance awards to be granted from the Veterans Trust Fund. Under current law, the Fund is estimated to reach \$50.0 million by FY 2028. **House File 2471** is estimated to make that goal achieved by FY 2029, one year later. During that time frame, an additional \$2.2 million is estimated to potentially be available to be awarded.

Increased award categories will have minimal fiscal impact and be limited to available funding.

Services from the Department of Administrative Services are estimated to be minimal.

Veterans License Plate Fee Fund

Additional costs for new Commission members are estimated to be minimal.

Sources

Department of Veterans Affairs
Iowa Lottery Authority

/s/ Holly M. Lyons

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The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
