

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1004 - SB 1119

March 12, 2019

SUMMARY OF ORIGINAL BILL: Requires a discount of at least 50 percent on camping fees at state parks for veterans who have any service-connected disability that is determined by the Veterans Administration to be a 100 percent permanent total disability.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue – Exceeds \$10,100/Tennessee State Parks Fund

SUMMARY OF AMENDMENT (005666): Adds language to the original bill that requires certification from the Veterans' Administration of the veteran's percentage of service-connected disability to be presented in order to receive the discounted fee.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Currently, the Tennessee State Parks (TSPs) offers a 50 percent discount in the off-season and a 25 percent discount during the in-season for veterans at state park camp sites.
- Any fiscal impact related to off-season discounts is estimated to be not significant because the discount rate in the proposed legislation is the same discount rate offered in the off-season under current law.
- According to the Department of Environment and Conservation (TDEC), the total dollar value of in-season discounts for all Tennessee veterans (without any disability restrictions) at the current 25 percent discount rate is approximately \$101,300. This number is assumed to remain constant under current law.
- The total dollars that would be collected by TSPs from all veterans if no discounts were allowed would be approximately \$405,200 (\$101,300 / 25% discount).
- A 50 percent discount rate applicable to all veterans would equate to a total dollar value of discounts equal to \$202,600 (\$405,200 x 50%).

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- The percent of veterans with 100 percent service related disability is unknown; however, the percent of veterans with a 70 percent or greater service related disability is estimated to be 7.6 percent; therefore, it is reasonably assumed that at least 5.0 percent would be eligible for the 50 percent discount rate.
- The recurring decrease in state revenue to the Tennessee State Parks Fund (TSPF) is estimated to exceed \$10,130 ($\$202,600 \times 5.0\%$).
- It is assumed that requiring veterans to present certification of disability from the Veterans' Administration would not affect the estimates provided here, as these figures are based on the actual number of disabled veterans.
- Passage of this legislation could incentivize some additional veterans with 100 percent service related disabilities to take advantage of the higher 50 percent discount under the provisions of this legislation when they would not have taken advantage of the 25 percent discount under current law; which would otherwise generate additional revenue for the TSPF. However, camp sites during in-season are in very high demand and assumed to be 100 percent occupied. To the extent additional veterans with 100 percent service related disabilities replace other camp site visitors who are paying full price camp site fees, there could be additional recurring decreases in revenue to the TSPF.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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