2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2208 **STATUS:** Original
SUBJECT: Veterans eligibility for part-time study or training financial aid
GOVERNMENT UNIT AFFECTED: Department of Veterans' Affairs
PREPARED BY: John F. Borden
REVIEWED BY: Dallas Weyand
DATE: January 30, 2007

	2007-2009	2009-2011
EXPENDITURES:		
Special Payments to Individuals – General Fund	$ 54,000	$ 54,000
POSITIONS / FTE:	0/0.00	0/0.00

EFFECTIVE DATE: On passage

GOVERNOR'S BUDGET: This bill is anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This measure would allow the Department of Veterans' Affairs (DVA) to pay state financial aid in the amount of $100 per month for each month of part-time study or training for a qualified veteran beneficiary. The total number of monthly payments may not exceed the total number of months a qualified veteran beneficiary served in the Armed Forces of the United States or 36 months, whichever is less. A qualified veteran beneficiary only becomes eligible for state financial assistance after exhausting his/her federal tuition assistance.

The 2007-09 Governor's recommended budget includes a General Fund policy package for $54,000 related to this measure. It was calculated based on an anticipated 27 part-time students per month for a ten-month school year over the course of a two-year period. The number of students is based on the Department's actual experience from the 2003-05 biennium. These figures historically show reduced enrollment of part-time students during the three summer months. The 2009-11 impact is also estimated at $54,000 General Fund. The Department's policy package does not included any additional administrative costs associated with the administration of this benefit.

The Legislative Fiscal Office (LFO) notes that if the Department's estimate of the number of qualified veteran beneficiaries receiving this financial aid is low or, if federal tuition assistance becomes limited, the Department will likely need to seek supplemental funding from the Legislature or the Legislative Emergency Board to cover any funding shortfall.