

FISCAL IMPACT OF PROPOSED LEGISLATION

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

Measure: HB 2856 - 1

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Directs Department of Veterans' Affairs to study and make recommendations regarding improvements to operations of department.

Government Unit(s) Affected:

Oregon Department of Veterans' Affairs (ODVA), Statewide, counties, cities

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

HB 2856 with the -1 amendment requires a veteran to provide evidence of eligibility for veteran's preference at the time the veteran applies for the position. The measure provides that if the veteran fails to provide evidence at the time of the application, they will be disqualified from requesting use of veteran's preference. The measure requires a public employer who does not interview a veteran to provide a written explanation within 14 days. The measure modifies the definition of "veteran" and "active duty," expanding eligibility criteria.

Oregon Department of Veteran' Affairs (ODVA)

ODVA anticipates that with the expansion of the definition of veteran, the agency is likely to receive increased inquiries and training requests which may require additional staffing. If workload increases as ODVA predicts, the Department anticipates needing one Human Resource Analyst 2 to draft and send letters to veteran applicants not interviewed, handle increased evaluation requests due to changes in preference points and hiring, handle increased request for training of evidence of transferable skills. ODVA also anticipates needing one Office Specialist 2 to handle increased call volume due to expansion of veteran definition and provide initial veteran support for eligibility inquiries. The 2021-23 personal services costs for these two positions is \$318,907. Additionally, ODVA anticipates \$57,000 in services and supplies costs for outreach and marketing of the veteran definition expansion and associated administrative costs of the two positions.

Statewide

The overall fiscal impact of this measure on state agencies and local government is indeterminate. With passage of this measure, agencies will need to establish a process for veterans to provide proof of eligibility, update rules, and provide training to hiring managers. Depending on the number of applicants for a position that are veterans and how many may not be interviewed, there could be an increase in workload to determine eligibility and draft a written explanation within 14 days to applicants who are not interviewed. In addition, with the expansion of the definition of veteran, state agencies offering veteran benefits and fee reduction or waiver for licenses and permits could see an increase in usage. An example of the potential impact is: To prepare for the summer camping season, the Oregon Parks and Recreation Department (OPRD) hires hundreds of seasonal positions. During this time, the agency could see a greater than usual increase in workload from the written explanation requirement. In addition, the change in definition of veteran may result in an unknown number of additional veterans eligible for the Special Access Pass program which allows veterans with a service-connected disability a set number of free nights camping in state parks. It is unknown how many would apply and how many nights of free camping they would utilize, but any additional number would have a fiscal impact on the agency.

This measure warrants a subsequent referral to the Joint Committee of Ways and Means for consideration of General Fund impact and position authority.