

FISCAL IMPACT OF PROPOSED LEGISLATION

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

Measure: HB 2141 - A

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

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Date: March 3, 2021

Measure Description:

Extends duration of Veteran Educational Bridge Grant Program.

Government Unit(s) Affected:

Oregon Department of Veterans' Affairs (ODVA)

Summary of Fiscal Impact:

Costs related to the measure are indeterminate, at this time - See explanatory analysis.

Analysis:

HB 2141 A-Engrossed removes the sunset on the Veteran Education Bridge Grant Program. The measure also removes language stating that any moneys remaining in the Veteran Education Bridge Grant Program Fund would be transferred to the Veterans' Education Aid Account at the sunset of the Veteran Education Bridge Grant Program. The fiscal impact of permanently extending the duration of this program is indeterminate, depending on legislative approval of additional funding requests as well as future demand for the program.

The Veteran Education Bridge Grant Program was established within ODVA by the Legislature in 2019 to provide grants of up to \$5,000 to veterans who are unable to complete a degree program within the expected completion period due to the timing of course offerings. The 2019 Legislature allocated one-time funding of \$447,719 Lottery Funds from the Veterans' Services Fund (Measure 96) to ODVA for the purpose of establishing and administering this program. The Legislature also authorized the establishment of one limited duration Program Analyst 1 position to perform outreach and administer the program grants.

As of February 2, 2021, the Veteran Educational Bridge Grant program has:

- received 47 applications;
- awarded 44 grants and denied 3 applications;
- awarded an average of \$4,382 per grant;
- awarded a total of \$205,961 in grant funds; and
- a balance of \$94,039 Lottery Funds.

In addition, included in ODVA's 2021-23 budget is a request of \$175,00 Lottery Funds to renew a portion of the one-time grant funding. If the Legislature approves this request, ODVA would have funds to offer additional financial assistance to veterans under this grant program. If this request is not approved, the program may not have sufficient funding to meet demand. However, ODVA notes that projecting future demand for this grant program is difficult. Although demand was high at the height of the pandemic, going forward, demand may be lower as availability of in-person educational activities increase, or options for remote learning are implemented. As a frame of reference, ODVA has received a total of eight applications between September 2020 and January 2021. ODVA speculates that the decline in recent applications may be due to the fact that more classes are available remotely and some in-person classes and apprenticeships are resuming. If the program duration is extended to January 2024, ODVA will continue to collect data in order to more accurately assess the need for this grant program in a post-pandemic environment.

For the reasons outlined in the above paragraph, the fiscal impact of this measure warrants consideration in the Committee on Joint Ways and Means.