



OREGON DEPARTMENT
of VETERANS' AFFAIRS

2023-25 GOVERNOR'S BUDGET

Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development | March 6, 2023



PRESENTED BY
Kelly Fitzpatrick, Director



THE MISSION CONTINUES

SERVING AND HONORING VETERANS IN OREGON SINCE 1945



MISSION

To honor and serve all Oregon veterans and their families by aligning and delivering earned benefits and services that enhance and improve their lives in recognition of their service to our nation.



VISION

All veterans and their families thrive in Oregon.



VALUES

Stewardship
Excellence
Respect
Vision
Inclusivity
Commitment
Equity

1 out of 15

OREGONIANS IS A VETERAN



277,405

OREGON VETERAN POPULATION

75% OF OREGON VETERANS SERVED DURING WARTIME



WORLD WAR II

1.5%

KOREAN

6%

VIETNAM

34%

PEACETIME

25%

GULF

13.5%

POST 9/11

20%



13% VETERANS OF COLOR IN OREGON

1.2% Asian | 1.6% Black | 0.3% Hawaiian or Pacific Islander | 4.4% Hispanic Or Latino | 1% Native American | 4.6% Multiracial



NEARLY **10%**
OF OREGON VETERANS
ARE **WOMEN**



MORE THAN **HALF**
OF OREGON VETERANS
ARE AGED **65 OR OLDER**



AN ESTIMATED **2.5%**
OF OREGON VETERANS
IDENTIFY AS **LGBTQ+**

\$3.41 BILLION

TOTAL FY 21 FEDERAL VA EXPENDITURES IN OREGON

Nearly 10% Increase Over FY 20



\$1.57 Billion

Health Care
Expenditures

-
- » More than 37% of veterans in Oregon are enrolled in health care from the federal VA.



\$1.6 Billion

Disability Compensation
and Pension Payments

-
- » Nearly 29% of Oregon veterans are service-connected for injuries incurred in service.



\$133 Million

Education
Payments

-
- » In 2021, the average tuition and housing payments made to 8,076 veterans in Oregon was \$16,481.

VETERAN JOURNEY

PARTNERS DELIVERING VETERAN SERVICES IN OREGON



LOCAL VETERAN SERVICE OFFICE

Veterans work with ODVA veteran service officers, 36 County Veteran Service Offices, 2 Tribal Veteran Service Offices or 5 National Service Offices in Oregon to file claims and connect to other local, state and federal veteran benefits and resources.



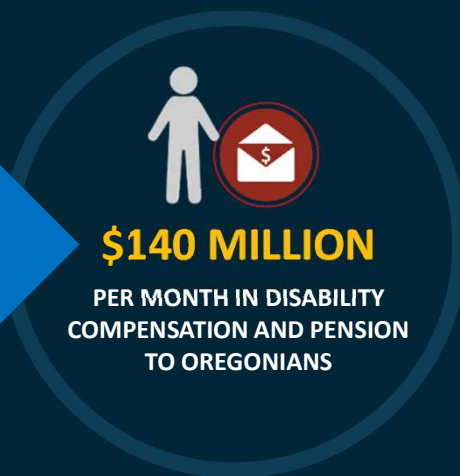
STATE DEPARTMENT OF VETERANS' AFFAIRS

Claims filed in Oregon by state, county and tribal veteran service offices are reviewed and quality assured for completeness and then submitted to the federal VA by ODVA. Veterans are represented under ODVA's Power of Attorney and the state represents veterans in the appeals adjudication process.



FEDERAL VETERANS AFFAIRS

Rating decision for veterans claims are made by the Veterans Benefit Administration of the U.S. Department of Veterans Affairs based on Code of Federal Regulations, Title 38.



\$140 MILLION

PER MONTH IN DISABILITY
COMPENSATION AND PENSION
TO OREGONIANS

SERVICE-CONNECTED VETERAN

More than 83,000 veterans in Oregon are rated for a service-connected disability or receiving a pension, leading to \$1.6 billion in Disability Compensation and Pension payments in Oregon per year.



AGENCY PROGRAMS



HOME LOAN PROGRAM

STRATEGIC PARTNERSHIPS

APPEALS AND SPECIAL ADVOCACY

AGING VETERAN SERVICES

OREGON VETERANS' HOMES

SUMMARY OF SERVICES

HOME LOAN PROGRAM

- Provide home loans to qualified veterans

STRATEGIC PARTNERSHIPS

- Partner with post-secondary institutions to support student veterans, especially those using GI Bill benefits;
- Provide pass-through funding to tribal governments, counties, and national veterans' service organizations;
- Administer grant funds to governmental and nonprofit organizations;
- Partner with Dept. of Corrections to serve incarcerated veterans

APPEALS AND SPECIAL ADVOCACY

- Train & certify Veteran Service Officers;
- Provide appeals assistance to veterans;
- Assist historically underserved communities of veterans: women, LGBTQ+, and houseless veterans

AGING VETERAN SERVICES

- Provide conservatorship and representative payee services;
- Administer veteran volunteer program;
- Oversight of two State Veterans' Homes

OREGON VETERANS' HOMES

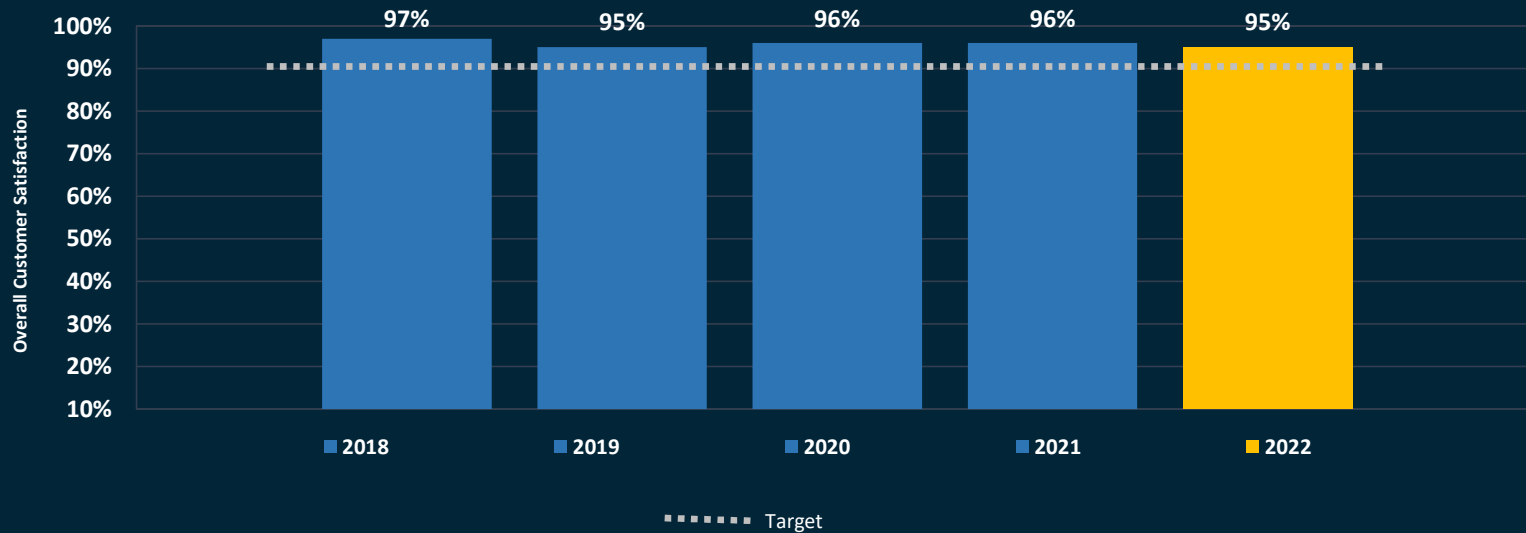
- Oversee two skilled-nursing and memory care facilities (The Dalles and Lebanon) operated by contractor Westcare/Veterans Care Centers of Oregon



CUSTOMER SATISFACTION PERFORMANCE MEASURES

KPM 5: CUSTOMER SATISFACTION

AGENCY PERFORMANCE TARGET: 90%





HOME LOAN PROGRAM

OVERVIEW

HOME LOAN PROGRAM

STRATEGIC PARTNERSHIPS

APPEALS AND SPECIAL ADVOCACY

AGING VETERAN SERVICES

OREGON VETERANS' HOMES

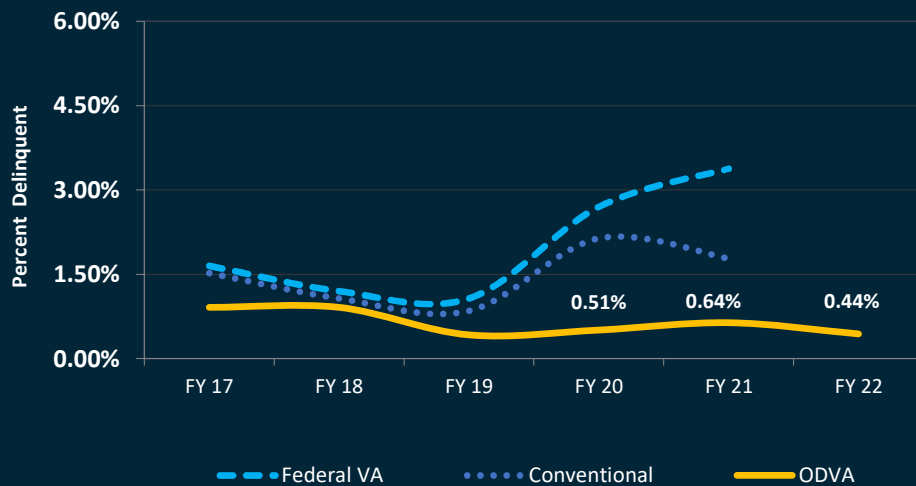
- » Oregon citizens voted in 1945 to create a Veterans' Home Loan program, establishing it in Article XI-A of the Oregon Constitution
- » This historically self-sufficient program provides low-interest rate mortgages on single-family owner-occupied homes to eligible and qualified veterans
- » State benefit is separate and distinct from the federal VA Home Loan Guaranty
- » Borrow up to \$726,200 (FHFA limit as of 2023)
- » ODVA is the lender and servicer of veteran home loans
- » 1,418 home loans totaling more than \$322 million in current portfolio
- » Nearly \$9 billion in low-interest home loans have been made to more than 336,000 veterans since 1945



HOME LOAN PROGRAM PERFORMANCE MEASURES

KPM 1A: DELINQUENT ACCOUNTS

PROGRAM PERFORMANCE TARGET: < 1.50%



KPM 1B: LOAN ORIGINATIONS

PROGRAM PERFORMANCE TARGET: +\$60 Million





STRATEGIC PARTNERSHIPS

OVERVIEW

HOME LOAN PROGRAM

STRATEGIC PARTNERSHIPS

APPEALS AND SPECIAL ADVOCACY

AGING VETERAN SERVICES

OREGON VETERANS' HOMES

- » Administers grants to veterans and service provider partners
- » Pass through funding to County, Tribal and National Service Organizations
- » Manages partnerships with federal and state agencies and community partners to leverage and enhance existing state resources available for veterans
- » State Approving Agency to approve and monitor institutions eligible to participate in federal veterans' education benefits
- » Partnership supporting traditionally underserved veterans (incarcerated veterans, tribal and education)



APPEALS & SPECIAL ADVOCACY

OVERVIEW

HOME LOAN PROGRAM

STRATEGIC PARTNERSHIPS

APPEALS AND SPECIAL ADVOCACY

AGING VETERAN SERVICES

OREGON VETERANS' HOMES

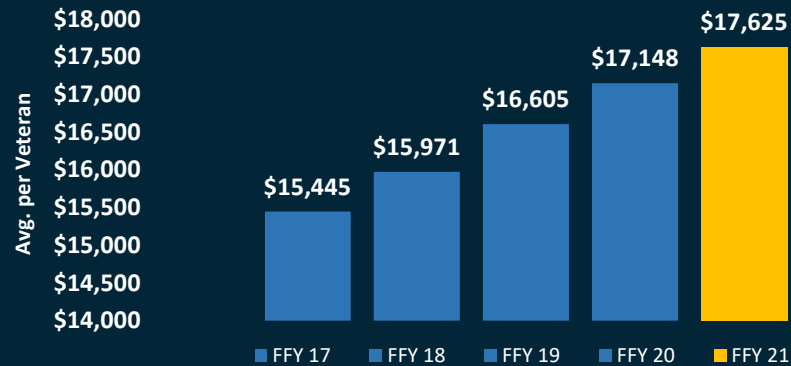
- » Quality oversight for all claims prior to submitting to the federal VA for adjudication on behalf of state, county, tribal veteran service offices
- » Claims advocacy and representation of veterans in their appeals to the federal VA filed under ODVA's Powers of Attorney
- » Training and certification to all veteran service officers representing Oregon veterans under ODVA's Power of Attorney
- » Special Advocacy for traditionally underserved veterans (women, LGBTQ+, houseless veterans)



APPEALS & SPECIAL ADVOCACY PERFORMANCE MEASURES

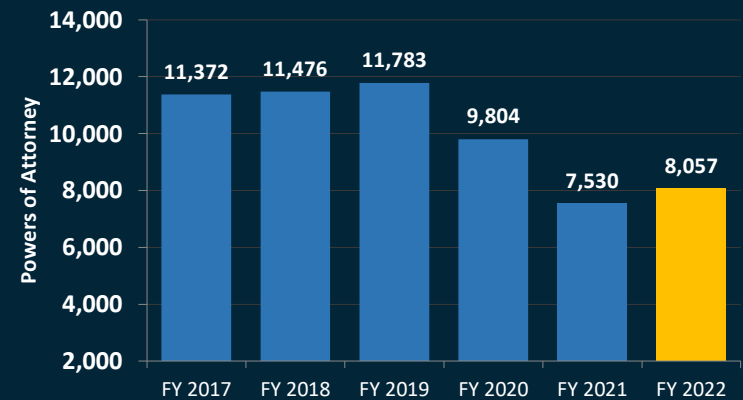
KPM 3: DISABILITY COMPENSATION AND PENSION BENEFITS

PROGRAM PERFORMANCE TARGET: \$18,636



KPM 4: POWERS OF ATTORNEY

PROGRAM PERFORMANCE TARGET: 7,100

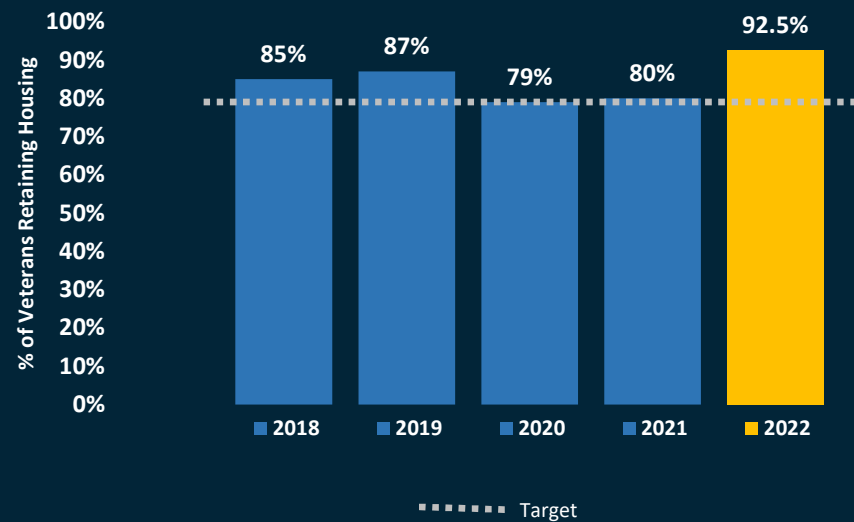




APPEALS & SPECIAL ADVOCACY PERFORMANCE MEASURES

KPM 7: REDUCING VETERAN HOMELESSNESS

PROGRAM PERFORMANCE TARGET: 80%





AGING VETERAN SERVICES

OVERVIEW

HOME LOAN PROGRAM

STRATEGIC PARTNERSHIPS

APPEALS AND SPECIAL ADVOCACY

AGING VETERAN SERVICES

OREGON VETERANS' HOMES

- » Aging Veteran Services provides oversight of the two Oregon Veterans' Homes and programs providing direct services to aging and vulnerable veterans
- » Claims assistance and advocacy focused on the needs of aging veterans
- » Conservatorship program serves as a court appointed conservator to protect and manage veterans financial assets
- » Representative Payee services ensure the timely payments of monthly expenses on behalf of vulnerable veterans to ensure their basic living needs are met
- » Specialized volunteer and outreach advocates conduct local outreach to aging veterans to educate and connect veterans to benefits



OREGON VETERANS' HOMES

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OREGON VETERANS' HOMES

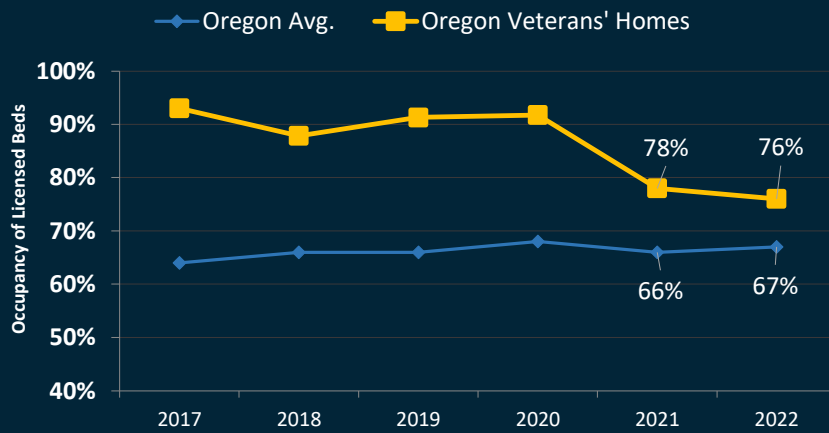
- » Award-winning state Veterans' Homes located in The Dalles (1997) and Lebanon (2014)
- » Earned benefit providing skilled and long-term nursing care, endorsed memory care, and rehabilitative care to veterans, spouses and Gold Star Parents
- » Veterans live in an environment with a culture of camaraderie and understanding from fellow veterans who have shared military experience and staff who are trained to meet their unique needs
- » Access to claims representation and benefit assistance by service officers who focus on the needs of veterans who served during the Vietnam, Korean and WWII wars
- » Self-sustaining program offering lower cost skilled nursing care to veterans and their families



OREGON VETERANS' HOME PERFORMANCE MEASURES

KPM 2A: OCCUPANCY RATE

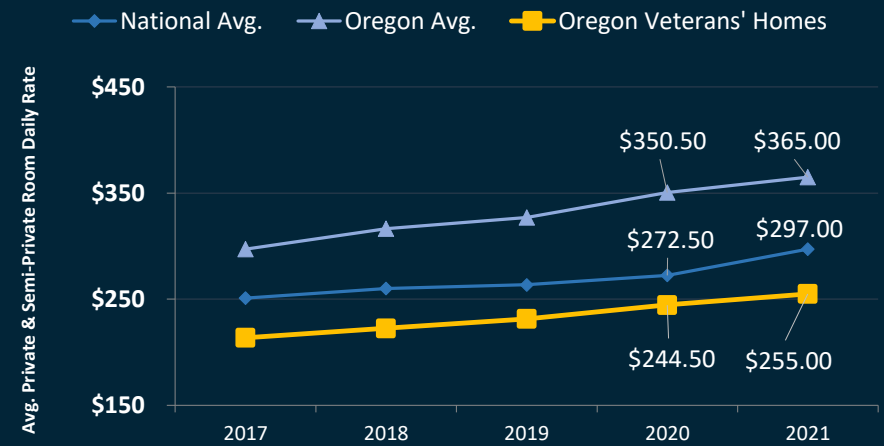
PROGRAM PERFORMANCE TARGET: 80%



Source: AHCA/NCAL

KPM 2B: LOWER RESIDENT PRIVATE PAY RATES

PROGRAM PERFORMANCE TARGET: \$363.00



Source: Genworth Financial Reports

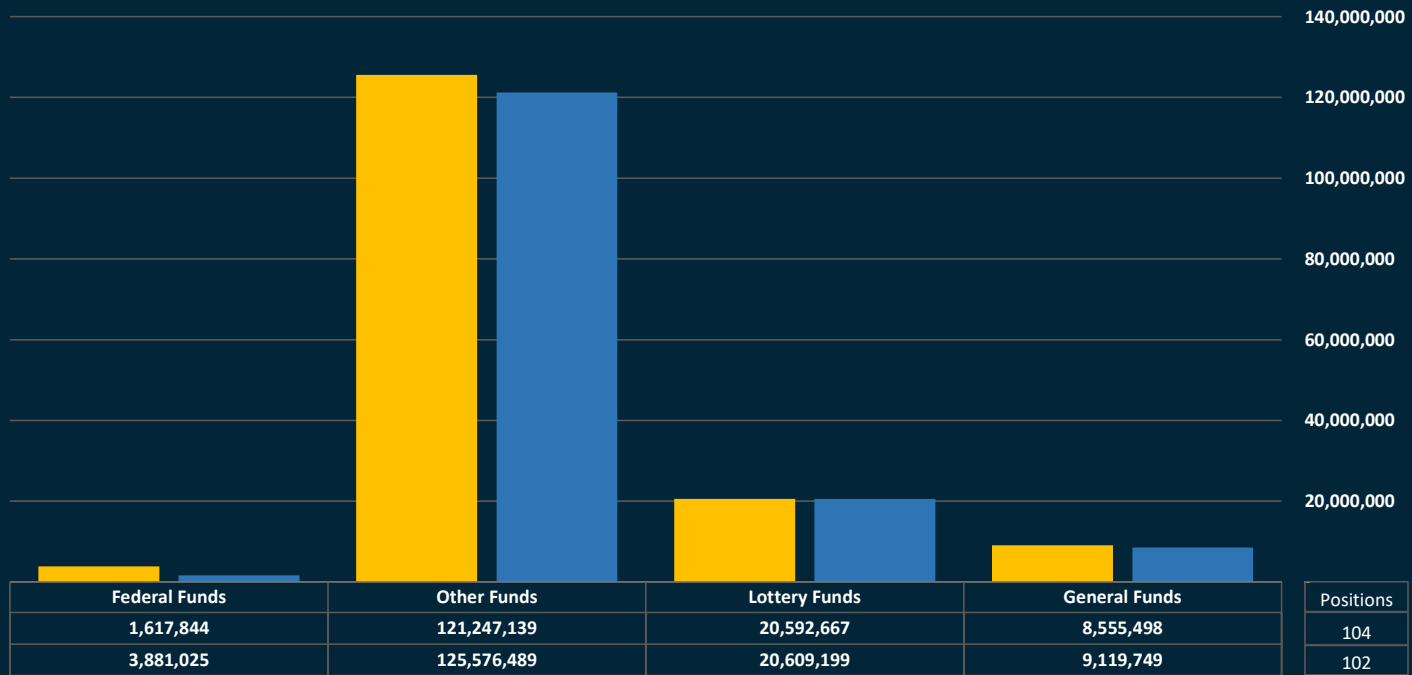


2023-25 GOVERNOR'S RECOMMENDED BUDGET



AGENCY BIENNIAL BUDGET COMPARISON

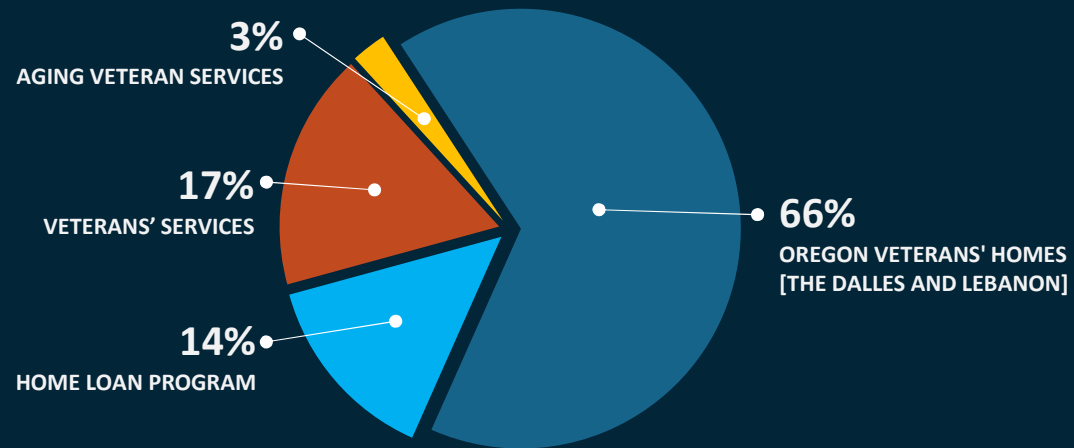
2021-23 LEGISLATIVELY ADOPTED BUDGET VS. 23-25 GOVERNOR'S RECOMMENDED BUDGET



Excludes Nonlimited Expenditures and Debt Service.
 Position variance is due to a 2019-2021 reconciliation action that will be completed at LAB.



2023-25 GOVERNOR'S BUDGET BY PROGRAM



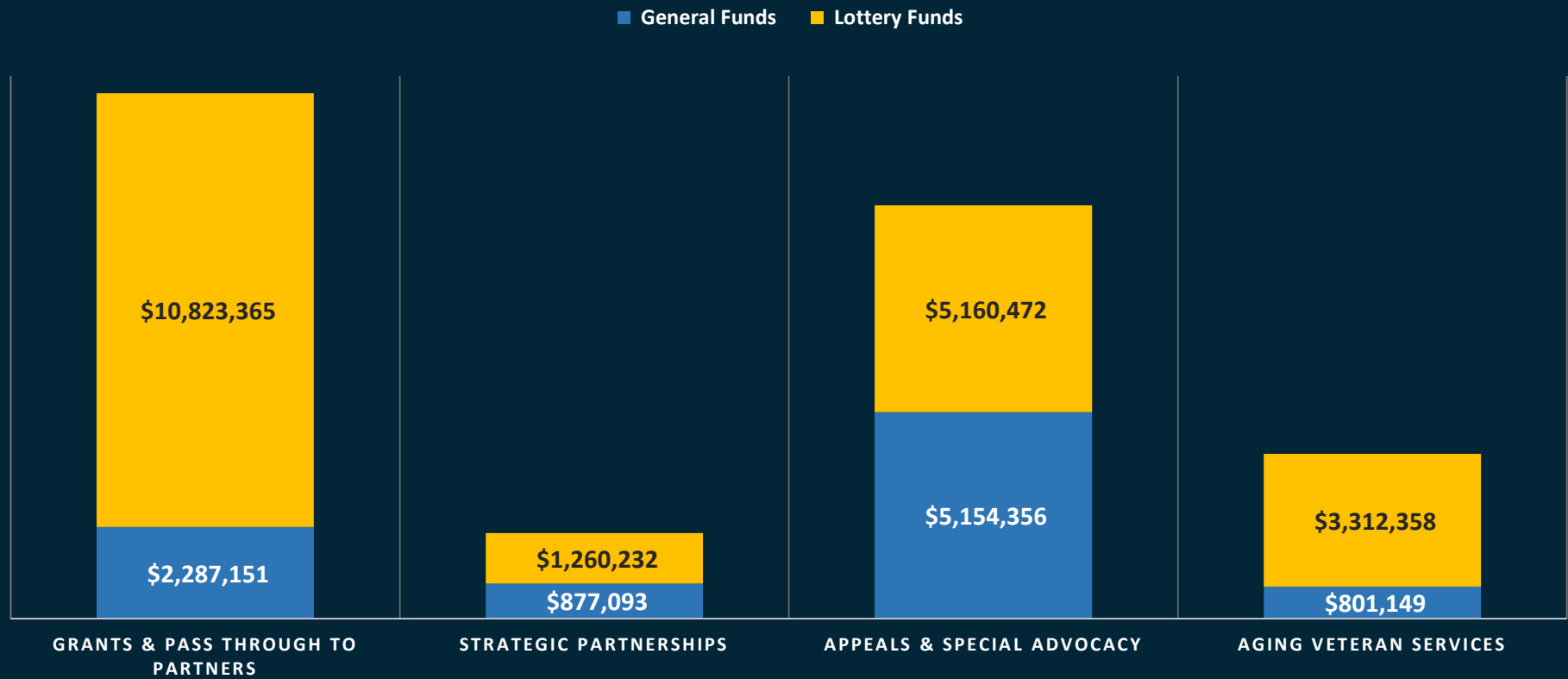
■ Home Loan Program
 ■ Veterans' Services
 ■ Aging Veteran Services
 ■ Oregon Veterans' Homes

	Home Loan Program	Veterans' Services	Aging Veteran Services	Oregon Veterans' Homes
General Funds	\$ -	\$ 8,318,600	\$ 801,149	\$ -
Lottery Funds	\$ 79,500	\$ 17,217,341	\$ 3,312,358	\$ -
Other Funds	\$ 22,484,706	\$ 156,899	\$ -	\$ 102,934,884
Federal Funds	\$ -	\$ 1,719,613	\$ -	\$ 2,161,412
Total Funds	\$ 22,564,206	\$ 27,412,453	\$ 4,113,507	\$ 105,468,966

Excludes Nonlimited Expenditures and Debt Service.



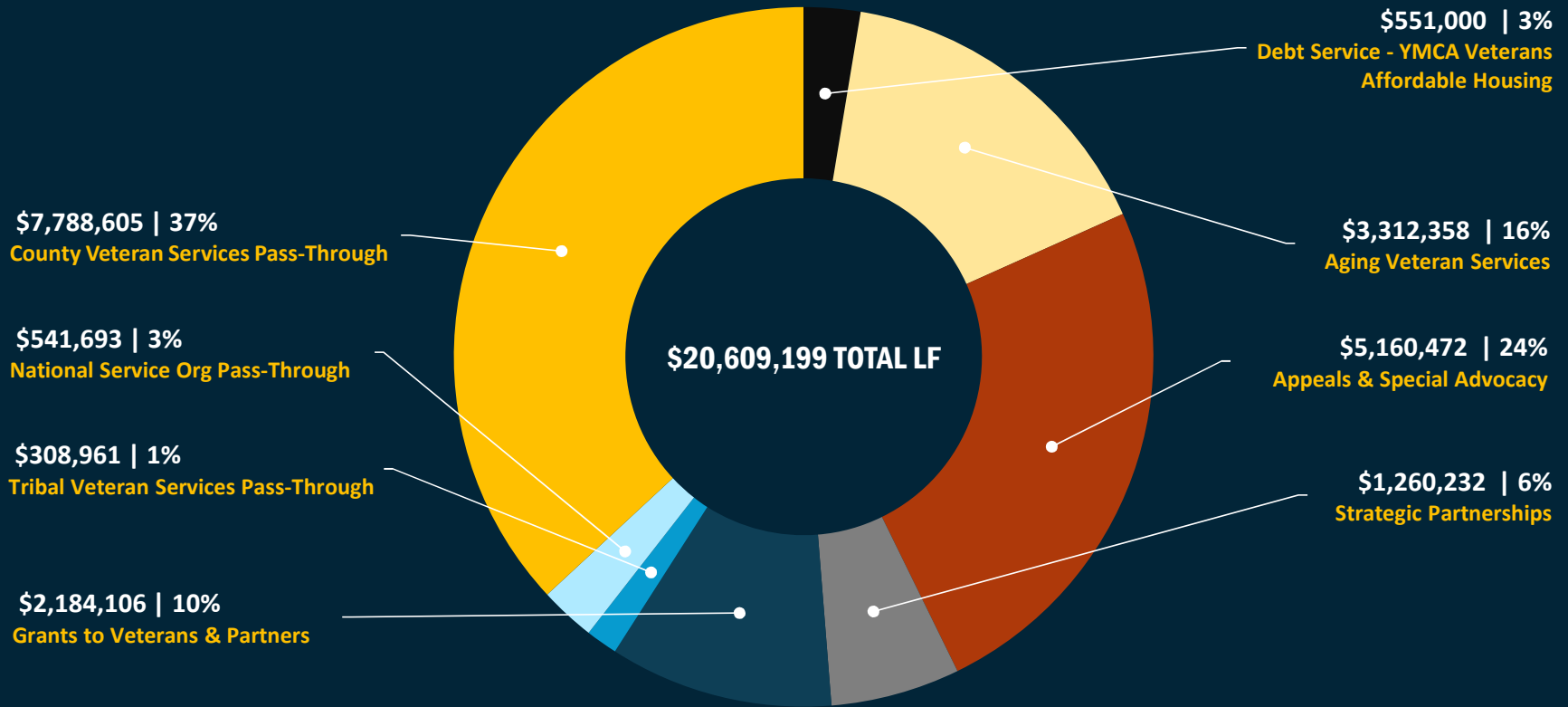
GENERAL FUND & LOTTERY FUND INVESTMENTS



*Excludes Lottery Fund Debt Service of \$551,000.



LOTTERY FUNDS





POLICY OPTION PACKAGES



POLICY OPTION PACKAGES

Invests an additional \$91,600 in LF to expand funding for veteran services on tribal lands.

Policy Option Package 118:

Increase Tribal Pass-through Funding

\$91,600 LF

Increases funding to participating Oregon tribes to provide direct U.S. Department of Veterans Affairs (USDVA) benefit and claims representation for tribal veterans.



POLICY OPTION PACKAGES

Invests \$1.4 million in LF to increase support of student veterans through grant funding.

Policy Option Package 119:

Increase Campus Veteran Resource Center Grants

\$1,000,000 LF

Expand Campus Veteran Resource Centers and Campus Veteran Resource Coordinators at Oregon community colleges and public universities.

Policy Option Package 120:

Increase Veteran Educational Bridge Grant

\$400,000 LF

Provides financial assistance to student veterans who are unable to complete a degree or training program within the expected completion period due to the timing of courses or availability of training hours.



POLICY OPTION PACKAGES

Invests \$559,000 in OF/LF to ensure the ORVET Home Loan IT Servicing Project progresses to completion and procures IT staffing services to support agency legacy systems.

Policy Option Package 108:

Continue Home Loan Servicing IT
Replacement Project
\$400,000 OF

Continue the Home Loan Servicing IT
Replacement project.

Policy Option Package 106:

IT Staff Augmentation
\$159,000 OF/LF

To procure staffing services &
expertise to support ODVA program
legacy IT systems



POLICY OPTION PACKAGES

Invests \$6.8 million OF in needed ODVA Salem building and Oregon Veterans' Home capital improvements.

Policy Option Package 113:

ODVA Capital Improvement Projects

\$6,855,000 OF/FF

- » Veterans' Home (The Dalles) HVAC / Air Handling Unit Replacements (\$1.3 OF; \$2.1 FF)
- » ODVA Salem building equipment replacement (\$1.4 million OF)
- » ODVA Salem building second floor renovation (\$2 million OF)



AGENCY PROPOSED LEGISLATION

Background on Veteran Educational Bridge Grant

House Bill 2201 (2019) created the Veteran Educational Bridge Grant (VEBG) Program at ODVA to provide individual grants to veterans currently using their G.I. Bill[®] education benefits and experiencing financial hardship due to academic classes or practical training hours being unavailable and disrupting their degree or training progress.

HB 2271 seeks to:

- Expand program eligibility to additional Oregon veterans in degree, certificate, apprenticeship, and on-the-job training programs that are not being served by the current VEBG eligibility requirements.
- The 2023 – 2025 Governor’s Recommended Budget Policy Option Package 120 requests increased VEBG funding from the 2021-2023 LAB funding levels to accommodate the anticipated demand for the grant if eligibility is expanded.



OUR WORK AHEAD

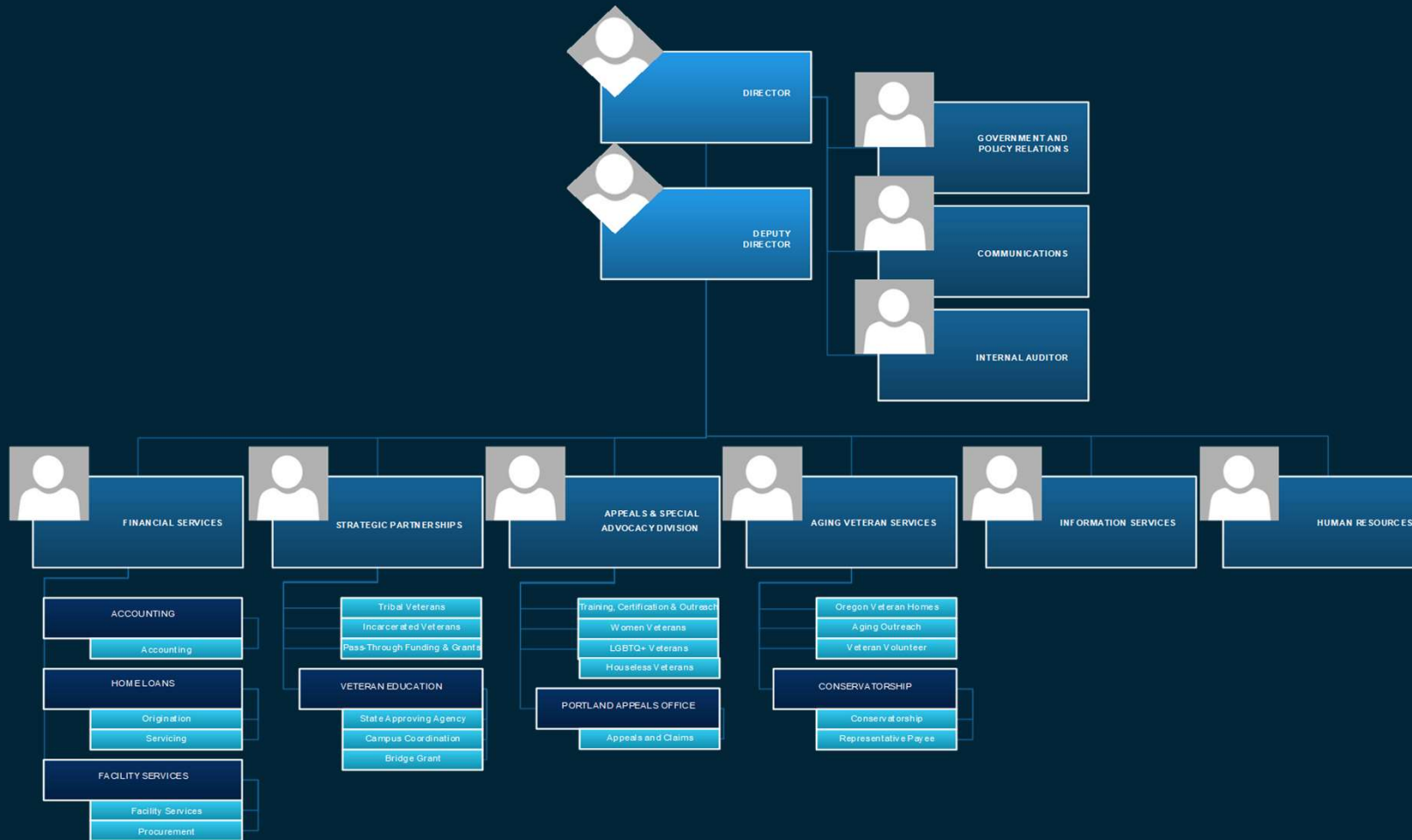
QUESTIONS



OREGON DEPARTMENT
of **VETERANS' AFFAIRS**

APPENDIX

AGENCY ORGANIZATIONAL CHART



TECHNOLOGY PROJECTS

Home Loan Servicing Replacement

This project continues the replacement of its aging Home Loan Servicing program. During the 2021-2023 biennium, ODVA has been actively working to replace LSAMS, with expected completion this biennium. The funding requested covers the implementation and first year costs of the new system and to address the on-going and unknown maintenance costs moving forward.

Estimated costs for implementation:

\$400,000 Other Funds 23-25 Biennium
Requested in Policy Option Package 108.

Staff Augmentation

Oregon Department of Veterans' Affairs (ODVA) to procure staffing services & expertise for IBM I (AS 400, iSeries and other ODVA systems) for IT production services for our Veterans Homes, Conservatorship and other Veteran programs.

Estimated costs for implementation:

\$79,500 Other Funds

\$79,500 Lottery Funds

\$159,000 Total Funds 23-25 Biennium

Requested in Policy Option Package 106.

COUNTY VETERANS SERVICE OFFICE PASS-THROUGH FUNDING

Distribution of County Veterans Service Office Pass-through Funding – 21-23 L.A.B.

BAKER	\$ 177,571.92	LAKE	\$ 162,953.86
BENTON	\$ 228,977.61	LANE	\$ 569,424.79
CLACKAMAS	\$ 556,642.04	LINCOLN	\$ 230,030.66
CLATSOP	\$ 206,287.20	LINN	\$ 315,659.23
COLUMBIA	\$ 220,881.25	MALHEUR	\$ 178,944.10
COOS	\$ 258,997.79	MARION	\$ 458,874.97
CROOK	\$ 183,134.42	MORROW	\$ 163,472.50
CURRY	\$ 193,584.90	MULTNOMAH	\$ 741,818.75
DESCHUTES	\$ 364,036.25	POLK	\$ 239,393.26
DOUGLAS	\$ 319,882.72	SHERMAN ⁽¹⁾	\$ 71,735.44
GILLIAM ⁽¹⁾	\$ 72,078.73	TILLAMOOK	\$ 188,192.42
GRANT	\$ 162,134.41	UMATILLA	\$ 227,707.97
HARNEY	\$ 159,959.37	UNION	\$ 183,411.64
HOOD RIVER	\$ 168,082.68	WALLOWA	\$ 161,213.46
JACKSON	\$ 417,016.18	WASCO	\$ 184,872.39
JEFFERSON	\$ 176,841.35	WASHINGTON	\$ 625,111.64
JOSEPHINE	\$ 282,548.05	WHEELER ⁽¹⁾	\$ 71,727.46
KLAMATH	\$ 256,325.46	YAMHILL	\$ 249,915.14

Total Pass-through to County VSO's: \$9,429,193

Distribution of Funds to a Veterans' Organizations

OAR 274-030-0515

(1) The Department shall review the applications and qualifications of each veterans' organization that applied for funds and distribute the funds appropriated to qualified veterans' organizations based on the:

- number of veterans served by the organization
- number of organizations applying for funds
- amount of the organization's financial contribution to its veterans' rehabilitation program.
 - (12) "Rehabilitation Program" means conducting a program, in acting under power of attorney for veterans in connection with claims for benefits, in assisting veterans in prosecutions of their claims and in solution of problems arising out of previous military service as provided in ORS 406.310.

Disbursement

Total disbursement is calculated based on:

- 55% of total funds available is distributed equally as a base amount provided to each county
- 45% of total funds available is distributed based on the veteran population in each county

⁽¹⁾ Tri County is a consortium of Gilliam, Sherman, and Wheeler Counties. Sherman County is responsible for the operation of the office and the budgeting of the funds.