



Legislative Fiscal Office
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Bill Title: Relating to the Oregon National Guard.

Government Unit(s) Affected: Oregon Military Department

Summary of Fiscal Impact:

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

Measure Description

The measure allows the Adjutant General of the Oregon Military Department (OMD) to pay a bonus to a member of the Oregon National Guard who reenlists or extends their period of service for at least three years. For a member to receive this bonus, the member must enter into a written agreement with the Adjutant General and the terms of the agreement must include the amount of the bonus, the payment schedule of the bonus, the period of time the member agrees to serve, the type and condition of the service, and any other conditions set forth by the Adjutant General. The bonus can be paid as a lump sum or as installments over a period of time, not to extend exceed the member's period of service. If a member who receives the bonus fails to complete the period of service or meet the conditions of service for which the bonus was paid, then the member will be liable to repay the amount of the bonus unless the Adjutant General waives, in whole or part, the recovery amount of the bonus.

Fiscal Analysis

The fiscal impact is indeterminate and dependent on the level of funding received for the program, the amount of the reenlistment bonus, and the demand from eligible recipients.

Under the measure, OMD would establish the Retention Bonus Program (RBP) and offer to eligible members of the Oregon National Guard who reenlist or extend their period of service. The RBP would be for the purpose of creating an incentive for reenlistment and would improve recruiting and retention within the organization. Through the RBP and the authority given by the measure to pay eligible Oregon National Guard members reenlistment bonuses, OMD would offer a one-time bonus of \$5,000 to service members choosing to reenlist or extend their service. The 2025-27 Governor's budget recommendation for OMD contains Policy Option Package 101 which includes \$5 million General Fund for the RBP. Assuming funding of \$5 million, this would provide an estimated 1,000 eligible service members with the bonus. OMD anticipates being able to provide the full \$5 million as reenlistment bonuses to eligible service members and can absorb all administrative costs associated with the RBP.

Currently, outside of the state budget, there are federal retention incentives paid to National Guard members; however, these retention incentives do not apply to full-time members or those who have more than 12 years of service with the National Guard. The RBP would act to fill the gap for those National Guard members who are ineligible for the federal retention incentives.

Relevant Dates

The measure takes effect on January 1, 2026.