



Legislative Fiscal Office  
83<sup>rd</sup> Oregon Legislative Assembly  
2025 Regular Session

Prepared by: Michael Graham  
Reviewed by: Walt Campbell  
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**Bill Title:** Relating to veterans' loans for acquisition of real property.

**Government Unit(s) Affected:** Department of Veterans' Affairs

### Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Veterans' Affairs	\$ 40,000,000	\$ -	\$ -	\$ -	\$ 40,000,000	-	-
<b>Total Fiscal Impact</b>	<b>\$ 40,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40,000,000</b>	<b>-</b>	<b>-</b>

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Veterans' Affairs	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
<b>Total Fiscal Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>

- The fiscal impact does not include duplicative Non-Limited Other Funds necessary to expend the General Fund revenue deposited by the measure into the Oregon War Veterans' Fund.

### Measure Description

The measure limits the interest rate to no more than the prime rate plus 1% for loans advanced by the Oregon Department of Veterans' Affairs (ODVA) under the veterans' home and farm loan program. The measure includes a one-time appropriation of \$40 million General Fund to ODVA in the 2025-27 biennium for deposit into the Oregon War Veterans' Fund to advance home and farm acquisition loans to eligible veterans.

### Fiscal Analysis

Although the measure caps the interest rate to the prime rate plus 1%, ODVA provides loans below the prime rate. Therefore, the measure is not anticipated to impact ODVA's loan revenues.

The measure also proposes a one-time transfer of \$40 million General Fund to ODVA for deposit into the Oregon War Veterans' Fund. Since its inception, the veterans' home and farm loan program has been funded by qualified veterans' mortgage bonds, which are non-taxable bonds that ODVA sells that typically offer lower interest rates than other mortgage bonds. The measure thus changes how this program is funded. If the measure is adopted, ODVA will expend the \$40 million as Other Funds Non-Limited to cover administrative costs and to advance loans to eligible veterans from the Oregon War Veterans' Fund.

### Relevant Dates

The measure takes effect on January 1, 2026. Therefore, the \$40 million General Fund appropriation will not be deposited into the Oregon War Veterans' Fund until January 1, 2026.