

# A-Engrossed

## House Bill 4132

Ordered by the House February 16  
Including House Amendments dated February 16

Sponsored by Representatives EVANS, BOWMAN, HELFRICH, PHAM H, Senators MANNING JR, SMITH DB; Representatives BOICE, BUNCH, CHAICHI, DOBSON, GRAYBER, ISADORE, JAVADI, LEVY B, LEWIS, MCDONALD, MUÑOZ, NELSON, NGUYEN D, OWENS, RIEKE SMITH, RUIZ, WISE (Presession filed.)

### SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Makes changes to veteran laws. (Flesch Readability Score: 66.4).

Declares that it is the goal of the Legislative Assembly to fund the Department of Veterans' Affairs in an amount that is not less than \$10,000,000, from the General Fund, in 2015 dollars, adjusted for inflation.

Requires the Director of Veterans' Affairs to add additional full-time positions within the department. Creates in the department the position of Veterans Employment Coordinator.

Requires the director to be a veteran who has received a discharge or release under other than dishonorable conditions. Allows the director to appoint a deputy director, subject to approval by the Governor.

Directs the department to develop and implement a grant program for suicide prevention and workforce training and preparation. Allows moneys in the Veterans' Services Fund to be used for the grant program.

Directs the director to distribute moneys appropriated for county veterans' service officer programs on a quarterly basis. Directs the department to provide a report on the quarterly distribution process.

Changes who are allowed to request county veteran discharge records.

Increases, from \$5,000 to \$10,000, the cap on the individual grant amount that is allowed under the Veteran Educational Bridge Grant Program.

Directs the Judicial Department, in consultation with the Oregon Criminal Justice Commission, to study methods for providing access to veterans' treatment courts to residents of each county or judicial district.

*[Transfers each biennium unexpended and unobligated moneys in the School Districts Unfunded Liability Fund and the Employer Incentive Fund to the Veterans' Services Fund.]*

Takes effect on July 1, 2026.

### A BILL FOR AN ACT

1 Relating to veterans; creating new provisions; amending ORS 192.390, 406.020, 406.140, 406.462,  
2 408.115 and 408.425; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** This 2026 Act shall be known and may be cited as the 2026 Oregon Veterans'  
5 Services Supplemental Investments Initiative.

### FUNDING GOAL

10 **SECTION 2.** It is the goal of the Legislative Assembly to fund the Department of  
11 Veterans' Affairs at a level that is no less than \$10,000,000, from the General Fund, as  
12 measured in 2015 and adjusted for inflation as calculated by the Legislative Fiscal Office.

### ADDITIONAL STAFF POSITIONS

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

**SECTION 3. (1) The Director of Veterans' Affairs shall establish, hire for and staff within the Department of Veterans' Affairs, no later than July 1, 2028, the following additional full-time equivalent positions:**

- (a) Two assistant division directors.
- (b) One coordinator for incarcerated veterans.
- (c) One research analyst.
- (d) One grant coordinator.

(2) The director shall establish, hire for and staff within the department, no later than July 1, 2030, the following additional full-time equivalent positions:

**(a) One state approving agency staff**

**(b) One behavioral health specialist.**

**(c) One coordinator for houseless veterans.**

**(d) One deputy communications director.**

(3) The director shall establish, hire for and staff within the department, no later than July 1, 2032, the following additional full-time equivalent positions:

**(a) One women veterans coordinator.**

**(b) One coordinator for incarcerated veterans.**

**(c) One LGBTQIA2S+ coordinator.**

**SECTION 4.** The position of Veterans Employment Coordinator is created in the Department of Veterans' Affairs. The responsibilities of the coordinator include, but are not limited to, all of the following:

### **(1) Assisting veterans with finding employment.**

**(2) Providing veterans with career and job resources.**

(3) Serving as a liaison between the Department of Veterans' Affairs and county veterans' service officers.

(4) Contacting any service member who separates from the Oregon National Guard within two weeks from the date of separation.

(5) Contacting any service member who separates from the Armed Forces of the United States and who resides in or is moving into this state within two weeks from the date the coordinator is informed of the service member separating and residing in or moving into this state.

## **DIRECTOR AND DEPUTY DIRECTOR**

**SECTION 5.** ORS 406.020 is amended to read:

406.020. The Department of Veterans' Affairs shall be under the supervision and control of the Director of Veterans' Affairs. The Governor shall appoint the director subject to confirmation by the Senate in the manner provided in ORS 171.562 and 171.565. The appointment may not be made without the written approval of the Advisory Committee provided for in ORS 406.210. The director shall be a veteran[,] **who received a discharge or release under other than dishonorable conditions**, chosen on the basis of executive and administrative ability.

**SECTION 6.** The Director of Veterans' Affairs, subject to approval by the Governor, may appoint a deputy director. In appointing a deputy director, the director shall consider the experience that a veteran may bring if a veteran is appointed to the position. The deputy director serves at the pleasure of the director, has full authority to act for the director and

1 is subject to the control of the director.

2

3 **VETERANS SUICIDE PREVENTION GRANT PROGRAM**

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5 **SECTION 7.** (1) As used in this section, "veteran" has the meaning given that term in  
6 ORS 408.225. "Veteran" includes a disabled veteran as defined in ORS 408.225.

7 (2) The Department of Veterans' Affairs shall develop and implement a grant program  
8 for veteran suicide prevention and workforce training and preparation. The purpose of the  
9 grant program is to help veterans with suicide prevention and transition to the workforce  
10 and business community.

11 (3) Under the grant program, the department shall award grants through a request for  
12 proposal process to entities involved in pairing suicide prevention with workforce training  
13 and preparation.

14 (4) The department shall:

15 (a) Develop criteria for entities that provide programs for suicide prevention and  
16 workforce training and preparation;

17 (b) By rule, establish processes and procedures for veterans to apply for assistance from  
18 entities that are awarded a grant under the grant program; and

19 (c) Prioritize awarding grants to entities that provide opportunities for veterans to par-  
20 ticipate in the veterans' local communities.

21 (5) The department may solicit and accept gifts, grants and donations from public and  
22 private sources to further the purposes of this section.

23 (6)(a) The department may use moneys in the Veterans' Services Fund established pur-  
24 suant to Article XV, section 4f, of the Oregon Constitution, to develop, implement and  
25 maintain the grant program.

26 (b) The department shall use moneys in the Veterans' Services Fund established pursu-  
27 ant to Article XV, section 4f, of the Oregon Constitution, for the initial moneys used to de-  
28 velop, implement and maintain the grant program.

29 (7) The department may adopt rules to implement the provisions of this section.

30 **SECTION 8.** Not later than January 2, 2028, the Department of Veterans' Affairs shall  
31 prepare and submit a report to the interim committees of the Legislative Assembly related  
32 to veterans on the status of the grant program developed and implemented under section 7  
33 of this 2026 Act.

34 **SECTION 9.** (1) Section 7 of this 2026 Act is repealed on January 2, 2029.

35 (2) All moneys for the grant program developed and implemented under section 7 of this  
36 2026 Act that are unexpended and unobligated on the date of the repeal of section 7 of this  
37 2026 Act shall revert to the Veterans' Services Fund and become available for use pursuant  
38 to Article XV, section 4f, of the Oregon Constitution.

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40 **VETERANS' SERVICES FUND**

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42 **SECTION 10.** ORS 406.140 is amended to read:

43 406.140. There is established in the State Treasury, separate and distinct from the General Fund,  
44 the Veterans' Services Fund, to be administered by the Oregon Department of Administrative Ser-  
45 vices. Interest earned by the fund is credited to the fund. Pursuant to Article XV, section 4f, of the

1 Oregon Constitution, one and one-half percent of the net proceeds from the Oregon State Lottery  
2 shall be deposited in the Veterans' Services Fund. All moneys transferred from the State Lottery  
3 Fund and all other moneys authorized to be transferred to the Veterans' Services Fund from what-  
4 ever source are appropriated continuously to provide services for the benefit of veterans. **The de-  
5 partment shall hold no more than 12 percent of the fund in reserve.**

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7 **COUNTY VETERANS' SERVICE OFFICER PROGRAM**

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9 **SECTION 11.** ORS 406.462 is amended to read:

10 406.462. (1) Moneys appropriated to the Director of Veterans' Affairs for the purposes described  
11 in ORS 406.450 must be distributed to county governing bodies and expended for the purposes of  
12 ORS 406.450 and may not be used to supplant moneys currently budgeted by the director for services  
13 provided by county veterans' service officers.

14 (2) **The director shall distribute moneys appropriated to the director for the purposes  
15 described in ORS 406.450 on a quarterly basis as follows:**

16 (a) **Each fiscal year, the director shall notify each county governing body of the amount  
17 of moneys to be distributed to the county governing body for the fiscal year.**

18 (b) **The county governing body shall provide the director a copy of the county's budget  
19 for the services to be provided by the county veterans' service officer for the fiscal year.**

20 (c) **At the end of each calendar quarter, the county governing body shall provide the di-  
21 rector a report on the moneys the county expended during the calendar quarter for the  
22 services provided by the county veterans' service officer.**

23 (d) **Upon receipt of the county governing body's quarterly report, the director shall dis-  
24 tribute to the county governing body a portion of moneys allocated to the county governing  
25 body in an amount that is based on the proportion of all moneys budgeted for all services  
26 provided by county veterans' service officers that were expended during the calendar quar-  
27 ter.**

28 (e) **At the end of each calendar quarter, the county governing body may also provide the  
29 director documentation for moneys the county expended during a previous calendar quarter  
30 in the fiscal year for the services provided by the county veterans' service officer that the  
31 county had not previously reported to the director and for which the county governing body  
32 has not received a distribution of moneys from the director. Upon receipt of the documen-  
33 tation, the director shall distribute to the county governing body a portion of moneys allo-  
34 cated to the county governing body in an amount that is based on the proportion of all  
35 moneys budgeted for all services provided by county veterans' service officers that were ex-  
36 pended during the calendar quarter within which the county expended the moneys for which  
37 the county governing body provided the director documentation.**

38 (3) **At the end of each fiscal year, the director shall calculate the remaining moneys not  
39 distributed during the fiscal year and distribute the remaining moneys using a formula es-  
40 tablished under ORS 406.454 to each county governing body that expended 90 percent or more  
41 of the moneys that the county budgeted for services provided by the county veterans' service  
42 officer for the fiscal year as specified under subsection (2)(b) of this section. The director  
43 shall distribute the remaining moneys within 90 days from the last date of the fiscal year.**

44 [(2)] (4) Notwithstanding subsection (1) of this section, the director may reduce the amount of  
45 moneys distributed to county governing bodies for county veterans' service officers if there is a de-

crease in the amount of General Fund **or State Lottery Fund** revenues appropriated to the director for the purposes described in ORS 406.450 for the same period of time.

3        **SECTION 12.** Not later than January 2, 2030, the Department of Veterans' Affairs shall  
4        prepare and submit a report to the interim committees of the Legislative Assembly related  
5        to veterans and the Association of Oregon Counties on the distribution of moneys under the  
6        process provided by the amendments to ORS 406.462 by section 11 of this 2026 Act.

## COUNTY RECORDS: VETERAN DISCHARGE PAPERS

**10 SECTION 13.** ORS 408.425 is amended to read:

408.425. (1) Each county clerk who receives a request to inspect veteran discharge papers that are recorded under ORS 408.420 shall produce the recorded discharge papers for inspection if:

- (a) The request for inspection is made in writing;
- (b) The request sets forth the name, address and telephone number of the requester;
- (c) The request sets forth the name and the date of birth or the last four digits of the Social Security number of the veteran; and
- (d) The request is made by:
  - (A) The veteran or *[the spouse, legal guardian]* **a person holding a power of attorney for the veteran** or personal representative of the veteran;
  - (B) A county veterans' service officer appointed under ORS 408.410;
  - (C) A representative of the Department of Veterans' Affairs; or
  - (D) A licensed funeral establishment seeking to ascertain if a decedent was a veteran for the purpose of obtaining veteran's burial benefits.

24 (2) This section does not create a cause of action and may not be asserted as the basis of a per  
25 se negligence claim.

26 (3) Each county clerk may adopt additional policies in order to protect recorded discharge pa-  
27 pers from malicious or unlawful use and policies regarding copying of recorded discharge papers.

28       (4) Each county clerk shall maintain in the records of the county clerk a copy of each request  
29      for inspection of recorded discharge information for a period of at least 10 years after the date the  
30      request is received by the county clerk.

31 **SECTION 14.** ORS 192.390 is amended to read:

32        192.390. (1) Notwithstanding ORS 192.338, 192.345 and 192.355 and except as otherwise provided  
33 in ORS 192.398, public records that are more than 25 years old shall be available for inspection.

34       (2) This section does not apply to records that are exempt from disclosure pursuant to  
35       ORS 192.355 (37) or 408.425.

## **VETERAN EDUCATIONAL BRIDGE GRANT PROGRAM**

**39 SECTION 15.** ORS 408.115 is amended to read:

40        408.115. (1) The Veteran Educational Bridge Grant Program is established within the Department  
41        of Veterans' Affairs. Under the program, the department shall conduct outreach and provide  
42        grants to veterans who:

43 (a) Are pursuing and enrolled in a course of study that is in or part of:  
44 (A) Any program for which United States Department of Veterans Affairs education benefits  
45 may be used;

- 1       (B) A career school licensed under ORS 345.010 to 345.340;
- 2       (C) An apprenticeship program that is registered with the State Apprenticeship and Training
- 3       Council; or

4 (D) An on-the-job training program offered by a public employer;

5        [(b)(A) Are eligible to receive federal, state or other financial assistance based on prior service in  
6        the Armed Forces of the United States; or]

7        [(B) Demonstrate a need for student financial aid from any federal or state assistance program,  
8 including Title IV of the Higher Education Act of 1965;]

9       [(c)(A)] **(b)(A)** Are unable to complete a degree, apprenticeship or training program within the  
10      expected completion period because one or more required courses or apprenticeship or training  
11      hours are not available until a later date; *[or]*

12 (B) Have debt on a student account due to an overpayment of federal or state tuition benefits  
13 or prior course withdrawal that prevents enrollment in a future term; **[and] or**

14 (C) Are experiencing an instance of financial hardship that is interfering with or could  
15 endanger the ability to remain enrolled in a degree, apprenticeship or training program; and

16        [(d)] (c) Are making satisfactory academic **or training** progress [*or progress*] in a program de-  
17 scribed in paragraph (a) of this subsection.

18 (2) Grants under the program:

19 (a) May not exceed [\$5,000] **\$10,000** per veteran; and

20 (b) May be made only when there are sufficient moneys in the Veteran Educational Bridge  
21 Grant Program Fund established under ORS 408.125 to make the grants.

22 (3) The Department of Veterans' Affairs shall adopt rules for the implementation and operation  
23 of the program, including eligibility requirements for grant applicants.

24 (4) As used in this section, "veteran" has the meaning given that term in ORS 408.225 and in-  
25 cludes disabled veterans, as defined in ORS 408.225.

## **VETERANS' TREATMENT COURT**

**SECTION 16.** (1) As used in this section:

30       (a) "Service member" means a person who is a member of the Armed Forces of the  
31       United States, the reserve components of the Armed Forces of the United States or the  
32       National Guard.

33 (b) "Veteran" means a person who:

34 (A) Served as a member of the Armed Forces of the United States, the reserve components  
35 of the Armed Forces of the United States or the National Guard; and

36 (B) Received an honorable discharge, a general discharge under honorable conditions or  
37 a discharge under other than honorable conditions.

38 (c) "Veterans' treatment court" means a treatment drug court program, as defined in  
39 ORS 3.450, that serves service members and veterans.

40       (2) The Judicial Department, in consultation with the Oregon Criminal Justice Commis-  
41 sion, shall study methods for providing access to veterans' treatment courts to the residents  
42 of each county or judicial district. The study must include the identification and recommen-  
43 dation of innovative, cost-efficient and data-driven means to extend the availability of  
44 veterans' treatment courts that are consistent with applicable standards developed under  
45 ORS 137.680. The commission shall assist the department in conducting the study.

1       **(3) In conducting the study and developing recommendations, the department and the**  
2 **commission may consult with stakeholders and entities that engage with veterans' treatment**  
3 **courts.**

4       **(4) The department shall submit a report on its findings in the manner provided by ORS**  
5 **192.245, and may include recommendations for legislation, to the interim committees of the**  
6 **Legislative Assembly related to the military and veterans no later than November 1, 2026.**

7       **SECTION 17. Section 16 of this 2026 Act is repealed on January 2, 2027.**

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## CAPTIONS

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11       **SECTION 18. The unit captions used in this 2026 Act are provided only for the conven-**  
12 **ience of the reader and do not become part of the statutory law of this state or express any**  
13 **legislative intent in the enactment of this 2026 Act.**

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## EFFECTIVE DATE

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17       **SECTION 19. This 2026 Act takes effect on July 1, 2026.**

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