

**REVENUE: No revenue impact**

**FISCAL: No fiscal impact**

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<b>Action:</b>	Do Pass and Be Placed on the Consent Calendar
<b>Vote:</b>	8 - 0 - 0
<b>Yeas:</b>	Boone, Esquivel, Freeman, Komp, Matthews, Riley, Weidner, Cowan
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	David Molina, Administrator
<b>Meeting Dates:</b>	3/3

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**WHAT THE MEASURE DOES:** Allows the Department of Veterans' Affairs to purchase Loan Cancellation Life Insurance for its home loan clients.

**ISSUES DISCUSSED:**

- Codifies current practice
- Consensus amongst stakeholders
- The need to streamline the process of offering Loan Cancellation Life Insurance

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** The Oregon Department of Veterans' Affairs (ODVA) is the lead state agency responsible for providing programs, services and benefits for Oregon's veterans, their dependents and survivors. While the United States Department of Veterans' Affairs adjudicates veterans' claims for benefits, ODVA advocates for veterans to help them obtain their benefits. Among the numerous programs, services and benefits for Oregon's veterans is Loan Cancellation Life Insurance (LCLI), a group term insurance underwritten through a contract with a private insurance company. When ODVA provides a home loan to a veteran, the veteran is offered an LCLI which pays off the remaining loan debt should the veteran pass away.

Under current law (ORS 278.415 and 407.465), the Department of Administrative Services procures the LCLI for ODVA, which in turn offers the life insurance to its loan clients. Senate Bill 97 codifies the current practice of allowing ODVA to purchase the LCLI and provide it to qualifying veterans.