

**2009 Regular Legislative Session**  
**FISCAL ANALYSIS OF PROPOSED LEGISLATION**  
**Prepared by the Oregon Legislative Fiscal Office**

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**MEASURE NUMBER:** HB 3470 **STATUS:** Original  
**SUBJECT:** Defines “veteran” for purposes of section 3, Article XI-A of Oregon Constitution  
**GOVERNMENT UNIT AFFECTED:** Oregon Department of Veterans’ Affairs  
**PREPARED BY:** Kim To  
**REVIEWED BY:** Steve Bender  
**DATE:** April 15, 2009

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**EXPENDITURES:** **2009-2011** **2011-2013**  
See Analysis

**EFFECTIVE DATE:** January 1, 2011

**LOCAL GOVERNMENT MANDATE:** This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**ANALYSIS:** This measure defines “veteran” as used in section 3, Article XI-A of the Oregon Constitution. Implementation of this measure requires that House Joint Resolution 7 (HJR 7) be enacted into law. HJR 7 refers for voter approval an amendment to the Oregon Constitution defining an active duty service member for the purposes of qualifying for a loan through the Oregon War Veterans’ Fund and removes the 30-year limitation by which a veteran must apply for a home loan after their date of discharge. The referral would be on the ballot at the statewide biennial general election of 2010. If HJR 7 is approved by the people, this measure takes effect on January 1, 2011.

Although the fiscal impact of this measure is indeterminate at this time, the intent of this measure is to expand veteran eligibility for the Oregon Department of Veterans’ Affairs Home Loan Program.

According to Oregon Department of Veterans’ Affairs (ODVA), under current law, there are an estimated 87,000 veterans eligible for a State Veterans’ Home Loan. If HJR 7 is approved by the people and this measure takes effect, ODVA estimates an additional 264,000 veterans could potentially become eligible. Based upon existing Oregon veteran home loan demand and the age groups of the home buying public in general, ODVA anticipates making an additional \$7.5 million in loans to newly eligible veterans in the 2009-11 biennium and \$30 million new loans for the 2011-13 biennium. Other Funds Revenues for the loans would come from sale of tax exempt veterans bonds.