

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

MEASURE NUMBER: HB 3480

STATUS: Original

SUBJECT: Authorizes the Oregon Military Department to make payments to members of the Oregon National Guard who were exposed to hexavalent chromium while serving at Qarmat Ali water treatment plant in Basra, Iraq in 2003 and who develop cancer as a result of exposure

GOVERNMENT UNIT AFFECTED: Oregon Military Department

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REVIEWED BY: John Borden

DATE: May 18, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES – See Analysis:		
Special Payments – General Fund	\$20,000	\$-0-

EFFECTIVE DATE: July 1, 2009

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 appropriates \$20,000 out of the General Fund to the Oregon Military Department, for the biennium beginning July 1, 2009. The bill authorizes the Oregon Military Department (OMD) to make payments to members of the Oregon National Guard who were exposed to hexavalent chromium while serving at the Qarmat Ali water treatment plant in Basra, Iraq, in 2003 and who develop cancer as a result.

The bill does not specify the purpose of these payments. Because Veterans Administration would provide free medical care if the cancer is determined to be caused by military service, OMD assumes these payments could cover non-medical costs or serve as compensation for lost wages.

The bill instructs the Oregon Military Department to adopt rules setting procedures for determining eligibility as well as payment amounts and frequency. OMD anticipates the costs to adopt these rules and to administer these payments to be minimal, and the Department will use existing staff and resources to establish processes for, and to administer, these payments. Note the decision to absorb costs represents a decision to move funds from an existing statutory requirement or priority to a different priority based solely at the discretion of agency staff.

Of note is the fact the Oregon Military Department estimates that 433 soldiers from the Oregon National Guard were potentially exposed to hexavalent chromium while serving in Iraq in 2003. Of the 433 soldiers, 232 were at the Qarmat Ali water treatment plant in Basra. The remaining 201 were exposed through their colleagues' boots or clothing. The bill implies that only the 232 serving at the Qarmat Ali water treatment plant are eligible for these payments.

This bill requires budgetary action for the allocation of General Fund resources.