

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2578 - A**

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session  
Legislative Fiscal Office

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**Measure Description:**

Directs the director of the Oregon Department of Veterans' Affairs to establish a third veterans' home in Roseburg, and stipulates that if the director determines that three veterans' home facilities are inadequate to meet the needs of veterans in Oregon, the Director may begin planning for and developing one additional Oregon Veterans' Home.

**Government Unit(s) Affected:**

Oregon Department of Veterans' Affairs.

**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:**

HB 2578-A requires the director of the Department of Veterans' Affairs to establish a third Oregon Veterans' Home in Roseburg. The bill provides that the director may seek federal grant funds to establish the Home. The bill does not specify when the Oregon Veterans' Home in Roseburg will be established or the funding source for the home. In addition, the bill authorizes the director to begin planning for and developing one additional Oregon Veterans' Home if the director determines that these three authorized facilities will not be sufficient to provide for the needs of Oregon Veterans.

ODVA estimates that the total cost of the Oregon Veterans' Home in Roseburg would be \$30 million or more. ODVA also notes that federal grant funding would probably not be available within the next two biennia, and when available would require a 35% state match. Using these assumptions, the matching cost for the Oregon Veterans' Home in Roseburg could exceed \$10.5 million.

The cost of planning and developing one additional veterans' home would not be incurred until after the 2013-15 biennium, when both the second Veterans' Home in Linn County and the third home in Roseburg are built and operational.