

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2840 - A

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Establishes Oregon Educational and Workforce Development Bridge Loan Program in Department of Veterans' Affairs to conduct outreach and provide loans to veterans and disabled veterans who are enrolled in approved course of study, approved professional training or approved workforce development program in connection with institution of higher education, and who are eligible to receive federal educational aid or other financial assistance that is temporarily unavailable.

Government Unit(s) Affected:

Oregon State Treasurer, Department of Veterans' Affairs

Summary of Expenditure Impact:

See Analysis

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 bill establishes the Oregon Educational and Workforce Development Bridge Loan Program within the Oregon Department of Veterans Affairs (ODVA) and permits moneys in the Veterans' Educational Aid Account to be used for the loan program. All loans are to be made in the amount of 90 percent of the veterans' eligible federal aid. Loan periods are not to exceed three months and can only be issued once every five years. ODVA is directed to adopt rules for the implementation and operation of the loan program.

The fiscal impact of this measure is indeterminate, because the ramifications of this measure are not fully understood. The bill does not specify significant parameters of the loan programs operations which drive estimates used to determine the costs of such a program. These variables include but are not limited to the following: number of eligible participants, loan terms, interest, repayment options and period (if any), other fees such as loan servicing and collections (if any), and the extent to which the Bridge Loan Program is intended to supplant the Veterans' Educational Aid program.