

FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

Measure: HB 2690

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

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Date: 3/2/2017

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, approved workforce development program or approved apprenticeship 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:

Department of Veterans' Affairs

Analysis:

The bill establishes the Oregon Educational and Workforce Development Bridge Loan Program within the Oregon Department of Veterans Affairs (ODVA) to provide veterans with forgivable loans for costs associated with education from an institution of higher education. At a minimum, veterans are required to pay back these loans if they do not complete the course of study for which the loan was made. Loan periods are not to exceed three months and can only be issued once every five years. Loan amounts are not to exceed \$5,000 per veteran. ODVA is directed to adopt rules for the implementation and operation of the loan program.

The bill does not specify significant parameters of the loan program 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. There will be a fiscal impact associated with this bill, the amount of this impact is not fully determinable at this time.