

House Bill 2690

Sponsored by Representative EVANS (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

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.

Establishes Oregon Educational and Workforce Development Bridge Loan Program Fund.

Authorizes Director of Veterans' Affairs to use moneys in Veterans' Educational Aid Account for purposes of program.

A BILL FOR AN ACT

1
2 Relating to loans to certain veterans enrolled in higher education; creating new provisions; and
3 amending ORS 408.090.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) As used in this section:**

6 (a) "Disabled veteran" and "veteran" have the meanings given those terms in ORS
7 408.225.

8 (b) "Institution of higher education" means a public university listed in ORS 352.002 or
9 a community college, as defined in ORS 341.005.

10 (2) There is established in the Department of Veterans' Affairs the Oregon Educational
11 and Workforce Development Bridge Loan Program. The purpose of the program is to conduct
12 outreach and provide forgivable loans to veterans and disabled veterans who:

13 (a) Are pursuing and enrolled in an approved course of study, approved professional
14 training, approved workforce development program or approved apprenticeship in, or in
15 connection with, any institution of higher education; and

16 (b) Are eligible to receive educational aid or other financial assistance under any federal
17 Act based upon prior service in the Armed Forces of the United States, and the aid or as-
18 sistance has not yet commenced being paid, has been delayed, has been suspended or is
19 otherwise temporarily unavailable.

20 (3) Loans under this section:

21 (a) Shall be made pursuant to a written contractual agreement between the department
22 and the veteran or disabled veteran that contains, at a minimum, the requirement that the
23 veteran or disabled veteran pay to the department the amount of any loan made under this
24 section when the veteran or disabled veteran does not complete the course of study, profes-
25 sional training, workforce development program or apprenticeship for which the loan was
26 made;

27 (b) May be made for a period of time not to exceed three months occurring once during

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 a single period of five consecutive years;

2 (c) May not exceed \$5,000 per veteran or disabled veteran;

3 (d) Shall be made only when there are sufficient funds in the Oregon Educational and
4 Workforce Development Bridge Loan Program Fund established in section 2 of this 2017 Act
5 to make the loan and shall not constitute a debt of the state or a lending of the credit of the
6 state within the meaning of any constitutional or statutory limitation; and

7 (e) May be forgiven by the department upon completion by the veteran or disabled vet-
8 eran of the course of study, professional training, workforce development program or ap-
9 prenticeship for which the loan was made.

10 (4) The department shall adopt rules for the implementation and operation of the pro-
11 gram, including but not limited to eligibility requirements for loan applicants.

12 **SECTION 2.** (1) There is established in the State Treasury, separate and distinct from the
13 General Fund, the Oregon Educational and Workforce Development Bridge Loan Program
14 Fund. Interest earned on the Oregon Educational and Workforce Development Bridge Loan
15 Program Fund must be deposited into the fund. All moneys in the fund are continuously
16 appropriated to the Department of Veterans' Affairs for the purpose of making loans under
17 section 1 of this 2017 Act and for the payment of actual and necessary expenses incurred by
18 the department in administering the fund and establishing and maintaining the Oregon Ed-
19 ucational and Workforce Development Bridge Loan Program established under section 1 of
20 this 2017 Act.

21 (2) Moneys in the Oregon Educational and Workforce Development Bridge Loan Program
22 Fund shall consist of:

23 (a) Moneys appropriated or transferred to the department by the Legislative Assembly
24 for deposit in the fund;

25 (b) Proceeds from repayment of loans made pursuant to section 1 of this 2017 Act;

26 (c) Transfers of money to the fund, including but not limited to moneys transferred from
27 the Veterans' Educational Aid Account for the purposes of implementing section 1 of this
28 2017 Act;

29 (d) Interest earned on moneys in the fund; and

30 (e) Moneys from gifts, donations or any other source.

31 **SECTION 3.** ORS 408.090 is amended to read:

32 408.090. (1) The Director of Veterans' Affairs, acting on behalf of the State of Oregon, is au-
33 thorized to accept any donation, gift, grant, bequest or devise made in furtherance of the purposes
34 of ORS 408.010 to 408.090 **and section 1 of this 2017 Act**, *and if*. **A donation, gift, grant, be-**
35 **quest or devise that is** made in cash or its equivalent or reduced thereto, **under this section**, shall
36 be promptly paid by the director to the State Treasurer, who shall credit the amount so received
37 to the Veterans' Educational Aid Account in the General Fund. The director shall make such dis-
38 position of donations, gifts, grants, bequests or devises, not made in cash or its equivalent, as is
39 specified by the donor thereof, and their earnings and proceeds shall inure to said account. All such
40 donations, gifts, grants, bequests or devises accepted by the director are transfers exempt from taxes
41 imposed on inheritances under the laws of this state.

42 (2) All moneys in the Veterans' Educational Aid Account are continuously appropriated to the
43 director and may be used by the director for the purposes authorized in ORS 408.010 to 408.090 **and**
44 **section 1 of this 2017 Act.**