

**SB 1009 STAFF MEASURE SUMMARY**

**Senate Committee On Veterans, Emergency Management, Federal and World Affairs**

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**Action Date:** 03/30/23

**Action:** Do pass and requesting referral to Ways and Means.

**Vote:** 5-0-1-0

**Yeas:** 5 - Linthicum, Manning Jr, President Wagner, Thatcher, Woods

**Exc:** 1 - Gorsek

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

**Prepared By:** Beverly Schoonover, LPRO Analyst

**Meeting Dates:** 3/28, 3/30

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**WHAT THE MEASURE DOES:**

Authorizes issuance of \$35 million in general obligation bonds to be transferred to the Department of Veterans' Affairs for construction of a veterans' home in Roseburg, Oregon.

**ISSUES DISCUSSED:**

- History of proposed Roseburg Veterans' Home project
- Identified funding streams and partners

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Admittance to a veterans' home is a benefit that honorably discharged veterans have earned, that extends to their spouses and to the parents of children who died serving in the U.S. Armed Forces. There are currently two veterans' homes in Oregon that provide qualifying veterans with long-term care, one in The Dalles and one in Lebanon, and ORS 408.385 identifies Roseburg as the site for Oregon's third veterans' home. The Legislative Assembly committed \$10.5 million in lottery bonds for the home as part of the 2011-2013 budget and included funding for the project the subsequent two biennia. During the 2019 session, \$10.5 million of Article XI-Q general obligation bonds were authorized and the capital construction limitation re-established for a new six-year period. According to the Oregon Department of Veterans' Affairs (ODVA), construction of the third home has not yet occurred for multiple reasons, including absence of federal funding, lack of remaining matching funds, and concerns that the facility would not maintain necessary occupancy to operate a sustainable level. The Legislative Assembly did not reauthorize bonds during the 2021-2022 session.

ODVA reported on progress of the home in 2018, recommending that the Roseburg Veterans' Home be built on the Roseburg Veterans Affairs Health Care System campus adjacent to the new main U.S. Department of Veterans Affairs (USDVA) hospital. USDVA has agreed to transfer 13.4 acres to the State of Oregon for the site of the home, as well as provide parking lots and utility infrastructure. The required state or local match for the project is currently estimated at \$35 million, which is 35 percent of the \$99 million of the total estimated project. The transfer of land and construction of the new home will not begin until ODVA has been awarded a competitive USDVA construction grant, which is dependent upon ODVA securing the required 35 percent state match.

Senate Bill 1009 authorizes that at the request of the Department of Administrative Services, the State Treasurer may issue Article XI-Q bonds in an amount that produces \$35 million of net proceeds plus bond-related costs, and net proceeds must be transferred to ODVA for construction of the Roseburg Veterans' Home.