
Detailed Fiscal Analysis

Scope of current services

The bill creates a new Ohio Department of Veterans Affairs (ODVA). It transfers all functions of the existing Governor's Office of Veterans Affairs (GOVA) to the new department and integrates the Ohio Veterans Home (OVH) and the Ohio War Orphans Scholarship Board (OWOSB) (currently within the Board of Regents) into the new department. The table below shows the amounts appropriated for these programs in the FY 2008-2009 operating budget.

FY 2008-2009 Budget for Veterans Programs Merged into Department of Veterans Affairs		
Agency	FY 2008	FY 2009
Ohio Veterans Home Agency	\$56,689,632	\$58,751,474
Board of Regents	\$4,812,321	\$4,812,321
Governor's Office of Veterans Affairs	\$287,000	\$287,000
Total	\$61,788,953	\$63,861,795

Currently, GOVA oversees \$2.7 billion of federal funds¹ that are distributed through various benefits to 1.1 million veterans in the state of Ohio and their 500,000 dependents.

Reorganization

The cost incurred by incorporating of Ohio Veterans Home and the Ohio War Orphans Scholarship Board into the new cabinet level ODVA depends upon the extent to which these functions would be reorganized, if at all. LSC assumes that OVH and OWOSB will remain largely unchanged, but that there would also be some restructuring in accordance with the new goals that ODVA might have.

Veterans Home

The Ohio Veterans Home employs approximately 805 people and has facilities in both Sandusky and Georgetown for the care of veterans. The bill adds the Director of ODVA or the Director's designee to the Board of Trustees of OVH. The Board currently governs OVH, and would continue to do so under the bill.

Veterans Hall of Fame

The bill makes ODVA the administrative agent for the Veterans Hall of Fame program, which recognizes the post-military achievements of veterans in the civilian workplace. OVH receives a GRF appropriation of \$125,000 in both FY 2008 and FY 2009 to administer this program.

¹ Department of Veterans Affairs, *Ohio and the U.S. Department of Veterans Affairs*, December 2007, <http://www1.va.gov/OPA/fact/statesum/docs/ohss.doc> (March 10, 2008).

Ohio War Orphans Scholarship Fund

Currently under the administrative control of the Board of Regents (BOR), the Ohio War Orphans Scholarship Fund is appropriated approximately \$4.7 million in both FY 2008 and FY 2009. These funds are awarded to the children of war veterans who are either deceased or severely disabled. In CY 2007, 790 students were awarded the scholarship.

If all personnel currently employed by these organizations and their functions are transferred to the new ODVA, there might be some cost involved with incorporating them into ODVA. These costs could potentially include reclassifying staff and making other personnel adjustments, possible office rental expenses, and equipment purchases but it is unclear what organizational changes would have to be made directly as a result of the bill.

ODVA's new responsibilities

The bill also creates new responsibilities for ODVA. Several of these responsibilities revolve around developing and maintaining cordial relationships with federal and local veterans organizations. The bill sets out three new responsibilities that might increase costs. These new responsibilities are:

- creating an information portal, such as a web page or telephone hotline;
- reaching veterans through outreach events, such as conferences or fairs;
- reaching veterans through advertising in print, radio, television, or the web.

The current GOVA operates a toll-free number and a web page, and so it can be assumed that costs created by new versions of these portals will be minimal—mostly created by the reorganization/redesign of the web page. In contrast, there is currently no allocation in GOVA's budget for advertising or outreach. The cost of advertising and outreach is ultimately dependent upon the goals and aims of ODVA. In addition to the immediate costs of advertising, another factor to consider is that, depending on its effectiveness, the demand for veterans' services might increase over time. If so, this could lead to increased costs in future years.

County veterans service commissions

All currently existing functions of GOVA with regard to local veterans service commissions will be transferred to the new ODVA. Local services include rental assistance, transportation services, and emergency food allowances, among others. Currently, GOVA oversees all of these offices and enforces the policies in place concerning their certification, distribution of benefits, and so forth. The bill does, however, provide for increased state oversight for county veterans' service commissions that are found to be "improperly discharging" their duties. Any additional oversight responsibilities that ODVA bears as a result might slightly increase the new agency's operating costs.

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SB0289IN/lb