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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

H.B. 407
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 407's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Gross and A. Miller

Local Impact Statement Procedure Required: No

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Highlights

- The Ohio Department of Veterans Services would experience increased costs, both one-time and ongoing, to establish, implement, and supervise the Safe Shelter Initiative Program.
- If ordered by the Governor, state agencies, including the Development Services Agency, the Ohio Housing Finance Agency, the Department of Job and Family Services, and the Department of Mental Health and Addiction Services may experience potential costs to participate in the Safe Shelter Initiative Program. To the extent that assistance is provided, there could be commensurate cost savings to the Department of Veterans Services.
- County veterans commissions, at the request of the Governor, may experience potential costs if they choose to participate in the Safe Shelter Initiative Program.

Detailed Analysis

The bill establishes the Safe Shelter Initiative Program within the Ohio Department of Veterans Services (ODVS). The program's defined purpose is to ensure that no veteran in this state will be involuntarily homeless. According to the United States Interagency Council on Homelessness, in CY 2020, Ohio had an estimated 730 veterans experiencing homelessness.¹ ODVS staff confirmed that this estimate is representative for Ohio at the current time.

¹ <https://www.usich.gov/homelessness-statistics/oh>.

Department of Veterans Services

The total state fiscal impact and anticipated costs as a result of the bill will be largely dependent on how ODVS implements the new duties prescribed by the bill, the number of veterans that utilize the program, and if existing resources are, or can be, leveraged. It is expected that the Department would experience some manner of additional costs related to establishing, implementing, and supervising the Safe Shelter Initiative Program. According to ODVS staff, the Department does not currently have the subject matter expertise available to establish and operate such a program (including adoption of rules). ODVS estimates that at least one to two new administrative staff positions would be needed, at least initially. The classification level of these positions would be determined by ODVS and the Department of Administrative Services. It is possible staffing levels would need to be adjusted after the program is launched and its service levels assessed. Funding for these new duties is not provided in the bill. To the extent that other state agencies could provide technical expertise to ODVS, at the request of the Governor, it is possible that some of these administrative costs could be borne or leveraged elsewhere. The bill is silent as to whether other agencies would be able to financially support the new program.

Currently, ODVS does not provide services within the parameters of the Safe Shelter Initiative Program, though they do share federal and local support and resources to Ohio veterans. The Department's primary charge is to actively identify, connect with, and advocate for veterans and their families. The Department operates two veterans homes in the state, and is the only state agency dedicated to providing long-term care solely to wartime veterans. An estimated 89%, or \$181.8 million, of the Department's biennial appropriation is allocated for the administration and operation of the two veterans homes.

Other participating state agencies and county veterans service commissions

The bill authorizes the Governor to order any state agency to work with ODVS for purposes of the Safe Shelter Initiative Program. The bill also authorizes the Governor to request that county veterans service commissions voluntarily participate. It is possible that state agencies, including the Development Services Agency, the Ohio Housing Finance Agency, the Department of Job and Family Services, the Department of Mental Health and Addiction Services, or any other applicable agency, may be fiscally impacted if they participate in the program. Until the program is established and ODVS adopts the rules, the net effect of those impacts are unknown. It is possible that certain efficiencies could be realized if program services are coordinated amongst the various participating agencies. Likewise, it is also possible that those agencies may experience some manner of cost increases in terms of increased administrative duties. The net effect though, would likely be minimal, and would depend on their role and expectations set forth by the Director of ODVS. To the extent that state agencies are both ordered by the Governor to participate, and are able to utilize existing resources pursuant to the rules of the program, programming costs to ODVS may be reduced.

Although county agencies are not required to participate, they may experience costs due to aspects of the program put in place by a state agency or the Department of Veterans Services, and assuming that such activities are not already taking place within their communities.

Veterans Safe Shelter Initiative Program Fund

The bill creates the Veterans Safe Shelter Initiative Program Fund in the state treasury, specifies that the fund will consist of money appropriated to it by the General Assembly, but does not provide a dedicated revenue stream. Under the bill, ODVS will administer the fund for purposes of the program. These purposes may include providing nightly vouchers, funding for shelters, monthly apartment rentals, and such other means as the Director determines necessary for purposes of the program. Since the fund has no dedicated revenue source identified in the bill, cash would need to be transferred initially in order to support any of the allowed expenditures outlined by the bill.