

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	SB 544
Version:	ENGR
Request Number:	
Author:	Rep. Hardin and Sen. Simpson
Date:	4/3/2017
Impact:	Anticipated \$3M in savings

Research Analysis

SB 544 directs the Oklahoma Department of Veterans Affairs to relocate the Oklahoma Veterans Center at Talihina to a new location eligible for certification by the US Department of Veterans Affairs as a State Veterans' Home. The new location must be within 40 miles of the current location and at least 8,000 in population. The measure also authorizes a new facility to assume the operations of the current Talihina facility, subject to the same geographical requirements.

Prepared By: Sean Webster

Fiscal Analysis

From the Oklahoma Department of Veterans' Affairs: SB 544 will have a positive fiscal impact of approximately \$3M. Oklahoma Department of Veterans Affairs (ODVA) wishes to relocate from Talihina as there are challenges to maintain professional staff and the facility is almost 100 years old. Talihina has been approved for an eight million dollar life-safety federal grant to remediate mold in the facility. The inadequate staffing and these repairs have necessitated the closure of a 48 bed wing that earns at a minimum \$152K per month in federal per diem payments.

The Talihina facility is further in need of a broader management system that has been installed at other facilities to assist in the oversight of residents. These repairs require a thirty-five percent match from exclusively state funds which equates to the aforementioned 3 million dollar fiscal impact. The passage of SB 544 will permit ODVA to forego these repairs and relocate to another facility with a greater population density. The anticipated cost of construction of the new facility is approximately \$65 million dollars. The State match remains at 35 percent but the approximately \$20 million dollar bond can be paid over the next 20-25 years through the yearly funding from the federal government which represents no fiscal impact to the State of Oklahoma. ODVA's most recent construction of its newest facility in Lawton was constructed with this method pursuant to bond initiated in 2004 and that specific bond will be satisfied August 1, 2019.

Prepared By: Stacy Johnson

Other Considerations

None.

