A-Engrossed House Bill 3016

Ordered by the House May 3 Including House Amendments dated May 3

Sponsored by Representatives KRUMMEL, FLORES

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

[Creates Community Mental Health Housing Fund Board responsible for administering Community Mental Health Housing Fund.]

[Transfers duties and functions of Department of Human Services concerning fund to board.] Creates Community Mental Health Housing Trust Account. Transfers moneys in Com-munity Housing Trust Account in Community Mental Health Housing Fund to Community Mental Health Housing Trust Account. Annually appropriates interest earned on moneys in Community Mental Health Housing Trust Account to Department of Human Services for specified purposes. Establishes Community Mental Health Housing Trust Account Board to advise depart-

ment regarding account.

A BILL FOR AN ACT

Declares emergency, effective on passage.

Relating to Community Mental Health Housing Fund Board; creating new provisions; amending ORS $\mathbf{2}$ 279A.050, 426.005, 426.490, 426.495, 426.500, 426.502, 426.504, 426.506 and 426.508; appropriating 3 money; and declaring an emergency. 4 Be It Enacted by the People of the State of Oregon: $\mathbf{5}$ SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS 426.502 to 6 426.508. 7 SECTION 2. (1) There is created in the State Treasury, separate and distinct from the 8 General Fund, the Community Mental Health Housing Trust Account. All earnings on in-9 10 vestments of moneys in the Community Mental Health Housing Trust Account shall accrue to the account. Interest earned on moneys in the account shall be credited to the account. 11 With the approval of the State Treasurer, the moneys in the account may be invested as 12 provided in ORS 293.701 to 293.820. All interest earned on the account shall be appropriated 13 14 annually to the Department of Human Services to carry out the provisions of this subsection with the advice of the Community Mental Health Housing Trust Account Board. 1516 (2) The Department of Human Services may expend any earnings credited to the account,

17 including any interest earned on moneys deposited in the account, and up to five percent of the proceeds of the sale of F. H. Dammasch State Hospital property under ORS 426.508 ini-18 tially credited to the account by the Oregon Department of Administrative Services. At least 19 95 percent of the sale proceeds shall remain in the account in perpetuity. Proceeds deposited 20 21in the account may not be commingled with proceeds from the sale of any surplus real property that is owned, operated or controlled by the Department of Human Services and 2223that is used as a state training center.

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1	(3) Interest earned on moneys in the Community Mental Health Housing Trust Account
2	may be expended in the following manner:
3	(a) Seventy percent of interest earned on deposits in the account shall be expended solely
4	for the development of housing in the community for persons with chronic mental illness,
5	as defined in ORS 426.495; and
6	(b) Thirty percent of interest earned on deposits in the account shall be expended for
7	institutional housing purposes.
8	(4) Interest earned on deposits in the account shall not be used to support operating ex-
9	penses of the Department of Human Services or of any project funded by the account.
10	(5) Any grants provided from the Community Mental Health Housing Trust Account that
11	are not used by a grantee shall be refunded to the account.
12	(6) The Department of Human Services shall adopt policies:
13	(a) To establish priorities for the use of the interest from the account that are consistent
10	with the purpose of developing housing for persons with chronic mental illness;
15	(b) To maximize matching private and public funding available for developing housing for
16	persons with chronic mental illness;
17	(c) To administer the account in a manner that will not exceed the State Treasury's
18	maximum cost per transaction; and
19	(d) To collaborate with the Housing and Community Services Department to ensure the
20	highest return and best value for community housing funded with interest from the account.
21	(7) The Department of Human Services shall report its revenues and expenditures to the
22	Legislative Assembly as part of the department's budget report.
23	SECTION 3. (1) There is established the Community Mental Health Housing Trust Ac-
24	count Board.
25	(2) The Governor shall appoint the following voting members, who must be residents of
26	this state:
27	(a) Three members appointed based upon recommendations of the National Alliance on
28	Mental Illness or other organizations that advocate on behalf of persons with chronic mental
29	illness, as defined in ORS 426.495;
30	(b) One public member;
31	(c) One member with expertise in the field of psychiatry or psychology; and
32	(d) One member who is a consumer of mental health services.
33	(3) In addition to the members appointed by the Governor under subsection (2) of this
34	section, the following members shall be appointed as nonvoting, advisory members:
35	(a) A member of the Senate, appointed by the President of the Senate; and
36	(b) A member of the House of Representatives, appointed by the Speaker of the House
37	of Representatives.
38	(4) The term of office of each voting member is four years, but a member serves at the
39	pleasure of the Governor. Before the expiration of the term of a member, the Governor shall
40	appoint a successor whose term begins on July 1 next following. A member is eligible for
41	reappointment. If there is a vacancy for any cause, the Governor shall make an appointment
42	to become immediately effective for the unexpired term.
43	(5) The appointments of voting members of the board are subject to confirmation by the
44	Senate in the manner prescribed in ORS 171.562 and 171.565.
45	SECTION 4. Notwithstanding the term of office specified by section 3 of this 2007 Act,

1	of the voting members first appointed to the Community Mental Health Housing Trust Ac-
2	count Board:
3	(1) Two shall serve for terms ending June 30, 2009.
4	(2) Two shall serve for terms ending June 30, 2010.
5	(3) Two shall serve for terms ending June 30, 2011.
6	SECTION 5. (1) The Community Mental Health Housing Trust Account Board shall select
7	one of its voting members as chairperson and another as vice chairperson, for such terms
8	and with duties and powers necessary for the performance of the functions of such offices
9	as the board determines.
10	(2) A majority of the voting members of the board constitutes a quorum for the trans-
11	action of business.
12	(3) The board shall meet at least once every three months at a place, day and hour de-
13	termined by the board. The board may also meet at other times and places specified by the
14	call of the chairperson or of a majority of the voting members of the board.
15	SECTION 6. (1) The Community Mental Health Housing Trust Account Board shall advise
16	the Department of Human Services regarding:
17	(a) The investment of Community Mental Health Housing Trust Account moneys;
18	(b) The progress of projects funded from the account;
19	(c) The priorities for expenditures from the account;
20	(d) The grantees of funding from the account;
21	(e) The distribution of housing within the Villebois Community of Wilsonville, Oregon;
22	and
23	(f) Potential integrated projects to be funded from the account.
23 24	(f) Potential integrated projects to be funded from the account. (2) The Community Mental Health Housing Trust Account Board shall receive staff sup-
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24 25	(2) The Community Mental Health Housing Trust Account Board shall receive staff sup- port from the Department of Human Services for purposes of carrying out the board's
24 25 26	(2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section.
24 25 26 27	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. <u>SECTION 7.</u> All moneys in the Community Housing Trust Account in the Community
24 25 26 27 28	(2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. <u>SECTION 7.</u> All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust
24 25 26 27 28 29	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. <u>SECTION 7.</u> All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account.
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24 25 26 27 28 29 30 31	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. <u>SECTION 7.</u> All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. <u>SECTION 8.</u> ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise:
24 25 26 27 28 29 30 31 32	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. <u>SECTION 7.</u> All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. <u>SECTION 8.</u> ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise: (a) "Department" means the Department of Human Services.
24 25 26 27 28 29 30 31 32 33	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. <u>SECTION 7.</u> All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. <u>SECTION 8.</u> ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise: (a) "Department" means the Department of Human Services. (b) "Director of the facility" means a superintendent of a state mental hospital, the chief of
24 25 26 27 28 29 30 31 32 33 34	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. <u>SECTION 7.</u> All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. <u>SECTION 8.</u> ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise: (a) "Department" means the Department of Human Services. (b) "Director of the facility" means a superintendent of a state mental hospital, the chief of psychiatric services in a community hospital or the person in charge of treatment and rehabilitation
24 25 26 27 28 29 30 31 32 33 34 35	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. SECTION 7. All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. SECTION 8. ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise: (a) "Department" means the Department of Human Services. (b) "Director of the facility" means a superintendent of a state mental hospital, the chief of psychiatric services in a community hospital or the person in charge of treatment and rehabilitation programs at other treatment facilities.
24 25 26 27 28 29 30 31 32 33 34 35 36	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. <u>SECTION 7.</u> All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. <u>SECTION 8.</u> ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise: (a) "Department" means the Department of Human Services. (b) "Director of the facility" means a superintendent of a state mental hospital, the chief of psychiatric services in a community hospital or the person in charge of treatment and rehabilitation programs at other treatment facilities. (c) "Facility" means a state mental hospital, community hospital, residential facility,
24 25 26 27 28 29 30 31 32 33 34 35 36 37	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. SECTION 7. All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. SECTION 8. ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise: (a) "Department" means the Department of Human Services. (b) "Director of the facility" means a superintendent of a state mental hospital, the chief of psychiatric services in a community hospital or the person in charge of treatment and rehabilitation programs at other treatment facilities. (c) "Facility" means a state mental hospital, community hospital, residential facility, detoxification center, day treatment facility or such other facility as the department determines
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24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. SECTION 7. All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. SECTION 8. ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise: (a) "Department" means the Department of Human Services. (b) "Director of the facility" means a superintendent of a state mental hospital, the chief of psychiatric services in a community hospital or the person in charge of treatment and rehabilitation programs at other treatment facilities. (c) "Facility" means a state mental hospital, community hospital, residential facility, detoxification center, day treatment facility or such other facility as the department determines suitable, any of which may provide diagnosis and evaluation, medical care, detoxification, social services or rehabilitation for committed mentally ill persons.
24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. SECTION 7. All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. SECTION 8. ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise: (a) "Department" means the Department of Human Services. (b) "Director of the facility" means a superintendent of a state mental hospital, the chief of psychiatric services in a community hospital or the person in charge of treatment and rehabilitation programs at other treatment facilities. (c) "Facility" means a state mental hospital, community hospital, residential facility, detoxification center, day treatment facility or such other facility as the department determines suitable, any of which may provide diagnosis and evaluation, medical care, detoxification, social services or rehabilitation for committed mentally ill persons. (d) "Mentally ill person" means a person who, because of a mental disorder, is one or more of
24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41	 (2) The Community Mental Health Housing Trust Account Board shall receive staff support from the Department of Human Services for purposes of carrying out the board's functions under this section. SECTION 7. All moneys in the Community Housing Trust Account in the Community Mental Health Housing Fund are transferred to the Community Mental Health Housing Trust Account. SECTION 8. ORS 426.005 is amended to read: 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise: (a) "Department" means the Department of Human Services. (b) "Director of the facility" means a superintendent of a state mental hospital, the chief of psychiatric services in a community hospital or the person in charge of treatment and rehabilitation programs at other treatment facilities. (c) "Facility" means a state mental hospital, community hospital, residential facility, detoxification center, day treatment facility or such other facility as the department determines suitable, any of which may provide diagnosis and evaluation, medical care, detoxification, social services or rehabilitation for committed mentally ill persons. (d) "Mentally ill person" means a person who, because of a mental disorder, is one or more of the following:

45 (C) A person [*who*]:

1 (i) [Is chronically mentally ill] With a chronic mental illness, as defined in ORS 426.495;

2 (ii) **Who**, within the previous three years, has twice been placed in a hospital or approved in-3 patient facility by the department under ORS 426.060;

4 (iii) **Who** is exhibiting symptoms or behavior substantially similar to those that preceded and 5 led to one or more of the hospitalizations or inpatient placements referred to in sub-subparagraph 6 (ii) of this subparagraph; and

7 (iv) **Who**, unless treated, will continue, to a reasonable medical probability, to physically or 8 mentally deteriorate so that the person will become a person described under either [*or both*] sub-9 paragraph (A) or (B) of this paragraph, **or both**.

(e) "Nonhospital facility" means any facility, other than a hospital, that is approved by the department to provide adequate security, psychiatric, nursing and other services to persons under ORS
426.232 or 426.233.

(f) "Prehearing period of detention" means a period of time calculated from the initiation of
 custody during which a person may be detained under ORS 426.228, 426.231, 426.232 or 426.233.

(2) Whenever a community mental health and developmental disabilities program director, director of the facility, superintendent of a state hospital or administrator of a facility is referred to, the reference includes any designee such person has designated to act on the person's behalf in the exercise of duties.

19 SECTION 9. ORS 426.490 is amended to read:

426.490. It is declared to be the policy and intent of the Legislative Assembly that the State of Oregon shall assist in improving the quality of life of [chronically mentally ill] persons with chronic mental illness within this state by [insuring] ensuring the availability of an appropriate range of residential opportunities and related support services.

24 SECTION 10. ORS 426.495 is amended to read:

25 426.495. As used in ORS 426.490 to 426.500, unless the context requires otherwise:

(1) "Case manager" means a person who works on a continuing basis with [*the chronically mentally ill*] **a** person **with a chronic mental illness** and is responsible for [*assuring*] **ensuring** the continuity of the various services called for in the discharge plan of the [*chronically mentally ill*] person **with a chronic mental illness** including services for basic personal maintenance, mental and personal treatment, and appropriate education and employment.

(2) "Discharge plan" means a written plan prepared jointly with the person with a chronic
 mental illness, mental health staff and case manager prior to discharge, prescribing for the
 basic and special needs of the person upon release from the hospital.

34 [(2)] (3) ["Chronically mentally ill"] "Person with a chronic mental illness" means an individ 35 ual who [is]:

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(a) Is eighteen years of age or older; and

37 (b) [Diagnosed by] Has a primary diagnosis from a psychiatrist, a licensed clinical psychologist or a nonmedical examiner certified by the Department of Human Services [as suffering from] 38 of chronic schizophrenia, a chronic major affective disorder, a chronic paranoid disorder or another 39 chronic psychotic mental disorder other than those caused by substance abuse. For purposes of 40 providing services in the community, the department may adopt rules consistent with this section 41 and accepted professional practices in the fields of psychology and psychiatry more specifically to 42specify other criteria for determining who is [chronically mentally ill] a person with a chronic 43 mental illness. 44

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[(3) "Discharge plan" means a written plan prepared jointly with the chronically mentally ill per-

son, mental health staff and case manager prior to discharge, prescribing for the basic and special 1 2 needs of the person upon release from the hospital.] SECTION 11. ORS 426.500 is amended to read: 3 426.500. For the purpose of carrying out the policy and intent of ORS 426.490 to 426.500, the 4 Department of Human Services shall: 5 (1) Adopt rules for the administration of [ORS 426.490 to 426.500] this section; 6 (2) Prepare a written discharge plan for each [chronically mentally ill] person with a chronic 7 mental illness who is a patient at a state mental institution or who is committed to the department 8 9 pursuant to ORS 426.005 to 426.223 and 426.241 to 426.380; (3) Ensure that case managers are provided for each [chronically mentally ill] person with a 10 chronic mental illness described in subsection (2) of this section; and 11 12(4) Disburse from any available funds: 13 [(a) Funds for one LINC model in the area served by F. H. Dammasch State Hospital and one LINC model in the area served by the Oregon State Hospital licensed under ORS 443.415;] 14 15 [(b)] (a) Discretionary funds for services necessary to implement a discharge plan, including but not limited to transportation, medication, recreation and socialization; and 16 17 [(c)] (b) Funds to provide day treatment services, community psychiatric inpatient services, and 18 work activity services for [chronically mentally ill] persons [where] with chronic mental illness when needed. 19 20SECTION 12. ORS 426.502 is amended to read: 21426.502. As used in ORS 426.502 to 426.508: 22[(1) "Chronically mentally ill" has the meaning given that term in ORS 426.495.] 23[(2)] (1) "Community housing" means property and related equipment that are used or could be used to house [chronically mentally ill] persons with chronic mental illness and their care provid-2425ers. "Community housing" includes single-family housing and multiple-unit residential housing. [(3)] (2) "Construct" means to build, install, assemble, expand, alter, convert, replace or relocate. 2627"Construct" includes to install equipment and to prepare a site. [(4) "Department" means the Department of Human Services.] 28[(5)] (3) "Equipment" means furnishings, fixtures or appliances that are used or could be used 2930 to provide care in community housing. 31 [(6)] (4) "Multiple-unit residential housing" means housing that provides two or more living units 32and spaces for common use by the occupants in social and recreational activities. "Multiple-unit residential housing" may include nonhousing facilities incidental or appurtenant to the housing that, 33 34 in the determination of the [department] Department of Human Services, improve the quality of 35 the housing. (5) "Person with a chronic mental illness" has the meaning given that term in ORS 36 37 426.495. 38 [(7)] (6) "Single-family housing" means a detached living unit with common living room and dining facilities for at least three occupants with chronic mental illness. "Single-family housing" may 39 include nonhousing facilities incidental or appurtenant to the housing that, in the determination of 40 the department, improve the quality of the housing. 41 42SECTION 13. ORS 426.504 is amended to read: 426.504. Subject to review by and the recommendation of the Community Mental Health 43 **Housing Trust Account Board:** 44 (1) The Department of Human Services may, through contract or otherwise, acquire, purchase, 45

receive, hold, exchange, demolish, construct, lease, maintain, repair, replace, improve and equip 1

2 community housing for the purpose of housing [chronically mentally ill] persons with chronic mental illness. 3

(2) The department may dispose of community housing acquired under subsection (1) of this 4 section in a public or private sale, upon such terms and conditions as the department considers ad- $\mathbf{5}$ visable to increase the quality and quantity of community housing available for [chronically mentally 6 *ill*] persons with chronic mental illness. Except as provided in subsection (3) of this section, in any 7 instrument conveying fee title to community housing, the department shall include language that 8 9 restricts the use of the community housing to housing for [chronically mentally ill] persons with chronic mental illness. Such restriction is not a violation of ORS 93.270. 10

(3) If the department determines that community housing acquired under subsection (1) of this 11 12 section is no longer suitable for use as community housing, the department may sell or otherwise 13 dispose of the community housing without including in any instrument conveying fee title to the community housing any language that restricts the use of the community housing. Proceeds from the 14 15 sale or disposition of community housing under this subsection are considered proceeds described 16 in ORS 426.506 [(4)(c)] (3)(b).

(4) When exercising the authority granted to the department under this section, the department 17 is not subject to ORS chapter 273 or ORS 270.100 to 270.190, 276.900 to 276.915 or 279A.250 to 18 19 279A.290.

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SECTION 14. ORS 426.506 is amended to read:

426.506. (1) There is created in the State Treasury, separate and distinct from the General Fund, 2122the Community Mental Health Housing Fund. All earnings on investments of moneys in the Community Mental Health Housing Fund shall accrue to the fund. Interest earned on moneys in the 23fund shall be credited to the fund. All moneys in the fund are continuously appropriated to the De-24partment of Human Services to carry out the provisions of ORS 426.504. 25

(2) The Community Mental Health Housing Fund shall be administered by the department to 2627provide housing for [chronically mentally ill] persons with chronic mental illness. As used in this subsection, "housing" may include acquisition, maintenance, repair, furnishings and equipment. 28

[(3)(a) There is established within the Community Mental Health Housing Fund a Community 2930 Housing Trust Account. Notwithstanding the provisions of ORS 270.150, the department shall deposit 31 into the account the proceeds, less costs to the state, received by the department from the sale of F. H. Dammasch State Hospital property under ORS 426.508. The department may expend, for the purposes 32set forth in ORS 426.504, any earnings credited to the account, including any interest earned on moneys 33 34 deposited in the account, and up to five percent of the sale proceeds initially credited to the account 35 by the Oregon Department of Administrative Services. At least 95 percent of the sale proceeds shall remain in the account in perpetuity. Proceeds deposited in the account may not be commingled with 36 37 proceeds from the sale of any surplus real property owned, operated or controlled by the Department 38 of Human Services and used as a state training center.]

[(b) Interest earned on moneys in the Community Housing Trust Account may be expended in the 39 40 following manner:]

[(A) Seventy percent of interest earned on deposits in the account shall be expended for community 41 42housing purposes; and]

[(B) Thirty percent of interest earned on deposits in the account shall be expended for institutional 43 housing purposes.] 44

[(c) Interest earned on deposits in the account shall not be used to support operating expenses of 45

[(4)] (3) The Community Mental Health Housing Fund shall consist of:
(a) Moneys appropriated to the fund by the Legislative Assembly;
[(b) Sale proceeds and earnings from the account under subsection (3) of this section;]
[(c)] (b) Proceeds from the sale, transfer or lease of any surplus real property owned, operated or controlled by the department and used as community housing;
[(d)] (c) Moneys reallocated from other areas of the department's budget;
[(e)] (d) Interest and earnings credited to the fund; and
[(f)] (e) Gifts of money or other property from any source, to be used for the purposes of developing housing for [chronically mentally ill] persons with chronic mental illness.

11 [(5)] (4) The department shall adopt policies:

the department.]

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12 (a) To establish priorities for the use of moneys in the Community Mental Health Housing Fund

for the sole purpose of developing housing for [chronically mentally ill] persons with chronic mental
 illness;

(b) To match public and private moneys available from other sources for developing housing for
 [chronically mentally ill] persons with chronic mental illness; and

(c) To administer the fund in a manner that will not exceed the State Treasury's maximum costper transaction.

[(6)] (5) The Department of Human Services shall collaborate with the Housing and Community
 Services Department to ensure the highest return and best value for community housing from the
 Community Mental Health Housing Fund.

[(7)] (6) The Department of Human Services shall provide a report of revenues to and expenditures from the Community Mental Health Housing Fund as part of its budget submission to the Governor and Legislative Assembly under ORS chapter 291.

25 SECTION 15. ORS 426.508 is amended to read:

426.508. (1) Notwithstanding ORS 421.611 to 421.630 or any actions taken under ORS 421.611 to 421.630, the Department of Corrections shall transfer the real property known as the F. H. Dammasch State Hospital and all improvements to the Oregon Department of Administrative Services to be sold for the benefit of the Department of Human Services.

(2)(a) Notwithstanding ORS 270.100 to 270.190, and except as provided in subsection (4) of this section, the Oregon Department of Administrative Services shall sell or otherwise convey the real property known as the F. H. Dammasch State Hospital in a manner consistent with the provisions of this section. Conveyance shall not include transfer to a state agency. The sale price of the real property shall equal or exceed the fair market value of the real property. The Oregon Department of Administrative Services shall engage the services of a licensed real estate broker or principal real estate broker to facilitate the sale of the real property.

(b) The Oregon Department of Administrative Services shall retain from the sale or other conveyance of the real property those costs incurred by the state in selling or conveying the real property, including costs incurred by the Department of Corrections in transferring the real property to the Oregon Department of Administrative Services. The remaining proceeds from the sale or other conveyance shall be transferred to the [Community Housing Trust Account created under ORS 426.506 (3)] Community Mental Health Housing Trust Account created under of this 2007 Act.

(3) Redevelopment of the real property formerly occupied by the F. H. Dammasch State Hospital
 shall be consistent with the Dammasch Area Transportation Efficient Land Use Plan developed by

Clackamas County, the City of Wilsonville, the Oregon Department of Administrative Services, the
 Department of Land Conservation and Development, the Department of Transportation, the State

3 Housing Council, the Department of Human Services and the Department of State Lands.

4 (4) The Oregon Department of Administrative Services shall reserve from the sale of the real 5 property under subsection (2) of this section [*not more than*] 10 acres. The real property reserved 6 from sale shall be transferred to the Department of Human Services for use by the Department of 7 Human Services to develop community housing **at the Villebois Community of Wilsonville**, 8 **Oregon**, for [*chronically mentally ill*] persons **with chronic mental illness**. The Oregon Department 9 of Administrative Services and the Department of Human Services shall jointly coordinate with the 10 City of Wilsonville to identify the real property reserved from sale under this subsection.

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SECTION 16. ORS 279A.050 is amended to read:

12 279A.050. (1) Except as otherwise provided in the Public Contracting Code, a contracting agency
13 shall exercise all rights, powers and authority in accordance with the provisions of the Public
14 Contracting Code.

(2) Except as otherwise provided in the Public Contracting Code, for state agencies the Director
 of the Oregon Department of Administrative Services has all of the rights, powers and authority
 necessary to carry out the provisions of the Public Contracting Code.

(3) Except as otherwise provided in the Public Contracting Code, the Director of Transportationhas all of the rights, powers and authority to:

(a) Procure or supervise the procurement of all services and personal services to construct, acquire, plan, design, maintain and operate passenger terminal facilities and motor vehicle parking
facilities in connection with any public transportation system in accordance with ORS 184.689 (5);

(b) Procure or supervise the procurement of all goods, services, public improvements and per sonal services relating to the operation, maintenance or construction of highways, bridges and other
 transportation facilities that are subject to the authority of the Department of Transportation; and

(c) Establish standards for, prescribe forms for and conduct the prequalification of prospective
 bidders on public improvement contracts related to the operation, maintenance or construction of
 highways, bridges and other transportation facilities that are subject to the authority of the De partment of Transportation.

(4) Except as otherwise provided in the Public Contracting Code, the Secretary of State has all
 of the rights, powers and authority to procure or supervise the procurement of goods, services and
 personal services related to programs under the direct authority of the Secretary of State.

(5) Except as otherwise provided in the Public Contracting Code, the State Treasurer has all
 of the rights, powers and authority to procure or supervise the procurement of goods, services and
 personal services related to programs under the authority of the State Treasurer.

(6) The following specific limited authorities are subject to the provisions of the Public Con-tracting Code:

(a) The Department of Human Services to procure or supervise the procurement of goods, services and personal services for the construction, demolition, exchange, maintenance, operation and
 equipping of housing:

(A) For [the chronically mentally ill] persons with chronic mental illness, subject to applicable
 provisions of ORS 426.504; and

(B) For the purpose of providing care to individuals with mental retardation or other develop mental disabilities, subject to applicable provisions of ORS 427.335;

45 (b) The State Department of Fish and Wildlife to procure or supervise the procurement of all

1 goods, services, public improvements and personal services relating to dams, fishways, ponds and 2 related fish and game propagation facilities;

3 (c) The State Parks and Recreation Department to procure or supervise the procurement of all
 4 goods, services, public improvements and personal services relating to state parks;

5 (d) The Oregon Department of Aviation to procure or supervise the procurement of all goods, 6 services, public improvements and personal services related to airports owned or operated by the 7 state;

8 (e) The Economic and Community Development Department to procure or supervise the pro-9 curement of all goods, services, personal services and public improvements related to its foreign 10 trade offices operating outside the state;

(f) The Attorney General to enter into contracts as necessary to exercise the authority grantedin ORS chapter 180;

(g) The Housing and Community Services Department to procure or supervise the procurement
 of goods, services and personal services;

(h) The Department of Corrections to procure or supervise the procurement of goods, services
 and personal services for the construction of all new buildings or additions for its institutions;

(i) The Department of Corrections, subject to any applicable provisions of ORS 279A.120,
279A.125, 279A.145 and 283.110 to 283.395, to procure or supervise the procurement of goods for its
institutions;

(j) The Department of Veterans' Affairs to procure or supervise the procurement of real estate
 broker and principal real estate broker services related to programs under the department's authority; and

(k) Any state agency to make procurements when the agency is specifically authorized by any
 provision of law other than the Public Contracting Code to enter into a contract.

 25
 SECTION 17.
 Sections 2 and 7 of this 2007 Act and the amendments to ORS 279A.050,

 26
 426.005, 426.490, 426.495, 426.500, 426.502, 426.504, 426.506 and 426.508 by sections 8 to 16 of this

 27
 2007 Act become operative on January 1, 2008.

28 <u>SECTION 18.</u> This 2007 Act being necessary for the immediate preservation of the public 29 peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect 30 on its passage.

31