

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 4159**Seventy-Sixth Oregon Legislative Assembly – 2012 Regular Session
Legislative Fiscal OfficePrepared by: Kim To
Reviewed by: Linda Ames, Sheila Baker
Date: 2/8/2012**Measure Description:**

Modifies definition of "treatment" for purpose of describing residential facilities that are subject to licensing requirements.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Human Services (DHS)

Summary of Expenditure Impact – Oregon Health Authority:

	2011-13 Biennium	2013-15 Biennium
General Fund		
Personal Services	99,514	158,253
Services & Supplies	22,812	24,709
Total General Fund	\$122,326	\$182,962
Positions	1	1
FTE	0.54	1.00

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

House Bill 4159 modifies certain definitions and requirements affecting the licensing of residential care facilities. The bill requires a residential facility applying for a license to demonstrate (1) a history of regulatory compliance and operational experience; (2) a need for the facility within a 10 mile radius of the proposed location for the services offered by the applicant; and (3) willingness to serve underserved populations and to contract with DMAP.

Under current law, the Department of Human Services (DHS) licenses residential care facilities, residential training facilities and residential training homes. The Oregon Health Authority (OHA) licenses residential treatment facilities and residential treatment homes. A facility may not be subject to licensing by both agencies. House Bill 4159 directs OHA and DHS to work together to determine which agency has jurisdiction regarding a residential facility suspected of operating without a license. The bill authorizes DHS and OHA to set penalties for facilities operating without a license.

DHS estimates there is no fiscal impact to DHS as a result of this bill. However, because of the change in the definition of "treatment," OHA estimates that there are roughly 50 supported housing operations that are not currently licensed, but will be required to do so, if this bill passes. To carry out the provisions of this bill, the OHA anticipates establishing one full-time Compliance Specialist 3 position to identify and work with these facilities in order to bring them into compliance. The fiscal impact of this position, and associated Services and Supplies is estimated at \$122,326 General Fund and 0.54 FTE in the 2011-13 biennium; and \$182,962 and 1.00 FTE in the 2013-15 biennium.