
MEMORANDUM

Legislative Fiscal Office
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To: *Transportation and Economic Development Subcommittee*

From: *Michelle Deister*, Legislative Fiscal Office
(503) 986-1817

Date: June 3, 2013

Subject: *HB 2417*
Work Session Recommendations

HB 2417 Relates to document fee increases to provide housing assistance for veterans.

The measure, original staff measure summary, preliminary Joint Committee on Ways and Means staff measure summary, revenue impact statement and fiscal impact statement are available on the Oregon Legislative Information System (OLIS).

The measure previously had a work session in the House Human Services and Housing Committee on March 15, 2013 and was referred to the Joint Committee on Ways and Means by prior reference with a “do pass” recommendation. The measure previously had a public hearing in the Transportation and Economic Development Subcommittee on April 22, 2013.

The measure has a \$5.83 million Other Funds expenditure impact in the 2013-15 biennium and \$9.05 million Other Funds expenditure impact in the 2015-17 biennium. Oregon Housing and Community Services would need two positions, 1.01 FTE, in the 2013-15 biennium and two positions, 1.50 FTE, in the 2015-17 biennium.

Amendment:

The -1 amendment provides expenditure limitation to the Housing and Community Services Department to administer the first year of expenditures related to HB 2417 in the 2013-15 biennium; consistent with other programs in the agency’s budget, additional expenditure limitation for the second part of the biennium will be granted pending receipt of a report from the Department on alternative service delivery models, due in February 2014.

Motion #1: Move the dash 1 amendment to HB 2417.

Recommendation:

The Legislative Fiscal Office recommends that HB 2417 be moved to the full Joint Committee on Ways and Means with a do pass recommendation, as amended.

Motion #2: Move HB 2417 to the full committee with a “do pass” recommendation, as amended.

Assignment of Carriers:

Full: _____

2nd Chamber: _____

Joint Committee on Ways and Means

Carrier – House: Rep.
Carrier – Senate: Sen.

Revenue: Revenue Impact Statement Issued

Fiscal: Fiscal Impact Statement Issued

Action:

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

Prepared By: Michelle Deister, Legislative Fiscal Office

Meeting Date: 4/22/2013, 6/3/2013

WHAT THE MEASURE DOES: Increases recording and filing fee collected by county clerk, and deposited in County Assessment and Taxation Fund (County Fund), by five dollars, from \$15 to \$20. Instructs Housing and Community Services Department (Department) to expend at least 25 percent of funds in Emergency Housing Account and Home Ownership Assistance Account received from County Fund to assist homeless veterans and veterans at risk of becoming homeless. Requires Department expend at least 25 percent of General Housing Account from County Fund on veteran housing needs.

ISSUES DISCUSSED:

- Waiting lists for VA housing vouchers
- Supportive housing environment when veterans are co-located
- Opportunity for local housing authorities and not-for-profits to provide supportive services for veterans

EFFECT OF COMMITTEE AMENDMENT: Provides expenditure limitation for the first year of 2013-15 biennium to carry out the provisions of the bill; clarifies that 25% of revenue generated by the document recording fee as a result of HB 2417 must be expended in support of veterans housing.

BACKGROUND: One out of every six men and women in homeless shelters across the country is a veteran. House Bill 2417 increases an existing document recording fee by five dollars in order to provide additional funding for emergency rent assistance, building or rehabilitating housing, and down payment assistance for veterans.

**PROPOSED AMENDMENTS TO
HOUSE BILL 2417**

1 On page 1 of the printed bill, line 2, after “veterans;” insert “creating new
2 provisions;”.

3 In line 3, after “458.665;” insert “limiting expenditures;”.

4 On page 2, line 39, delete “The department must expend a minimum of”
5 and insert “An amount equal to”.

6 In line 40, after “294.187” insert “is dedicated for expenditure”.

7 On page 3, line 24, after the period delete the rest of the line.

8 In line 25, delete “ment must expend a minimum of” and insert “An
9 amount equal to”.

10 In line 26, after “294.187” insert “is dedicated for expenditure”.

11 On page 4, line 22, after “that” delete the rest of the line.

12 In line 23, after “294.187” insert “is dedicated for expenditure”.

13 On page 5, after line 12, insert:

14 **“SECTION 7. Notwithstanding any other law limiting expenditures,**
15 **the amount of \$2,915,000 is established for the biennium beginning July**
16 **1, 2013, as the maximum limit for payment of expenses for operations**
17 **from fees, moneys or other revenues, including Miscellaneous Receipts**
18 **and federal funds from the United States Department of Housing and**
19 **Urban Development for contract services, but excluding lottery funds**
20 **and federal funds not described in section 2, chapter _____, Oregon**
21 **Laws 2013 (Enrolled House Bill 5015), collected or received by the**
22 **Housing and Community Services Department for the administration**

1 of the provisions of this 2013 Act.

2 **“SECTION 8. The amendments to ORS 205.323, 306.815, 458.610,**
3 **458.650, 458.655 and 458.665 by sections 1 to 6 of this 2013 Act apply to**
4 **moneys deposited in the Emergency Housing Account, the Home**
5 **Ownership Assistance Account and the General Housing Account on**
6 **or after the effective date of this 2013 Act.”.**

7

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2417

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Krista McDowell
Reviewed by: Michelle Deister, Laurie Byerly
Date: 2/21/2013 <REVISED>

Measure Description:

Increases amount of fees charged and collected by county clerks to record or file certain real property documents.

Government Unit(s) Affected:

Housing and Community Services Department, Counties, Department of Human Services (DHS), Department of Veterans' Affairs

Summary of Expenditure Impact:

Summary of Expenditure Impact		
	2013-15 Biennium	2015-17 Biennium
General Fund		
Lottery Funds		
Other Funds	5,830,000	9,050,000
Federal Funds		
Total Funds	\$5,830,000	\$9,050,000
Positions	2	2
FTE	1.01	1.50
Summary of Revenue Impact		
See Revenue Impact Statement		

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:

HB 2417 raises county filing fees from \$15 to \$20, which are deposited in the County Assessment and Taxation Fund (CATF). HB 2417 would require three accounts within CATF (Emergency Housing Account, the Home Ownership Assistance Account, and the General Housing Account) to expend a minimum of 25 percent of moneys from the CATF for assistance to veterans who are homeless or at risk of becoming homeless.

Oregon Housing and Community Services (OHCS) would need one (1.0 FTE), .63 FTE in the 2013-15 biennium, to serve as the fiscal analyst and program(s) accountant to track fund expenditures and ratio of veteran to non-veteran disbursements. Additionally OHCS would need a half time (.5 FTE), .38 FTE in the 2013-15 biennium, to develop the Home Ownership Program and work in collaboration with the

Oregon Department of Veterans Affairs. Expenditures for these 1.5 FTE are estimated to be \$161,361 OF in 2013-15 biennium and \$161,361 OF in 2015-17 biennium.

Additional Special Payments for the Emergency Housing Program, the Home Ownership Assistance Program, and the General Housing Program are estimated to be \$5.67 million in the 2013-15 biennium and \$8.89 million in the 2015-17 biennium.

For the purposes of this analysis and calculating the fiscal impact, the Legislative Fiscal Office (LFO) assumes that the Department of Housing and Community Services and its partners meet the required threshold of expending 25 percent of revenue in the CATF for veterans, and that there is no impediment to allocating the remaining 75 percent, as statutorily directed. The Governor's Budget includes one year of estimated expenditures for the Housing and Community Services Department, with remaining program expenditure limitation and funding subject to receipt of a report on recommendations from the Department regarding more effective service delivery.

Counties, Department of Veterans Affairs, and the Department of Human Services all report minimal fiscal impact; additional workload incurred with the passage of this bill is absorbable with existing resources. This is a revised fiscal. Previous fiscal calculations were based on effective date of October 1, 2013; since this bill has no emergency clause, calculations are based on an effective date of January 1, 2014.

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
Seventy-Seventh Oregon Legislative
Assembly
2013 Regular Session
Legislative Revenue Office

Bill Number: HB 2417
Revenue Area: Recording Fees
Economist: Christine Broniak
Date: 2-20-2013

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Increases amount of fees charged and collected by county clerks to record or file certain real property documents.

Revenue Impact (in \$Millions):

	2013-15	2015-17	2017-19
General Housing Account	\$ 4.43	\$ 6.88	\$ 8.01
Emergency Housing Account	\$ 0.58	\$ 0.90	\$ 1.05
Home Ownership Assistance Account	\$ 0.82	\$ 1.27	\$ 1.48
Total	\$ 5.83	\$ 9.05	\$10.54

Impact Explanation: The measure would increase the recording fee that goes to various housing and community service department accounts. Currently, the recording fee that goes to these accounts is \$15. HB 2417 would change it to \$20. The money is currently split into three different accounts as follows: 76% of moneys to the General Housing Account, 10% of moneys to the Emergency Housing Account, and 14% of the moneys to the Home Ownership Assistance Account. The measure does not change these proportions. The measure will become effective January 1, 2014 if the bill is passed. Revenue impacts for 2013-15 reflect this date; the new revenues are only realized for 3/4 of that biennium. The growth rate in real estate transactions is projected to be 16.5% per biennium, and revenues are adjusted accordingly.

Creates, Extends, or Expands Tax Expenditure: Yes No