

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2825 - 3**

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office

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

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**Measure Description:**

Requires Oregon Health Authority to seek out and apply for funding for, and appropriates moneys from General Fund to pay for, crisis intervention services and residential care for individuals with mental illness.

**Government Unit(s) Affected:**

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

**Summary of Expenditure Impact – Oregon Health Authority (OHA):**

	<b>2015-17 Biennium</b>	<b>2017-19 Biennium</b>
Personal Services	319,915	319,915
Services & Supplies	91,156	53,460
Shared Services*	41,592	83,183
<b>TOTAL GENERAL FUND</b>	<b>\$452,663</b>	<b>\$456,558</b>
Positions	2	2
FTE	2.00	2.00

**Summary of Expenditure Impact – Department of Human Services (DHS) \***

	<b>2015-17 Biennium</b>	<b>2017-19 Biennium</b>
Shared Services	41,592	83,183
<b>TOTAL OTHER FUND</b>	<b>\$41,592</b>	<b>\$83,183</b>
Positions	1	1
FTE	0.25	0.50

**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 2825 with the – 3 amendment:

- Requires the Oregon Health Authority (OHA) to seek out and apply for grants, gifts and contributions of moneys to pay for the development of subacute residential care and community-based housing for individuals with mental illness, and crisis intervention services, rental subsidies and other housing-related services provided through coordinated care organizations to help keep individuals with mental illness safe and healthy in their communities.
- Specifies how the funds acquired must be used, including to cover start-up, construction, furnishing, and staff training costs;
- Directs OHA to convene an advisory work group to develop and prioritize a list of projects to be financed with acquired funds. The work group must include one representative of an acute psychiatric unit of a community hospital;

- Appropriates an unspecified amount of General Fund the OHA to carry out the provisions of the bill; and
- Contains an emergency clause, and takes effect on passage.

In order to do the work required by this bill, OHA anticipates establishing two positions (2.00 FTE), one Program Analyst 3 position with expertise in grant-writing and securing housing development funds to manage the fundraising work, and provide fundraising training for the Residential Programs and Services Unit; and one Program Analyst 2 position to support the work group. OHA estimates the Personal Services and related Services and Supplies for this work to be \$452,663 General Fund for the 2015-17 biennium.

\* In addition, if OHA is successful in fundraising, the work of a half-time Accountant 3 (0.50 FTE) will be required to monitor and track grant funding. The accountant position is priced at 12 months for the 2015-17 biennium under the assumption that fundraising activity will start before this position is needed. The Department of Human Services provides financial and administrative shared services to OHA. Due to the cost allocation methodology that DHS and OHA use for Shared Services, the funding will be allocated to OHA, and the position authorization in DHS.

This bill requires budgetary action for the allocation of General Fund resources and position authorization.