

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 3420 - A**

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:**

Directs Housing and Community Services Department, with advice of State Housing Council and in collaboration with Community Action Partnership of Oregon and Department of Human Services, to develop, implement and administer Housing First Pilot Program for purpose of providing housing assistance, case management and support services to individuals and families experiencing homelessness by utilizing continuum of care.

**Government Unit(s) Affected:**

Oregon Housing and Community Services (OHCS) Department, Department of Human Services (DHS)

**Summary of Expenditure Impact:**

	<b>2015-17 Biennium</b>	<b>2017-19 Biennium</b>
Personal Services	\$77,256	\$0
Services & Supplies	129,550	0
Special Payments	1,793,194	0
<b>Total Funds</b>	<b>\$2,000,000</b>	<b>\$0</b>
Positions	1	0
FTE	0.50	0.00

**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 3420 appropriates \$2,000,000 General Fund to the Oregon Housing and Community Services (OHCS) Department, creates the Housing First Pilot Program Fund, and establishes the Housing First Pilot Program to address the societal causes of homelessness, and the long-term needs of persons experiencing homelessness in the cities of Eugene and Albany by using a system of care. The bill defines "system of care" as an approach to provide housing assistance, case management, and support services that meets the specific, noncritical needs of individuals and families experiencing homelessness after initial, critical housing needs have been met and as these persons move toward the goal of stable housing and maximum self-sufficiency, with the ultimate objective being to end homelessness and to prevent a return to homelessness for these persons. The bill requires OHCS and the Department of Human Services to report to a legislative committee during the 2017 regular legislative session. The pilot project sunsets on June 30, 2017. The bill contains an emergency clause, and takes effect on passage.

Oregon Housing and Community Services (OHCS)

The bill directs OHCS, with the advice of the State Housing Council, and in collaboration with the Community Action Partnership of Oregon (CAPO) and the Department of Human Services (DHS), to develop, implement and administer the Housing First Pilot Program, including:

- Increasing the supply of rental housing needed to meet the demand for housing for individuals and families experiencing or maybe experiencing homelessness;
- Increasing the availability of employment opportunities for individuals who are experiencing homelessness;
- Training homelessness specialists and placing them in centers that are easily accessed by individuals and families experiencing homelessness; and
- Contracting with a state institution of higher education to research and document the costs of homelessness in this state, including but not limited to the costs incurred by law enforcement agencies, courts, jails and hospitals responding to situations involving individuals and families experiencing homelessness, for the purpose of obtaining recommendations on how best to allocated public funds to prevent and end homelessness.

The bill requires that OHCS contracts with community action agencies to provide at minimum the following services: screening, intake and needs assessment; housing assistance including helping participants to enter into standard lease agreements for housing; and case management.

The bill permits OHCS to use moneys in the Housing First Pilot Program Fund to pay administrative costs for the pilot program. OHCS anticipates establishing a half-time, limited duration Program Analyst 2 position to manage this pilot program. The majority of the appropriated funds will be used to provide grants to community action agencies to carry out the work required by this bill.

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

The fiscal impact of this bill to DHS is indeterminate. The bill simply directs OHCS to collaborate with DHS and OHA. However, the bill does not specify how the Housing First Pilot Program will be implemented, or how DHS and OHA are required to track or share information with OHCS and other stakeholders. If passage of this bill results in DHS and OHA having to modify information systems or practices in order to share information with OHCS, these agencies may need additional staffing and resources.