

Legislative Fiscal Office

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Joint Committee on Ways and Means

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Rep. Greg Smith, House Co-Vice Chair

To: Human Services Subcommittee

From: Michell Deister, Legislative Fiscal Office

Date: Thursday, June 29, 2017

Subject: HB 3063 Relating to housing for individuals with mental illness
Work Session Recommendations

House Bill 3063 with the -A3 amendment directs the Housing and Community Services Department (HCSD), in collaboration with the Oregon Health Authority (OHA), to disburse moneys in the Housing for Mental Health Fund for the development of community-based housing, including licensed residential treatment facilities, as well as crisis intervention services, rental subsidies, and other housing-related services for individuals with mental illness and individuals with substance use disorders. In addition, the bill directs HCSD to convene an advisory group to make recommendations for the allocation of funds between types of housing, soliciting funding proposals, and processing applications for funding.

The measure previously had hearings in the House Committee on Human Services and Housing on 4/6/2017 and 4/18/2017.

Fiscal Impact

HCSD is able to convene the advisory group within existing resources. The Legislature approved \$20 million in lottery proceeds for the 2015-17 biennium, a portion of which (no more than 5%) can be used by HCSD for administrative expenses including program management and underwriting of projects. The Housing Stability Council will see recommendations to approve projects from a second competitive offering on July 7, 2017. HCSD expects to have \$9.2 million remaining as uncommitted after those approvals. Of the remaining funds, \$4.2 million will be made available to pair with a veterans' housing notice of funding availability (NOFA) which will be made available in July. This fiscal assumes that HCSD will work with stakeholders, including the advisory group established by this bill, to identify the best mechanism to award the final \$5.0 million. There is no cost to HCSD associated with the remaining disbursement and oversight of these funds, even with the changes made by this measure.

Recommended Changes

The -A3 amendment changes the agency responsible for disbursing moneys in the Housing for Mental Health Fund from OHA to HCSD.

MOTION: I move adoption of the -A3 amendment to HB 3063. (VOTE)

Final Subcommittee Action

LFO recommends that HB 3063, as amended by the -A3 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 3063, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____