

## HB 3063 B STAFF MEASURE SUMMARY

### Joint Committee On Ways and Means

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**Action Date:** 06/29/17

**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

**House Vote**

**Yeas:** 10 - Gomberg, Holvey, Huffman, Nathanson, Rayfield, Smith G, Smith Warner, Stark, Whisnant, Williamson

**Exc:** 1 - McLane

**Senate Vote**

**Yeas:** 12 - DeBoer, Devlin, Frederick, Girod, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Michelle Deister, Budget Analyst

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#### **WHAT THE MEASURE DOES:**

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. Requires HCSD to provide the funding for a portion of costs for land purchase and to construct housing; up to 50% of start-up costs for providing housing, including but not limited to fixtures, furnishings, and training of staff. HCSD is required to prescribe the financing mechanisms to be used to provide funding. 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. Declares emergency, effective upon passage.

#### **ISSUES DISCUSSED:**

- Partnerships between Housing and Community Services Department and housing developers
- Need for housing for this population
- Advisory group

#### **EFFECT OF AMENDMENT:**

Changes the agency responsible for disbursing moneys in the Housing for Mental Health Fund from the Oregon Health Authority to the Housing and Community Services Department.

#### **BACKGROUND:**

The Legislature in 2015 dedicated \$20 million in lottery bonds to the Housing for Mental Health Fund at the Housing and Community Services Department. These funds were allocated for the purpose to provide financial assistance to aid in the development, acquisition, renovation or improvement of affordable housing for Oregonians who have mental illnesses or addiction disorders. Currently, HCSD is collaborating with the Oregon Health Authority to seek applications for and fund eligible affordable multifamily residential rental housing developments supporting Oregonians with serious mental illness or substance use disorders.

HB 3063 establishes the Mental Health Housing Fund to develop community-based housing for individuals with mental illness and provide other housing-related services. The measure specifies maximum allocation of fund towards certain construction and start-up costs. Money is appropriated to OHA for implementation and to fund the Mental Health Housing Fund.

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HB 3063 also requires OHA to convene advisory group to make recommendations for the Mental Health Housing Fund regarding allocation of money, housing proposals and processing applications.