

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 491 - 1

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

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

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Measure Description:

Transfers from Department of Human Services to Oregon Community Foundation responsibility for administering Fairview housing trust.

Government Unit(s) Affected:

Department of Human Services (DHS), Housing and Community Services Department (HCSD)

Summary of Fiscal Impact:

This measure requires budgetary action - See analysis.

Analysis:

SB 491 with the -1 amendment make changes to statutes related to community housing, requiring:

- The unexpended and unobligated balance of moneys in the Community Housing Trust Account, on January 1, 2020, be transferred to the Oregon Community Foundation to develop community housing to provide care to individuals with intellectual and other developmental disabilities. This change also removes the statutory requirement that at least 95% of the account’s principal balance be retained in perpetuity.
- The Oregon Community Foundation to report annually to the Department of Human Services (DHS) regarding the balance and expenditures of this account. If DHS finds any unauthorized expenditures, the foundation must reimburse DHS the amount of the unauthorized expenditure. DHS is directed to deposit these payments to the Developmental Disabilities Community Housing Fund.
- The Oregon Council on Developmental Disabilities to appoint an advisory committee to consult the Oregon Community Foundation. The advisory committee must include individuals from DHS, support services brokerages, community developmental disability programs, the Housing and Community Services Department (HCSD), and community-based residential providers.

In addition, the bill repeals obsolete statutes relating the sale of real property owned by the DHS and used as a state training center.

The fiscal impact of the bill related to the transfer of the Community Housing Trust Account balance requires eliminating the fund balance (budgetary resource) from the DHS budget for the 2019-21 biennium. While the Legislature has not yet adopted the agency’s budget for next biennium, the 2019-21 Governor’s budget does propose using \$6 million of the projected \$6.3 million fund balance on a one-time basis to fund services in the Intellectual and Developmental Disabilities program; this action also requires a statutory change. Review of this bill by the Joint Committee on Ways and Means is needed to ensure its impact is correctly reflected in the agency’s 2019-21 legislatively adopted budget.

The fiscal impact of this bill related to other requirements affecting DHS and HCSD is anticipated to be minimal. HCSD will use existing staff and resources to participate on the advisory committee. DHS will use existing staff and resources to transfer the balance of moneys in the Community Housing Trust Account to the Oregon Community Foundation and review expenditures for statutory compliance.

Note that the Oregon Community Foundation is a nonprofit entity whose budget is not subject to Executive Branch review, or approval or modification by the Legislative Assembly.