

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Human Services Subcommittee

From: Laurie Byerly, Legislative Fiscal Office

Date: June 13, 2019

Subject: HB 2032 – Relating to temporary assistance for needy families program

With the recommended -A4 amendment, which replaces the measure, HB 2032 establishes three pilot programs focused on assisting clients of the Temporary Assistance for Needy Families program, which is administered by the Department of Human Services (DHS). A specific amount of funding, primarily federal TANF funds, for each pilot has been identified in recommendations for the DHS 2019-21 budget (HB 5026).

TANF Housing Pilot Program - \$10.5 million

The Housing and Community Services Department (HCSD), in consultation with DHS, will provide grants to local housing service providers to help improve the housing stability of TANF families. Up to four pilot projects are authorized and will serve at least one rural and one urban area. HCSD is required to report to interim legislative committees no later than September 15, 2021 with an analysis of pilot data and recommendations for legislative changes needed to help address barriers to housing stability for TANF recipients.

Mental and Behavioral Health Pilot Program - \$1.5 million

The Oregon Health Authority (OHA), in consultation with DHS, will award grants to up to four coordinated care organizations to examine potential access gaps faced by TANF recipients seeking mental health, behavioral health, and substance use disorder services. This pilot program begins on or after February 1, 2020 and will extend into the 2021-23 biennium. OHA will report to interim legislative committees no later than March 30, 2022, with an assessment of the barriers TANF recipients face in accessing these services and recommendations for legislative changes needed to help address those barriers.

Education and Training Pilot Program - \$3.5 million

DHS will administer a pilot program to provide educational opportunities and vocational training for TANF recipients to improve their job market competitiveness and achieve careers offering livable wages. The Department will use a competitive process to provide pilot funding to community-based entities, with priority given to rural areas or areas where access to education or training is challenging. DHS will report to interim legislative

committees no later than September 15, 2021, on pilot program findings and any recommendations for legislative changes needed to implement promising practices.

The recommended amendment, preliminary staff measure summary, and fiscal impact statement are available on the Oregon Legislative Information System (OLIS). The measure had hearings in House Human Services and Housing January 30 and April 3, 2019.

The -A4 replaces the bill with language on the three pilot programs outlined above, including specifics around pilot program structure, requirements, data collection, and pilot assessment. The bill's fiscal impact is tied to administrative costs for the pilots is estimated at \$783,109 total funds and 3 positions (2.58 FTE) for the 2019-21 biennium. Expenditure limitation and position authority for the agencies receiving funds from DHS (HCSD and OHA) will be included in the omnibus end of session budget bill; LFO will work with the agencies to balance administrative needs with grant capacity and refine expenditure fund types as part of finalizing those budgetary adjustments.

Recommended Changes

LFO recommends adoption of the -A4 amendment.

MOTION: I move adoption of the -A4 amendment to HB 2032. (VOTE)

Final Subcommittee Action

LFO recommends that HB 2032, as amended by the -A4 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 2032, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____