

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2032 - B**

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:**

Creates the Temporary Assistance for Needy Families (TANF) Housing Pilot Program within Housing and Community Services Department. Directs Oregon Health Authority to administer Mental Health and Behavioral Health Pilot Program. Creates Education and Training Pilot Program within Department of Human Services.

**Government Unit(s) Affected:**

Department of Human Services (DHS), Housing and Community Services Department (HCSD), Oregon Health Authority (OHA)

**Summary of Fiscal Impact:**

Costs related to the measure may require budgetary action - See analysis.

**Analysis:**

HB 2032 B-Engrossed creates three new pilot programs:

1. The Temporary Assistance for Needy Families (TANF) Housing Pilot Program in the Housing and Community Services Department (HCSD) to provide housing stabilization services to families receiving TANF.
2. The Mental Health and Behavioral Health Pilot Program within the Oregon Health Authority (OHA)
3. The Education and Training Pilot Program within the Department of Human Services (DHS) to expand the availability of education and vocational training services to TANF recipients.

These programs sunset on July 1, 2022.

Department of Human Services (DHS) - Education and Training Pilot Program

The bill requires DHS to provide funding to community-based entities through a competitive application process, giving priority to entities serving rural areas or areas. DHS is directed to establish outcome measures and entities participating in the pilot program must report data necessary for the department to assess the efficacy of each project and the services provided. DHS must report findings and recommendations to the Legislature by September 15, 2021. Included in the agency’s budget is \$3.5 Federal Funds for the JOBS Education and Training Expansion.

Housing and Community Services Department (HCSD) - TANF Housing Pilot Program

HCSD estimates the cost of administering the pilot program to be \$384,355 Federal Funds and one limited duration Program Analyst 3 position (0.92) for the 2019-21 biennium. The Program Analyst 3 position, expected to be filled by September 1, 2019, will coordinate with DHS staff to ensure that the program conforms to TANF regulations, and then open a competitive process for organizations to apply for the grant funds. Grantees will pair these funds with funds from similar programs and extend the period that families receiving TANF can receive housing assistance. HCSD will contract for training and support to align the data collected by DHS offices and grantees in this program. The position will track data related to the number of TANF families served and the type of services provided. DHS staff will track other data elements as required in the bill, and staff from the two departments will create a report for the Legislative Assembly. Included in the fiscal pricing are Department of Justice fees for reviewing the solicitation, an inter-agency agreement between HCSD and DHS, and agreements with grantees, and costs for training provided through third-party entities. It is anticipated that DHS will transfer \$10.5 million in TANF federal funds for the Housing Pilot Program.

### Oregon Health Authority (OHA) - Mental Health and Behavioral Health Pilot Program

OHA estimates the cost of administering the pilot program to be \$398,754 Total Funds [\$199,712 General Fund + \$199,042 Federal Funds] and two limited duration positions (1.66 FTE) for the 2019-21 biennium; and \$247,660 Total Funds [\$124,034 General Fund + \$123,626 Federal Funds] and two limited duration positions (1.00 FTE) for the 2021-23 biennium. The bill directs OHA, in consultation with DHS, to administer a Mental and Behavioral Health Pilot Program to award grants to up to four coordinated care organizations (CCOs) to assess potential gaps in access by TANF recipients to mental and behavioral health services and to drug and alcohol treatment services through the state medical assistance program. The pilot program must begin on or after February 1, 2020. OHA must report findings and recommendations to the Legislature by March 30, 2022. To administer the program, OHA anticipates using General Fund and Medicaid federal funds match to cover the administrative costs of hiring one Operations and Policy Analyst 3 position and one Research Analyst 4 position from November 1, 2019 through July 1, 2022. These positions will oversee the program including adopting rules for application and eligibility procedures, selecting the CCOs, gathering and evaluating the data collected by the CCOs, developing best practices and educational materials, and preparing recommendations for the legislature. It is anticipated that DHS will transfer \$1.5 million to OHA for the Mental Health and Behavioral Health Pilot program. OHA will need \$1.5 million in Other Funds limitation to receive and spend this transfer of funds.