

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2163 - 2

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

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

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Measure Description:

Establishes long term rental assistance program in Housing and Community Services Department.

Government Unit(s) Affected:

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

Summary of Fiscal Impact:

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

Summary of Expenditure Impact - Housing and Community Services (HCSD):

	2021-23 Biennium	2023-25 Biennium
General Fund		
Personal Services	188,009	188,009
Services and Supplies	128,521	122,521
Special Payments	4,183,470	4,189,470
Total General Fund	\$4,500,000	\$4,500,000
Positions	1	1
FTE	1.00	1.00

Analysis:

HB 2163 with the -2 amendment appropriates \$4,500,000 General Fund to the Housing and Community Services Department (HCSD) for deposit into the Long-Term Rent Assistance Fund. The measure establishes the Long-Term Rent Assistance Fund. Moneys in the Fund are continuously appropriated to HCSD to implement a long-term rental assistance program for individuals younger than 25 years of age who have recently been homeless, in substitute care, incarcerated or detained in a correctional or detention facility, or residing in a facility for mental health treatment. The measure directs HCSD to choose three or four regions in which to operate the program which must include at least one urban area, one rural, and one coastal area. HCSD is required to collect specified data on the program. The measure authorizes HCSD to contract this data collection to housing authorities, community action agencies, or community-based social service and housing providers. HCSD is required to report the Oregon Housing Stability Council by September 15, 2022 and again by September 15, 2023 on the outcome and data from the program. The measure takes effect on July 1, 2021.

Housing and Community Services Department (HCSD)

This fiscal analysis assumes that the appropriation language “to carry out the duties under section 2 of this 2021 Act” is inclusive of administrative costs. HCSD estimates the administrative and operational costs of this program to be \$316,530 for the 2021-23 biennium. This amount reflects \$188,009 in personal services and \$128,521 related services and supplies for One Operations and Policy Analyst 2 position to administer the program. Services and supplies costs include Department of Justice and program evaluation expenses. The position is assumed to be permanent and the amount appropriated to for the program is assumed to be at the same level for the 2023-25 biennium for purposes of this fiscal analysis. However, note that although the measure creates a new ongoing program and establishes a new Fund that is continuously appropriated to HCSD, the measure

provides a onetime appropriation for the 2021-23 biennium. The Legislative Fiscal Office (LFO) assumes that funding for this program for 2023-25 and future biennium will be addressed in conjunction with the biennial budgeting process for the agency. The agency's Governor's budget includes \$4,511,044 General Fund for this work.

Department of Human Services (DHS)

Passage of this measure is anticipated to have minimal impact on DHS. The measure requires HCSD, in designing the long-term rental assistance program, to consult with DHS staff operating programs or services for eligible foster children or former foster children as well as the department's advisory committee on runaway and homeless youth. DHS will reprioritize the duties of existing staff in order to consult with HCSD.

This measure is referred to the Joint Committee on Ways and Means by prior reference.