HB 2163 A STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Michelle Deister, Budget Analyst

Meeting Dates: 6/15, 6/18

WHAT THE MEASURE DOES:

Establishes long-term rental assistance program within Housing and Community Services Department that is available to individuals younger than 25 years of age and who are, or have recently been: homeless; in a substitute care program; incarcerated or detained in a correctional or detention facility; or residing in a facility for dependency or mental health treatment. Requires department to include at least one urban, rural and coastal area in which program will operate. Directs department to design program in consultation with the Oregon Housing Stability Council, Department of Human Services program staff, and community-based and culturally specific social service providers focused on serving youth. Directs department to collect rental assistance program data, and allows department to contract with housing and social service providers to deliver rental assistance and collect and report data on program utilization. Establishes Long-term Rent Assistance Fund, and appropriates, for the biennium beginning July 1, 2021, \$4.5 million in General Fund moneys to the fund. Requires department to report to the Housing Stability Council on program outcomes and data on or before September 15, 2022, and on or before September 15, 2023. Declares emergency, effective July 1, 2021.

ISSUES DISCUSSED:

• Targeting rental assistance for an especially vulnerable population

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

As of February 2021, 89,000 Oregon households owe back rent, according to a report by Portland State University's Homelessness Research & Action Collaborative (HRAC). A U.S. Census Household Pulse Survey indicated that approximately 200,000 Oregonians have little or no confidence that they will be able to pay the following month's rent. Black, Indigenous, and People of Color (BIPOC) have experienced higher rent burdens and eviction risk both prior to and during the COVID-19 pandemic. Prior to the pandemic, data from Oregon Housing and Community Services (OHCS) indicated that fifty percent of African American households, Native American/Alaska Native/Pacific Islander households, and households of "other race" or "two or more races" were spending more than 30 percent of their income for housing and utilities, compared with 34 percent of white households. According to OHCS, Oregon ranks 4th highest in the nation for youth experiencing homelessness and chronic homelessness.

In the 2020 Third Special Session in December, the Legislative Assembly passed House Bill 4401 to extend the moratorium on eviction for nonpayment through June 30, 2021, for tenants declaring a hardship. It established a landlord compensation fund and allocated money for tenant-based rental assistance through June 30, 2021.

House Bill 2163 establishes a long-term rental assistance program within Oregon Housing and Community Services to support individuals younger than 25 years of age who are or have recently been homeless. The program would be developed under the guidance of the Housing Stability Council and in consultation with locally based and culturally specific housing providers focused on serving youth. It establishes the Long-Term Rent Assistance Fund and appropriates \$4.5 million in General Fund moneys for the biennium beginning July 1, 2021.