

Enrolled
House Bill 2316

Sponsored by Representative SALINAS; Representative HAYDEN (Presession filed.)

CHAPTER

AN ACT

Relating to individuals with mental disorders; creating new provisions; amending ORS 458.380 and 458.385; repealing ORS 458.380; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) **The Behavioral Health Housing Incentive Fund is established in the State Treasury, separate and distinct from the General Fund. The Behavioral Health Housing Incentive Fund consists of moneys deposited or transferred to the fund by the Legislative Assembly and moneys appropriated to the fund by the Legislative Assembly. Interest earned on the fund shall be credited to the fund.**

(2) **Moneys in the Behavioral Health Housing Incentive Fund are continuously appropriated to the Oregon Health Authority to carry out the provisions of ORS 458.385.**

SECTION 2. **On the effective date of this 2021 Act, interest earned on the Housing for Mental Health Fund established in ORS 458.380 shall be transferred to the Behavioral Health Housing Incentive Fund established in section 1 of this 2021 Act.**

SECTION 3. **Any unobligated funds remaining in the Housing for Mental Health Fund established in ORS 458.380 on June 30, 2022, shall be transferred to and deposited in the Behavioral Health Housing Incentive Fund established in section 1 of this 2021 Act.**

SECTION 4. ORS 458.380 is amended to read:

458.380. (1) The Housing for Mental Health Fund is established in the State Treasury, separate and distinct from the General Fund. The Housing for Mental Health Fund consists of moneys deposited in the fund under section 8, chapter 812, Oregon Laws 2015, and may include moneys appropriated, allocated, deposited or transferred to the fund by the Legislative Assembly or otherwise and interest earned on moneys in the fund.

(2) Moneys in the fund are continuously appropriated to the Housing and Community Services Department for disbursement for the purposes set forth in [ORS 458.385] **section 8, chapter 812, Oregon Laws 2015.**

SECTION 5. ORS 458.385 is amended to read:

458.385. (1) The [*Housing and Community Services Department, in collaboration with the*] Oregon Health Authority[,] shall disburse moneys in the [*Housing for Mental Health Fund*] **Behavioral Health Housing Incentive Fund established in section 1 of this 2021 Act** to provide funding for:

(a) The development of community-based housing, including licensed residential treatment facilities, for individuals with mental illness and individuals with substance use disorders; and

(b) Crisis intervention services, rental subsidies and other housing-related services to help keep individuals with mental illness and individuals with substance use disorders safe and healthy in their communities.

(2) The [department] **authority** shall provide funding for:

(a) A portion of the costs to purchase land and to construct housing described in subsection (1)(a) of this section; and

(b) Up to 50 percent of the start-up costs for providing housing described in subsection (1)(a) of this section, including but not limited to fixtures, furnishings and training of staff.

(3)(a) The [department] **authority** shall prescribe the financing mechanisms to be used to provide funding under subsection (2)(a) of this section of up to 35 percent of the total project development costs.

(b) The [department] **authority** may waive the 35 percent limit on total project development costs under paragraph (a) of this subsection for a low-cost project or to meet a critical need in a rural area.

(4) The [department] **authority** shall convene an advisory group to make recommendations to the [department] **authority** for:

(a) The allocation of moneys between different types of housing;

(b) The financing of housing described in subsection (1)(a) of this section;

(c) The provision of services described in subsection (1)(b) of this section;

(d) Soliciting funding proposals; and

(e) Processing applications for funding.

(5) The advisory group convened under subsection (4) of this section must include:

(a) One representative of a private provider of mental health treatment;

(b) One representative of a private provider of substance abuse treatment;

(c) Two representatives of groups that advocate on behalf of consumers of mental health or substance abuse treatment;

(d) One staff person from the **Housing and Community Services** Department;

(e) One staff person from the division of the [Oregon Health] authority that regulates mental health and substance abuse treatment programs;

(f) Two consumers of mental health or substance abuse treatment;

(g) One representative of a community mental health program;

(h) One person with expertise in developing and financing community housing projects in rural communities; and

(i) One representative of community corrections.

SECTION 6. ORS 458.380 is repealed on June 30, 2022.

SECTION 7. This 2021 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect on its passage.

Passed by House June 22, 2021

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Timothy G. Sekerak, Chief Clerk of House

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Tina Kotek, Speaker of House

Passed by Senate June 24, 2021

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Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2021

Approved:

.....M,....., 2021

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2021

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Shemia Fagan, Secretary of State