



February 25, 2021

**Comments on Section 44 of House Bill 2002
Justice Reinvestment**

Dear Chair Bynum, Vice-Chairs Noble and Power, and Representatives Dexter, Helm, Kropf, Lewis, Morgan, Wallan, and Wilde,

As you know, too many Oregonians suffer from conditions that sometimes lead to criminal behavior, such as untreated behavioral health issues or substance use disorder. Public safety is enhanced by dealing with those underlying conditions. Doing so also reduces the number of people that are incarcerated with untreated underlying conditions.

In 2013, Oregon embarked on a path to divert people away from prisons and treat underlying conditions. We call it the Justice Reinvestment Initiative, or JRI for short. The [success of JRI](#) can be, and has been, measured in both the lives helped, as well as functionally stopping the increasing need for prison space in Oregon, even in the face of significant population increases.

Section 44 of House Bill 2002 threatens that success in significant ways. Here are the fiscal Impacts of Section 44 of House Bill 2002 to the Justice Reinvestment Initiative (JRI):

* (1)(b)(A) at lines 39-41 on page 42, which increases the funding for victims’ services from 10 to 15 percent; and

* (1)(b)(B) at lines 42-45 on page 42 (and continuing onto the next page) which creates a 20 percent equity fund to be managed by an outside organization (also, the outside organization could claim up to 25% indirect costs for managing this pot of money).

Category	2019-2021	HB 2002	Difference
Victims Program Funding	\$ 3,697,830.00	\$ 5,546,745.00	\$ 1,848,915.00
Vic Prgm Admin Cost	\$ 410,870.00	\$ 616,305.00	\$ 205,435.00
Equity Fund	\$ -	\$ 6,163,051.00	\$ 6,163,051.00
EQ Fund Admin Cost	\$ -	\$ 2,054,350.00	\$ 2,054,350.00
County Grants	\$ 33,280,473.00	\$ 24,035,897.00	\$ (9,244,576.00)

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County Admin	\$	3,697,830.00	\$	2,670,655.00	\$	(1,027,175.00)
Total Programming to	\$	36,978,303.00	\$	35,745,693.00	\$	(1,232,610.00)
Total Admin	\$	4,108,700.00	\$	5,341,310.00	\$	1,232,610.00
JRI Formula Funding Total	\$	41,087,003.00	\$	41,087,003.00		

On the whole, about \$10.27 million would be shifted from JRI programs. In addition, if the maximum 25 percent indirect cost rate provided to the outside organization managing the equity fund is taken (see line 45 on page 42 and lines 1 to 2 on page 43), there would be an additional reduction of a little over \$1.2 million.

The proponents of the bill have reached out to me to let me know that the proposed fiscal agent can only take 3 to 5 percent of the 20 percent carveout for culturally specific organizations for administrative costs, and the 25 percent as listed in the bill was a drafting error and they are planning to amend the language to reflect the true intent.

That is all well and good, but we should be adding resources to JRI to address the desired policy goals of the proponents – not taking money away from a successful program.

Sincerely,



Rob Bovett
 Legal Counsel and Legislative Director
 Association of Oregon Counties