

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 1557 - 2

81st Oregon Legislative Assembly – 2022 Regular Session
Legislative Fiscal Office

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

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Date: February 9, 2022

Measure Description:

Requires Housing and Community Services Department to administer affordable housing preservation rental assistance pilot program for tenants of housing being withdrawn from publicly supported housing.

Government Unit(s) Affected:

Housing and Community Services Department (HCSD), City of Salem Housing Authority, Washing County Housing Authority, Oregon Judicial Department (OJD)

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:

Housing Community Services Department

General Fund	2021-23 Biennium	2023-25 Biennium
Special Payments	\$900,000	\$0
Total General Fund	\$900,000	\$0

Analysis:

Senate Bill 1557, as modified by the -2 amendments, requires the Housing Community Services Department (HCSD) to administer an affordable housing preservation rental assistance pilot program. The measure makes a one-time appropriation of \$900,000 General Fund to HCSD to administer the pilot program, which HCSD will distribute to the City of Salem Housing Authority and Washington County Housing Authority to administer the pilot program. HCSD, Salem Housing Authority, and Washington County Housing Authority must submit a report to an appropriate interim committee of the Legislative Assembly before the beginning 2023 regular session. The measure also prohibits landlords from increasing rents above existing rent increase limits, and provides that if landlords violate the provisions of the rent voucher program, tenants may recover from their landlord the greater of three times monthly rent or three times the actual damages sustained by the tenant for the violation. The measure takes effect on passage and the pilot program sunsets on January 2, 2024.

Housing and Community Services Department

HCSD will implement the pilot program as a pass-through grant to the Salem Housing Authority and Washington County for this project. The one-time \$900,000 General Fund appropriation will be used as special payments. However, HCSD does not anticipate needing any additional position authority to administer this pilot program.

The measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact on HCSD’s budget and the state General Fund.

City of Salem Housing Authority and Washington County Housing Authority

While a portion of the special payments distributed to the City of Salem Housing Authority and Washington County Housing Authority will be for administrative costs associated with the pilot program, the measure is

nevertheless anticipated to have a minimal fiscal impact on the City of Salem Housing Authority and Washington County Housing Authority.

Oregon Judicial Department

The measure is anticipated to have no fiscal impact on the Oregon Judicial Department.