

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4123 - 1

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

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

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Measure Description:

Requires Oregon Department of Administrative Services to provide grants for certain coordinated homeless response systems. Makes a one-time appropriation of General Fund to the department to distribute the grants.

Government Unit(s) Affected:

Department of Administrative Services (DAS), Housing and Community Services Department (HCSD), Benton County, Coos County, Deschutes County, Lincoln County, Mid-Columbia Community Action Council, Polk County, Tillamook County, Umatilla County, participating Cities

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:

Department of Administrative Services

	2021-23 Biennium	2023-25 Biennium
General Fund	\$8,000,000	
Total Funds	\$8,000,000	\$0

Analysis:

House Bill 4123, as amended by the -1 amendments, directs the Department of Administrative Services (DAS) to provide grants to local governments and nonprofit corporations (if any) that agree to create a coordinated homeless response system. At a minimum, the coordinated homeless response system must establish a coordinated homeless response office, an advisory board with representation from each participating local government, specific roles for each member to support the office and advisory board, plans for coordination with any local continuum of care receiving federal funding, and a centralized point of contact for the office. The coordinated homeless response system must use these grants to hire necessary staff for the office and pay for other necessary expenses. Each coordinated homeless response system must report the Housing and Community Services Department (HCSD), including the Oregon Housing Stability Council, and one or more appropriate interim committees of the Legislative Assembly by no later than November 15, 2023. The measure makes a one-time appropriation of \$8 million General Fund to DAS in the 2021-23 biennium to provide grants to eight local governments and participating nonprofit corporations, including Benton County, Coos County, Deschutes County, Lincoln County, the Mid-Columbia Community Action Council, Polk County, Tillamook County, and Umatilla County. Each grant recipient will receive \$1 million General Fund from DAS. The measure takes effect on passage.

Department of Administrative Services

The measure directs DAS to distribute the grants to local governments and participating nonprofit corporations. Although distributing the grants is anticipated to have only a minimal fiscal impact on DAS’s operations, the measure makes a one-time appropriation of \$8 million General Fund to DAS in the 2021-23 biennium as the funding for these grants. For that reason, the measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact to DAS’ budget and the state’s General Fund.

Participating Counties and Cities

The measure requires each coordinated homeless response system to develop partnerships with local and regional stakeholders and coordinate with local law enforcement, departments of human services, service providers, and governing bodies to implement safe and humane processes to maintain public and environmental health and safety. While participation in the coordinated homeless response system will increase the workload of participating counties and cities, the fiscal impact to these counties and cities is anticipated to be minimal.

Housing and Community Services Department

The measure is anticipated to have a minimal fiscal impact on the Housing and Community Services Department.