

## ANALYSIS

### Item 56: Department of Administrative Services Homelessness Prevention

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**Analyst:** Kim To

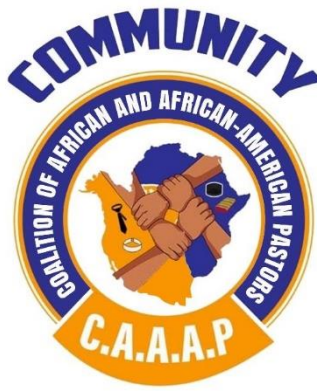
**Request:** Allocate \$1,000,000 General Fund to the Department of Administrative Services for distribution to the Coalition of African and African American Pastors for rent assistance.

**Analysis:** During the 2024 session, the Legislature adopted SB 5701 as the omnibus budget reconciliation measure for the session. This measure included numerous one-time General Fund appropriations to the Department of Administrative Services (DAS) for distribution to certain organizations for specific purposes or projects, as defined in the measure. One such appropriation was \$1 million General Fund for distribution to the Coalition of African and African American Pastors (CAAAP) to support land acquisition and development of low-income housing.

After the close of session, CAAAP identified that SB 5701 incorrectly described the purpose of the appropriation because land acquisition and housing development are not within the organization's scope of work. Consequently, CAAAP is unable to enter into a contract with DAS to expend the funding consistent with the requirements of the measure. The intended purpose of the \$1 million appropriation was to increase the amount of funding available in 2023-25 for culturally responsive homelessness prevention services. SB 1530 (2024) included \$34 million General Fund for homelessness prevention services administered by the Housing and Community Services Department (HCSD) through contracts with local providers. Of this amount, 30% was designated for culturally responsive organizations; however, CAAAP is unable to seek funding from this appropriation because HCSD has prioritized the set-aside for direct contracts with three other organizations.

CAAAP submitted a letter on May 15, 2024, to the Emergency Board co-chairs explaining the issue with the existing statutory description and requesting that the Emergency Board allocate \$1 million General Fund due to the incorrect appropriation language in SB 5701. Typically, when an appropriation is unworkable, the issue is resolved during a legislative session by amending the measure that contains the appropriation. In this case, the appropriation language cannot be corrected until the 2025 session, which would delay the implementation of rent assistance provided by CAAAP by at least 10 months. To help ensure the provision of rent assistance by CAAAP is not materially delayed relative to the rollout of other homelessness prevention services funded in the 2024 session, the Emergency Board could allocate \$1 million General Fund and request DAS to administratively "unschedule" the \$1 million appropriation included in SB 5701 for land acquisition and development of low-income housing. The unscheduling of this budget authority will ensure that the SB 5701 appropriation remains unexpended until the Legislature is able to disappropriate the funding during the 2025 session.

**Recommendation:** The Legislative Fiscal Office recommends that the Emergency Board allocate \$1,000,000 General Fund from the Emergency Fund to the Department of Administrative Services for distribution to the Coalition of African and African American Pastors for rent assistance, with the understanding the Department will unschedule the \$1,000,000 General Fund appropriation established by Section 498, Chapter 114, Oregon Laws 2024.



**Date May 15<sup>th</sup>, 2024**

The Honorable Senator Rob Wagner, Co-Chair  
The Honorable Representative Julie Fahey, Co-Chair  
State Emergency Board  
900 Court Street NE  
H-178 State Capitol  
Salem, OR 97301

Dear Co-Chairs:

### **Nature of the Emergency Request**

The Coalition of African and African American Pastors and Imams (C.A.A.A.P) entered the 2024 legislative short session with the aim of securing funds toward our rent assistance program. Senator Kayse Jama was supportive of our request and sent a letter to the Joint Ways & Means Committee asking the co-chairs to fund our request as a priority in SB 1530. Our request was not successful, and was not included in SB 1530, before it was sent to the Joint Interim Committee on Ways and Means Subcommittee on Transportation and Economic Development.

Fortunately, we were excited to learn that CAAAP's funding request was added to SB 5701, for \$1,000,000 dollars. While we did not secure the full amount of \$5,000,000 dollars, CAAAP was grateful to utilize the much-needed state aid (1M dollars) to prevent our community members from being evicted from their homes.

The emergency part comes in when we looked closely at the language in SB 5701, Section 498, it stated "Coalition of African and African American Pastors to support land acquisition and development of low-income housing" instead of rent assistance. An error was made, and our scope of work was mistaken. If we fail to fix this during the May legislative days, our non-profit (CAAAP) organization will have to wait another year for the long session in 2025 to request new funding that is not guaranteed. As a result, our most vulnerable will suffer eviction and at worst become a part of our growing homeless population.

**Agency Action**

In addition, CAAAP will not be able to accept the allocation of \$1,000,000 dollars for land acquisition that was appropriated in SB 5701, because buying land is not our current scope of work. We understand that the initial allocation was a mistake, due to the confusion related to the scope and purpose of our work. Our mission is to prevent homelessness and afford our community the opportunity to have access to much needed rent assistance dollars from the legislature.

**Action Requested**

Request funding from the general fund in the amount of \$1,000,000 dollars from the Emergency Board to the Department of Administrative Services to be appropriated to the African and African American Pastors, and Imams, (C.A.A.A.P) to administer rent assistance to prevent homelessness to Oregon residents.

**Legislation Affected**

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