

SB 603 -1 STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Prepared By: Kevin Rancik, LPRO Analyst

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/27

WHAT THE MEASURE DOES:

Establishes People’s Housing Assistance Fund Demonstration Program (Program) within Department of Human Services (DHS) to provide \$1,000 monthly for 12 months to those experiencing or at risk of homelessness, spending over half of monthly income on rent, or earning 60 percent or less of area median income. Allows payments to be used for rent, emergency expenses, food, child care, or other goods and services of participant’s choosing. Directs Portland State University Homelessness Research and Action Collaborative (PSU) to study costs and benefits of Program across varying geographic regions and specified population groups; review policy, practice, and existing research; consult with community organizations and action agencies; and provide report to interim committee of Legislative Assembly no later than September 15, 2024. Requires DHS introduce, no later than December 1, 2024, legislative concept to implement long-term cash assistance program. Appropriates \$500 million from General Fund for biennium beginning July 1, 2023, for Program and \$250,000 for PSU study. Becomes operational January 1, 2024; repeals provisions January 2, 2026. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Experience of other locales with similar programs
- Long-term program goals
- Recipients' use of money
- State liability
- Geographic distribution of program
- Support and education services in conjunction with program

EFFECT OF AMENDMENT:

-1 Clarifies program purpose of testing effectiveness of guaranteed income program on well being of intended populations. Increases payment period from 12 months to 24 months and exempts payments from state income tax and determination of income eligibility for needs-based state benefits. Allows use of payments at recipient discretion. Modifies eligibility to those who applied and qualified for but are not receiving housing assistance. Caps enrollment based on funding. Requires Department of Human Services (DHS) to develop program rules in consultation with Portland State University Homelessness Research and Action Collaborative (PSU).

Directs PSU to study program effect on participants’ well-being and quality of life, and to give special attention to groups disproportionately vulnerable to housing insecurity. Requires PSU to provide report no later than October 15, 2024, and clarifies report shall include preliminary study findings and recommendations for long-term program, and requires a final report no later than six months following conclusion of the program.

Reduces appropriation from General Fund to \$25 million to cover the program, contract with the PSU study and reports, and program administration if administration funds not otherwise available.

BACKGROUND:

The U.S. Department of Housing and Urban Development considers households cost-burdened when they spend more than 30 percent of their income on rent, mortgage and other housing needs. The 2021 Census American Community Survey estimates nearly half of Oregon’s renters are cost-burdened, with 52 percent of those being

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severely cost-burdened (spending 50 percent or more). According to the 2022 Annual Homelessness Assessment Report, on a given night in 2022, 17,959 Oregonians experienced homelessness.

Senate Bill 603 would establish the People's Housing Assistance Fund Demonstration Program within the Department of Human Services (DHS) to provide monthly payments of \$1,000 for 12-months to individuals experiencing or at-risk of experiencing homelessness, are severely cost-burdened, or earn 60 percent or less of the area median income. The Act would direct Portland State University to study the program and report to the Legislative Assembly. Senate Bill 603 would require DHS to develop a legislative concept implementing a long-term cash assistance program.