

**Enrolled**  
**Senate Bill 893**

Sponsored by COMMITTEE ON HOUSING AND DEVELOPMENT (at the request of Housing and Community Services Department)

CHAPTER .....

AN ACT

Relating to homelessness; creating new provisions; amending ORS 456.625 and 458.650; and declaring an emergency.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1. (1) The Housing and Community Services Department shall engage in efforts under this section to modify the state’s funding structure, based on the recommendations from the Task Force on Homelessness and Racial Disparities under section 7, chapter 448, Oregon Laws 2021.**

**(2) To implement the recommendations from the Task Force on Homelessness and Racial Disparities, the department may create committees and advisory committees for consideration of rules, as provided under ORS 183.333, to help ensure stakeholder engagement and input, and to assist in designing policy frameworks, including funding mechanisms, allocations or formulas for developing allocations, for programs by:**

**(a) The nine federally recognized Indian tribes within Oregon, as determined in partnership with each tribe;**

**(b) Community action agencies, including antipoverty initiatives that intersect with homelessness priorities;**

**(c) Continuums of care, as defined in 24 C.F.R. part 578, and local planning groups, including coordinated homeless response offices established under section 1 (1), chapter 70, Oregon Laws 2022; and**

**(d) Organizations that are culturally specific, culturally responsive and culturally based, and other organizations that are focused on reducing disparities where there is a demonstrated overrepresentation in homelessness.**

**(3) On or before March 15, 2024, the department shall provide a report to a committee of the Legislative Assembly related to housing, in the manner provided in ORS 192.245, on:**

**(a) Implementing the statutory policy frameworks for changes in the state’s investments for implementation of the recommendations described in this section for the biennium beginning July 1, 2025; and**

**(b) Recommendations for statutorily modifying other homeless service programs that the department operates as a result of the changes described in paragraph (a) of this subsection.**

**(4) In implementing the recommendations described in subsection (1) of this section, the department shall utilize outcome-oriented contracting processes or evidence-based and emerging practices for the programs and policies developed under subsection (2) of this section, including evidence-based and emerging practices for serving rural communities.**

**SECTION 2. Section 1 of this 2023 Act is repealed on January 2, 2026.**

**SECTION 3.** ORS 456.625 is amended to read:

456.625. The Housing and Community Services Department may:

(1) Undertake and carry out studies and analyses of housing needs within the state and ways of meeting such needs and make the results of such studies and analyses available to the public, qualified housing sponsors and the private housing sector.

(2) Prepare proposals on measures it considers necessary to address administration, housing programs or community services programs.

(3) With the approval of the Oregon Housing Stability Council, assess fees, charges or interest in connection with housing programs.

(4) Encourage community organizations to assist in initiating housing projects for persons and families of lower income.

(5) Encourage the salvage of usable housing scheduled for demolition or dislocation because of highway, school, urban renewal or other public projects by seeking authority for the public agencies involved in such programs to use the funds provided for the demolition or relocation of such buildings to enable qualified housing sponsors to relocate and rehabilitate such buildings for use by persons and families of lower income.

(6) Encourage research and demonstration projects to develop techniques and methods for increasing the supply of adequate, decent, safe and sanitary housing for persons and families of lower income.

(7) Make or participate in the making of residential loans to qualified individuals or housing sponsors to provide for the acquisition, construction, improvement, rehabilitation or permanent financing of residential housing or housing development; undertake commitments to make residential loans; purchase and sell residential loans at public or private sale; modify or alter such mortgages or loans; foreclose on any such mortgage or security interest or commence any action to protect or enforce any right conferred upon the department by any law, mortgage, security, agreement, contract or other agreement and to bid for and purchase property that is subject to such mortgage or security interest at any foreclosure or other sale; acquire or take possession of any such property and complete, administer, conserve, improve and otherwise use the property to accomplish the department's purposes, pay the principal and interest on any obligations incurred in connection with such property and dispose of such property in such manner as the department determines necessary to protect its interests under ORS 456.515 to 456.725 and ORS chapter 458.

(8) Unless specifically exempted by the State Treasurer, deposit with the State Treasurer any funds held in reserve or sinking funds under ORS 456.515 to 456.725 and ORS chapter 458 and any other moneys not required for immediate use or disbursement by the department, subject to the provisions of any agreement with holders of bonds entered into prior to October 15, 1983.

(9) Advise and assist in the creation of any nonprofit housing corporation, consumer housing cooperative or limited dividend housing sponsor and give approval of the articles of incorporation and bylaws of any such organization in carrying out ORS 456.515 to 456.725.

(10) Cooperate with and exchange services, personnel and information with any federal, state or local governmental agency.

(11) With the approval of the State Treasurer, contract for the services of and consultation with trustees, investment and financial advisors, paying agents, remarketing agents and other professional persons or organizations in carrying out ORS 456.515 to 456.725 and ORS chapter 458.

(12) Contract for, act on or perform any other duties that the department considers necessary or appropriate to carry out housing programs and community services programs, including but not limited to contracting to provide compliance monitoring or other administrative functions with respect to housing developments and affordable housing, whether or not the housing developments or affordable housing receives department funding and whether or not the housing developments or affordable housing is located within this state. For purposes of this subsection, "affordable housing" has the meaning given that term in ORS 456.055.

(13) Purchase, service, sell and make commitments to purchase, service and sell residential loans to the extent permitted by ORS 456.635 and 456.640 (1) to (3).

(14) Initiate or assist appropriate state agencies, governmental bodies and public or private housing sponsors in the development, construction, acquisition, ownership, leasing, rehabilitation or management of housing to carry out the purposes of ORS 456.515 to 456.725 and ORS chapter 458 where such housing is not otherwise affordable or available in the area.

(15) Execute and record written instruments that contain terms, including but not limited to restrictive covenants or equitable servitudes, pertaining to the use and enjoyment of housing projects. Notwithstanding any other provision of law, the executed instruments shall constitute and create restrictive covenants affecting and running with the property according to the terms of the instruments when recorded in the records of the county where the property is located. County clerks shall accept the instruments for recording when presented by or on behalf of the department.

(16) Subject to the provisions of any agreement then existing with bondholders, make available funds by contract, grant, loan or otherwise, including loan guarantees, insurance or other financial leveraging techniques, from moneys made available by the department to carry out the purposes of ORS 456.515 to 456.725, if such moneys are not needed for the operations of the department or otherwise determined by the Director of the Housing and Community Services Department to be a necessary or prudent reserve.

(17) *[With the approval of the Oregon Housing Stability Council,]* **Notwithstanding ORS 456.561,** award grants to private or public entities to support or develop programs **and services** that build on successful **or innovative** strategies *[that help individuals obtain and retain housing]* **to prevent and end homelessness, and may adopt rules for implementing such programs and services,** including *[through]* **the following:**

(a) Tenant education services for low-income tenants, including Rent Guarantee Program training under ORS 456.608 (3);

(b) Fair housing training **and outreach** for tenants and landlords;

(c) Technological innovations **and investments** that help low-income individuals find and access available rental housing **and services;** *[and]*

(d) **Acquisition, construction, renovation and operation of emergency shelters and transitional housing, outreach and attendant services, as well as supportive housing services designed to sustain housing, including those that support the diverse needs of those experiencing homelessness;**

(e) **Homelessness system improvements such as capacity building resources, planning resources, implementation and operation of advisory groups, technical assistance resources and investments to improve and obtain qualitative and quantitative data about housing and homelessness, including through direct engagement with people with lived experience of homelessness or housing instability;**

(f) **Services designed to prevent evictions and homelessness, including long term and emergency rental assistance, legal services for those facing eviction, eviction prevention mediation services and case management;**

(g) **Individualized and culturally responsive interventions designed to provide support to specific populations of people experiencing homelessness or housing instability;**

(h) **Delivery of programs and services designed to reduce poverty, including those programs and services that are in alignment with federal resources such as the Community Services Block Grant; and**

*[(d)]* (i) Other education, services or resources for low-income tenants and prospective tenants and for landlords who serve low-income tenants, **including landlord incentive programs to encourage greater access to units for low-income tenants.**

**SECTION 4.** ORS 458.650 is amended to read:

458.650. (1) The Housing and Community Services Department shall administer the Emergency Housing Account to assist homeless individuals and individuals who are at risk of becoming homeless, through means including the emergency housing assistance program and the state

homeless assistance program. Notwithstanding subsection (3)(a) of this section, the state homeless assistance program shall serve individuals experiencing homelessness, especially unsheltered homelessness, without respect to income.

(2) The Oregon Housing Stability Council shall develop a policy for the use of program funds with the advice of:

- (a) Persons who have experienced housing instability;
- (b) Tribes;
- (c) The Community Action Partnership of Oregon;
- (d) Continuums of care, as defined in 24 C.F.R. part 578;
- (e) Local governments;
- (f) Nonprofit organizations;
- (g) Homeless services providers;
- (h) Culturally specific organizations;
- (i) Housing providers;
- (j) Veterans' services organizations; and
- (k) Other entities identified by the department by rule.

(3) The policy under subsection (2) of this section shall direct that program funds shall be used:

(a) To provide to low and very low income individuals, including but not limited to individuals more than 65 years of age, persons with disabilities, agricultural workers and Native Americans:

(A) Emergency shelters and attendant services;

(B) Transitional housing services designed to assist individuals to make the transition from homelessness to permanent housing and economic independence;

(C) Supportive housing services to enable individuals to continue living in their own homes or to provide in-home services for such individuals for whom suitable programs do not exist in their geographic area;

(D) Programs that provide emergency payment of home payments, rents or utilities; or

(E) Some or all of the needs described in subparagraphs (A) to (D) of this paragraph.

(b) To align with federal strategies and resources that are available to prevent and end homelessness, including the requirement of providing culturally responsive services and using evidence-based and emerging practices effective in ending homelessness, including practices unique to rural communities.

(4)(a) The council shall require as a condition of awarding a grant that the organization demonstrate to the satisfaction of the [council] **department** that the organization:

(A) Has the capacity to deliver any service proposed by the organization;

(B) Is a culturally responsive organization or is engaged in a process to become a culturally responsive organization;

(C) Engages with culturally specific organizations; and

(D) Supports local homelessness system planning efforts.

(b) Any funds granted under this section may not be used to replace existing funds. Funds granted under this section may be used to supplement existing funds. An organization may use funds to support existing programs or to establish new programs.

(5) The department may expend funds from the account for:

(a) The administration of the account as provided for in the legislatively approved budget, as that term is defined in ORS 291.002, for the department in support of directing a statewide policy on homelessness that ensures use of evidence-based and emerging practices, service equity in funding and local planning processes.

(b) The development of technical assistance and training resources for organizations developing and operating emergency shelters as defined in ORS 197.782 and transitional housing accommodations as described in ORS 197.746.

(6) The department shall utilize outcome-oriented contracting processes and evidence-based and emerging practices for account program funds, including evidence-based and emerging practices for serving rural communities.

(7) Twenty-five percent of moneys deposited in the account pursuant to ORS 294.187 are dedicated to the emergency housing assistance program for assistance to veterans who are homeless or at risk of becoming homeless.

**SECTION 5. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.**

**Passed by Senate April 11, 2023**

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Lori L. Brocker, Secretary of Senate

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Rob Wagner, President of Senate

**Passed by House May 9, 2023**

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Dan Rayfield, Speaker of House

**Received by Governor:**

.....M.,....., 2023

**Approved:**

.....M.,....., 2023

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Tina Kotek, Governor

**Filed in Office of Secretary of State:**

.....M.,....., 2023

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Secretary of State