

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Capital Construction Subcommittee

From: Matt Stayner, Legislative Fiscal Office

Date: February 28, 2024

Subject: HB 5204 – Relating to State Financial Administration
Work Session Recommendations

The -2 amendment to HB 5204 replaces the entire text of the bill. The amendment includes appropriations and other budgetary adjustments related to the fiscal impact of HB 4002 and other associated activities addressing public safety, behavioral health, and drug addiction prevention.

\$85.4 million General Fund is appropriated to the Department of Administrative Services to distribute to entities with shovel-ready behavioral health capital projects addressing system capacity.

\$1.15 million General Fund is appropriated to the Department of Administrative Services for grant allocation to the Portland Opportunities Industrialization Center for its peer-to-peer mentoring and outreach program, and to the Women's First Transition Center for detox services.

A \$16 million General Fund appropriation is made to the Department of Corrections for distribution to community corrections to mitigate personnel actions and prevent layoffs from reduced population caseload.

General Fund appropriations totaling \$40.51 million are provided for the Criminal Justice Commission to:

- Address funding gaps for specialty courts
- Expand the purpose and funding available for the Improving People's Access to Community-based Treatment, Supports and Service (IMPACTS) grant program, including the creation of the Oregon Behavioral Health Deflection Program
- Establish a Jail Reentry Pilot Program
- Increase funding for Restorative Justice programs
- Expand access to medication assisted treatment in jails
- Conduct a public service campaign and outreach

An appropriation of \$400,000 General Fund is provided to the Legislative Policy and Research office for administrative and contract costs associated with taskforces on behavioral health worker safety and regional behavioral health accountability.

General Fund appropriations totaling \$9.7 million are made to the Oregon Judicial Department to stabilize funding for existing specialty courts and investments in new specialty courts.

General Fund appropriations, not otherwise noted, that are associated with costs anticipated due to changes to crime statutes and associated provisions contained in HB 4002 include:

- \$2.96 million for the Oregon Judicial Department
- \$1.61 million for the Oregon State Police, Forensic Lab
- \$12.19 million for the Public Defense Commission

A \$2.1 million General Fund appropriation is provided to the Public Defense Commission for law school collaboratives on misdemeanor cases.

A total of \$4 million General Fund is appropriated to the Higher Education Coordinating Commission for specific distributions to five Oregon universities to support behavioral health workforce education and training.

Two General Fund appropriations are made to the Department of Education:

- \$2.5 million for the East Metro Outreach, Prevention and Intervention program
- \$2 million for the development of curriculum supplements related to the dangers of synthetic opioids.

An increase of \$2.7 million in the General Fund appropriation for the Department of Early Learning and Care is made to support relief nurseries.

Budget increases of \$2.1 million General Fund, \$81,704 Other Funds, and \$3.2 million Federal Funds are provided to the Oregon Health Authority to support costs associated with the implementation of HB 4002 including:

- Development of a youth strategic plan by the Alcohol and Drug Policy Commission
- Codification and expansion of the Certified Community Behavioral Health Clinic program
- Coordination with the Criminal Justice Commission on deflection programs and data needs
- Establishment of the United We Heal Medicaid Payment program.

An associated special purpose appropriation of \$4.7 million General Fund is made to the Emergency Board to support the state portion of payments for the United We Heal program following approval by the Centers for Medicare and Medicaid Services for the use of Medicaid funds for those payments.

Two General Fund appropriations are made to the Oregon Health Authority for distribution to Community Mental Health Programs:

- \$7.5 million for community restoration services

- \$9.8 million for deflection program coordination and services for deflection programs defined in HB 4002

A General Fund appropriation of \$3.2 million is included for the Oregon Health Authority to for the payment of local match funding requirements associated with the Nurse-Family Partnership program that would otherwise be paid by local governments participating in the program.

\$750,000 General Fund is appropriated to the Oregon Health Authority for the Systems of Care Advisory Council to work with an established, national organization to form an alliance in Oregon of providers, practitioners, and community members to identify and respond to children living in dangerous drug environments.

Recommended Changes

LFO recommends adoption of the –2 amendment.

MOTION: I move adoption of the –2 amendment to HB 5204. (VOTE)

Final Subcommittee Action

LFO recommends that HB 5204, as amended by the –2 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 5204, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____