

SB 1530 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Michelle Deister, Legislative Fiscal Office

Department of Human Services

2023-25

Department of Administrative Services

2023-25

Oregon Business Development Department

2023-25

Department of Energy

2023-25

Oregon Health Authority

2023-25

Water Resources Department

2023-25

Department of Transportation

2023-25

Housing and Community Services Department

2023-25

PRELIMINARY

Budget Summary*

	2023-25 Legislatively Approved Budget⁽¹⁾	2024 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
			\$ Change	% Change
Oregon Department of Human Services				
General Fund	\$ -	\$ 2,000,000	\$ 2,000,000	100.0%
Total	\$ -	\$ 2,000,000	\$ 2,000,000	100.0%
Oregon Department of Administrative Services				
General Fund	\$ -	\$ 30,250,000	\$ 30,250,000	100.0%
Total	\$ -	\$ 30,250,000	\$ 30,250,000	100.0%
Oregon Business Development Department				
General Fund	\$ -	\$ 89,372,427	\$ 89,372,427	100.0%
Total	\$ -	\$ 89,372,427	\$ 89,372,427	100.0%
Oregon Department of Energy				
General Fund	\$ -	\$ 4,000,000	\$ 4,000,000	100.0%
Other Funds Limited	\$ -	\$ 4,000,000	\$ 4,000,000	100.0%
Total	\$ -	\$ 8,000,000	\$ 8,000,000	100.0%
Oregon Health Authority				
General Fund	\$ -	\$ 36,500,000	\$ 36,500,000	100.0%
Other Funds Limited	\$ -	\$ 15,000,000	\$ 15,000,000	100.0%
Total	\$ -	\$ 51,500,000	\$ 51,500,000	100.0%
Water Resources Department				
General Fund	\$ -	\$ 1,500,000	\$ 1,500,000	100.0%
Other Funds Limited	\$ -	\$ 1,500,000	\$ 1,500,000	100.0%
Total	\$ -	\$ 3,000,000	\$ 3,000,000	100.0%
Oregon Department of Transportation				
General Fund	\$ -	\$ 4,000,000	\$ 4,000,000	100.0%
Total	\$ -	\$ 4,000,000	\$ 4,000,000	100.0%
Oregon Housing and Community Services Department				
General Fund	\$ -	\$ 112,000,000	\$ 112,000,000	100.0%
Total	\$ -	\$ 112,000,000	\$ 112,000,000	100.0%

Position Summary

Oregon Business Development Department

Authorized Positions	0	5	5
Full-time Equivalent (FTE) positions	0.00	2.13	2.13

Oregon Housing and Community Services Department

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.63	0.63

⁽¹⁾ Includes adjustments through January 2024

* Excludes Capital Construction expenditures

Summary of Revenue Changes

This measure appropriates a total of \$279,622,427 General Fund to eight different state agencies in the 2023-25 biennium. The agencies include the Oregon Business Development Department (OBDD), Housing and Community Services Department (HCSD), Department of Administrative Services (DAS), Department of Transportation (ODOT), Water Resources Department (WRD), Oregon Health Authority (OHA), Department of Human Services (DHS), and Oregon Department of Energy (ODOE). The measure also increases Other Funds expenditure limitation for OHA, WRD, and ODOE, for the expenditure of General Fund deposited into continuously appropriated funds.

Summary of Transportation and Economic Development Subcommittee Action

Senate Bill 1530 appropriates General Fund and provides Other Funds expenditure limitation to eight agencies to enhance existing services related to housing and to increase housing development across Oregon. The eight agencies are:

Department of Human Services

DHS currently provides grants to support emergency shelters and facilities utilized during extreme temperatures or air quality events. The subcommittee recommended a one-time \$2.0 million General Fund appropriation to DHS for grants for this purpose.

Department of Administrative Services

The Subcommittee recommended a \$30.3 million General Fund appropriation, on a one-time basis, to DAS for distribution as follows:

- \$1.0 million to Community Warehouse to support the donation of reused household goods and furnishings for low-income Oregonians;

- \$25.0 million to Albina Vision Trust to support the purchase and redevelopment of property on North Dixon Street in Portland, currently owned by Portland Public Schools. This property will be developed for affordable housing;
- \$1.25 million to the Center for African immigrants and Refugees Organization, to purchase property on SE Stark Street in Portland, which will be developed for affordable housing; and
- \$3.0 million to the Center for Intercultural Organizing (doing business as Unite Oregon), to purchase property on E. Burnside Street in Portland, also for development of affordable housing.

Oregon Business Development Department

The Subcommittee recommended an \$89.4 General Fund appropriation to OBDD, \$88.8 million of which OBDD will disburse to specified entities for shovel-ready infrastructure projects, as outlined in the bill, intended to support capacity or the development of housing available to those at 120% or less of area median income. To administer the program, General Fund totaling \$575,496 is appropriated to OBDD to support four permanent, full-time positions and one permanent, part-time position (2.13 FTE), including two Operations and Policy Analyst 3 positions, one Accounting Manager 1, one Administrative Specialist 2, and one Accounting Technician. The administrative costs are expected to total \$1,086,357 General Fund in the 2025-27 biennium. The Subcommittee recommended the following budget note related to reporting on the infrastructure projects.

Budget Note: OBDD Infrastructure Reporting

The Oregon Business Development Department is directed to report to the Joint Committee on Ways and Means in the 2025 legislative session on the status of infrastructure projects included in SB 1530 to support the development of housing. The report shall include the following information for each project:

- The project description, an updated estimate of total project cost, including total state and local support;
- Other sources of financing to complete the project, and whether they have been secured, noting state grant and loan programs accessed and associated amounts of funding;
- Status of contract execution, amount of state funding disbursed as of January 15, 2025, and estimated project completion date;
- An assessment of the likelihood for project completion by June 30, 2027, based on progress as of the date of the report; and
- The number of (a) existing and (b) additional/new housing units that will be served by the completed project.

Department of Energy

ODOE provides rebates and grants for the purchase and installation of heat pumps and related upgrades in rental homes through the Residential Heat Pump Program. The Subcommittee recommended a \$4.0 million General Fund appropriation, on a one-time basis, for deposit into the Residential Heat Pump Fund (RHPF) to allow for an increase in the number of rebates. The Fund requires 25% of the funding be reserved for affordable housing providers and for owners of units occupied by households whose income is less than 80% of the area median income. The Subcommittee also recommended a corresponding increase in Other Funds expenditure limitation, for expenditures from the RHPF.

Oregon Health Authority

The Subcommittee recommended an \$36.5 million General Fund appropriation, on a one-time basis, for OHA to distribute as follows:

- \$15.0 million for deposit into the Healthy Homes Repair Fund with a commensurate increase in Other Funds expenditure limitation of \$15.0 million for expenditures from the Healthy Homes Repair Fund. The Fund provides grants to eligible entities that provide financial assistance to persons in low-income households to persons in low-income households to repair and rehabilitate their residences and to landlords to repair and rehabilitate dwelling units inhabited by low-income households under the Healthy Homes Program as described in ORS 431A.400.
- \$3.5 million to provide air conditioners and air filters to eligible recipients, through eligible distribution entities under the residential air conditioner and air filter delivery program, as provided under ORS 431A.430; and
- \$18.0 million for grants to certain specified community-based organizations. OHA will distribute General Fund to the following community-based organizations to support them in providing, provisioning, or operating recovery housing (housing to people recovering from substance use disorders):

Amount	Recipient	Project Description
\$700,000	4D Recovery, Inc	Development of recovery housing that is responsive to the needs of young adults in Multnomah County
\$700,000	4D Recovery, Inc	Development of recovery housing that is culturally responsive to the needs of LGBTQ+ individuals in Multnomah County
\$250,000	Bay Area First Step, Inc	Operational support of Ko-Kwell House in Coos County
\$180,000	Bay Area First Step, Inc	Conversion and construction funding for Koosbay House Recovery Housing in Coos County
\$220,000	Bay Area First Step, Inc	Operational support for Sheridan House in Coos County
\$260,000	Bay Area First Step, Inc	Operational support for Bayview House in Coos County
\$1,555,275	Bridges to Change, Inc	Down Payment and operational support for Clackamas County scattered housing sites
\$1,555,274	Bridges to Change, Inc	Down Payment and operational support for Multnomah County scattered housing sites
\$600,000	Bridges to Change, Inc	Down Payment and operational support for Wasco County scattered housing sites
\$1,555,274	Bridges to Change, Inc	Down Payment and operational support for Washington County scattered housing sites
\$850,000	Free on the Outside, Inc	Purchase of housing in Deschutes County - re-entry
\$750,000	Free on the Outside, Inc	Purchase of a home in Washington County serving justice involved individuals
\$720,000	Free on the Outside, Inc	Purchase of a home in Clackamas County - re-entry
\$750,000	Iron Tribe Network	Self-pay Home Purchase in Multnomah County
\$750,000	Iron Tribe Network	Self-pay Home Purchase in Columbia County

\$260,000	Iron Tribe Network	Subsidize operational costs of Clackamas County Subsidy/Peer Option housing
\$650,000	Iron Tribe Network	Self-pay home purchase in Marion County
\$500,000	Juntos NW, Inc	Transitional housing that is culturally responsive to the needs of Latino men in Multnomah County
\$211,000	The Lasko Refuge, LLC	Lasko Refuge Housing Expansion in Multnomah County
\$500,000	Miracles Club MLK Limited Partnership	Purchase of Sober Housing that is culturally responsive to the needs of LGBTQ2 African Americans in Multnomah County
\$500,000	Miracles Club MLK Limited Partnership	Purchase of stabilization housing that is culturally responsive to the needs of African American women in Multnomah County
\$700,000	Painted Horse Recovery, Inc	Purchase of recovery housing that is culturally responsive to the needs of Native Americans in Multnomah County
\$915,177	Transcending Hope	Next Steps Rapid Rehousing Expansion in Multnomah County
\$1,020,000	Transcending Hope	Familias Transcendiendo, Down Payment and Operational Support in Washington County
\$350,000	Transcending Hope	Above and Beyond downpayment and operational support for recovery housing in Clackamas County
\$900,000	Tillamook Family Counseling Center, Inc	Transitional Recovery Housing Purchase in the Tillamook area
\$98,000	West Coast Sober Housing, Inc	Support of operational costs of housing that is responsive to the needs of women in Multnomah County

Water Resources Department

The Subcommittee recommended a one-time \$1.5 million General Fund appropriation to be deposited into the agency's existing Water Supply Development Account, for distribution to the City of Riddle for a new water storage reservoir to support Habitat for Humanity homes. The Subcommittee recommended a corresponding increase in Other Funds expenditure limitation for WRD to expend the funds.

Department of Transportation

The Subcommittee recommended a one-time \$4.0 million General Fund appropriation to ODOT for distribution to the City of Pendleton to support construction of an arterial road, which will allow for development of housing in that community.

Housing and Community Services Department

Shelter support

The Subcommittee recommended a one-time \$65.0 million General Fund appropriation to support emergency shelters, including Project Turnkey sites and navigation centers. In deploying funds, HCSD will prioritize operational funding for sites at risk of closure. Approximately \$24.6 million will be used to support shelters that received previous state and one-time funding from an appropriation included in Senate Bill

5511 (the agency's 2023 budget bill), which provided \$24.1 million in shelter support. An additional 23 shelters with approximately 717 beds have been identified to have operational needs, amounting to at least an estimated \$20.2 million of the total request. A maximum of \$20.2 million of the \$65.0 million for shelter support included in Senate Bill 1530 will be utilized for administrative expenses and housing-focused services designed to connect people with longer-term housing options. Examples include case management for housing needs assessments, coordination of access to other supports, addressing barriers like eviction histories, facilitating landlord communication and advocacy, and supporting move-in costs. HCSD intends to limit administrative funding to shelters to no more than 10% of the grant amounts to the shelters. For HCSD administrative purposes, the Subcommittee approved the addition of one full-time limited duration Operations and Policy Analyst 2 position (0.63 FTE) to facilitate coordination and contracting with a new group of shelters not previously receiving shelter support through HCSD. Personal Services costs are \$136,085. Services and Supplies costs are \$76,183, including \$50,000 for Department of Justice related expenses for contract review, for the shelter program, and other legal review work associated with this measure.

Homelessness Prevention

The Subcommittee recommended a \$34.0 million General Fund appropriation, on a one-time basis, for homeless prevention services administered by HCSD through contracts with local providers. The majority of funds will be delivered through the Oregon Eviction Prevention and Diversion Program (ORE-DAP) and the Eviction Prevention Rapid Response (EPRR) programs. Thirty percent of the funds will be set aside for prevention services provided by culturally responsive organizations. Additionally, the Subcommittee recommended a one-time \$7.0 million General Fund appropriation for distribution to the Urban League of Portland for culturally responsive homelessness prevention services. In addition, the Urban League may also apply for a portion of the other homelessness prevention dollars set aside for culturally responsive organizations.

Individual Development Accounts

The Subcommittee recommended a one-time General Fund appropriation of \$5.0 million to support matching deposits into individual development accounts (IDAs), to supplement funding for the program provided through the sale of tax credits. IDAs are matched savings accounts. The program is administered under contract by Neighborhood Partnerships, to which HCSD will distribute the funding.

Seeding Justice

The Subcommittee recommended a \$1.0 million General Fund appropriation, on a one-time basis, for distribution to Seeding Justice for a grant program funding outreach, education, and support for residents whose housing may be withdrawn from publicly supported housing or is within a manufactured dwelling park that may be sold or closed. As a holder of information on property owners and operators with expiring affordability, HCSD will collaborate with Seeding Justice to ensure information is shared for the purposes of contacting residents and aligning strategies to support residents in affordable housing.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services, Department of Administrative Services, Oregon Business Development Department, Oregon Department of Energy, Oregon Health Authority, Water Resources Department, Oregon Department of Transportation, Oregon Housing and Community Services Department
 Tamara Brickman -- (971) 719-3492

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SUBCOMMITTEE ADJUSTMENTS									
Oregon Department of Human services									
SCR 10000-010-40 - Central Services									
Special Payments - 6030 Dist to Non-Gov Units	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000		
Department of Administrative Services									
SCR 10700-099 - Special Government Payments									
Special Payments - 6030 Dist to Non-Gov Units	\$ 30,250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,250,000		
Oregon Business Development Department									
SCR 12300-110 - Operations									
Personal Services	\$ 147,027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147,027	2	0.75
Services and Supplies	\$ 47,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,547		
SCR 12300-300 Infrastructure									
Personal Services	\$ 301,490	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 301,490	3	1.38
Services and Supplies	\$ 79,432	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,432		
Special Payments - 6015 Dist to Cities	\$ 65,911,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,911,931		
Special Payment - 6025 Dist to Other Gov Unit	\$ 10,885,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,885,000		
Special Payments - 6030 Dist to Non-Gov Units (Prosper Portland)	\$ 12,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,000,000		
Oregon Department of Energy									
SCR 33000-200 - Energy Development Services									
Special Payments - 6060 Intra-Agency Gen Fund Transfer	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000		
Special Payments - 6035 Dist to Individuals	\$ -	\$ -	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000		
Oregon Health Authority									
SCR 44300-030-01 - Health Systems Division									
Special Payments - 6035 Dist to Individuals	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000		
Special Payments - 6050 Dist to Non-Profit Organizations	\$ 18,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,000,000		
SCR 44300-030-05 - Public Health Programs									
Special Payments - 6035 Dist to Individuals	\$ -	\$ -	\$ 15,000,000	\$ -	\$ -	\$ -	\$ 15,000,000		
Special Payments - 6060 Intra Agency Gen Fund Transfer	\$ 15,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000,000		
Water Resources Department									
SCR 69000-010-04 - Technical Services									
Special Payments - 6060 Intra-Agency Gen Fund Transfer	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000		
Special Payments - 6015 Dist to Cities	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Oregon Department of Transportation									
SCR 73000-100-65 - Local Government									
Special Payments - 6015 Dist to Cities	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000		
Oregon Housing and Community Services Department									
SCR 91400-010 - Housing Stabilization Programs									
Personal Services	\$ 136,085	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 136,085	1	0.63
Services and Supplies	\$ 76,183	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,183		
Special Payments - 6030 Dist to Non Gov Units	\$ 77,787,732	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,787,732		
Special Payments - 6055 Dist to Contract Svc	\$ 34,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,000,000		
SUBCOMMITTEE RECOMMENDATION *	\$ 279,622,427	\$ -	\$ 20,500,000	\$ -	\$ -	\$ -	\$ 300,122,427	6	2.76

% Change from 2023-25 Leg Approved Budget	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.00%
---	--------	------	--------	------	------	------	--------	--------	---------

*Excludes Capital Construction Expenditures

PRELIMINARY