

SB 1530 A STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Action Date: 02/13/24

Action: Do pass with amendments. Refer to Ways and Means by prior reference. (Printed A-Eng).

Vote: 5-0-0-0

Yeas: 5 - Anderson, Jama, Knopp, Patterson, Sollman

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/13

WHAT THE MEASURE DOES:

The measure appropriates \$258 million for the implementation of various state programs.

Detailed Summary:

Appropriates \$258 million for the implementation of programs listed below. Declares an emergency, effective on passage.

To Oregon Housing and Community Services:

- \$65 million for emergency shelters
- \$40 million for the Oregon Eviction Diversion and Prevention and Eviction Prevention Rapid Response programs and services administered by culturally responsive organizations
- \$10 million to acquire land for affordable housing
- \$5 million for individual development accounts
- \$2 million to support residents whose housing is being withdrawn from publicly supported housing, or is within a manufactured dwelling park being sold or closed

To the Oregon Department of Administrative Services:

- \$100 million for infrastructure projects supporting housing development
- \$1 million for a nonprofit to donate reused household goods and furnishings to low-income residents

To the Oregon Health Authority:

- \$18 million for recovery housing projects
- \$7.5 million for the Healthy Homes Repair Fund
- \$3.5 million for the Air Conditioner and Air Filter Deployment Program

To the State Department of Energy:

- \$4 million for the Residential Heat Pump Fund

To the Department of Human Services:

- \$2 million for emergency warming or cooling shelters

ISSUES DISCUSSED:

- Direct allocation versus pass-through funds to community action agencies
- Emergency shelter data collection
- Alternative ownership model allocations removed with the amendment
- Balance of community needs and available funding

EFFECT OF AMENDMENT:

The amendment replaces the measure.

BACKGROUND:

This summary has not been adopted or officially endorsed by action of the committee.

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On January 10, 2023, Governor Kotek issued Executive Order 23-02, which declared a state of emergency due to homelessness, citing large increases thereof. This was extended with Executive Order 24-02 on January 9, 2024, which cited continued increases in homelessness and laid out a timeline of funding and actions taken during the prior year. Senate Bill 1530 A appropriates \$65 million to fund emergency shelters.

Senate Bill 1536 (2022) allocated \$2 million to the Department of Human Services to provide grants for emergency warming and cooling shelters that may serve as respite during dangerously hot or cold conditions. Senate Bill 1530 A appropriates \$2 million for emergency cooling and warming shelters.

Recovery housing is a type of shared housing for individuals recovering from addiction, and which typically maintains abstinence as a goal for residents. During its January 10, 2024, meeting, the Senate Interim Committee on Housing and Development heard from representatives and former residents of recovery housing programs that cited a relatively low cost per residential unit, and the system's role in helping to address homelessness. Senate Bill 1530 A appropriates \$18 million for recovery housing projects.

Infrastructure challenges, including water and sewer capacity issues, have often been cited as barriers to housing development. The September 27, 2023, meeting of the Senate Interim Committee on Housing and Development featured representatives from cities of various sizes and in differing geographic locations speaking about the infrastructure challenges they experience in their areas. Senate Bill 1530 A appropriates \$100 million for infrastructure supporting housing development.

The Department of Land Conservation and Development (DLCD) stated in its December 2022 Oregon Housing Needs Analysis (OHNA) Legislative Recommendations Report that roughly 30 percent of units needed over the next 20 years must be affordable to households earning between 60 and 120 percent of area median income. Senate Bill 1530 A allocates \$10 million to acquire land for affordable housing.

Oregon Housing and Community Services' Oregon Eviction Diversion and Prevention Program (ORE-DAP) and Oregon Eviction Prevention Rapid Response Program (EPRR) grew out of the \$100 million allocation to emergency rental assistance in House Bill 5561 (2021, Second Special Session). ORE-DAP is administered by community action agencies, and it provides and connects people with rental assistance and supportive services to help people at risk of eviction. The EPRR operates in partnership with the Eviction Defense Project (EDP) and supports those receiving eviction court summons; the EDP provides legal services, and the EPRR helps with rent payment. House Bill 5019 (2023) allocated \$33.6 million for these two programs. Senate Bill 1530 A allocates \$40 million for these programs, and to services administered by culturally responsive organizations.

Oregon Housing and Community Services' (OHCS) Publicly Supported Housing Preservation program was established with the intent of preserving homes as affordable beyond the expiration of a predetermined affordability period. The program came as a result of House Bill 2002 (2017), which required notice of expiring contracts or other events causing property to be withdrawn from the publicly supported housing supply, and House Bill 2002 (2019), which clarified these provisions to help preserve affordable housing. As of 2023, according to the OHCS-maintained publicly supported housing inventory, affordability restrictions are expiring on over 7,500 units within the next ten years. Senate Bill 1530 A appropriates \$2 million to support residents whose housing is being withdrawn from publicly supported housing, or is within a manufactured dwelling park being sold or closed.

Senate Bill 1536 (2022) directed the Oregon Health Authority to create the Air Conditioner and Air Filter Deployment Program, for the acquisition and distribution of air conditioners and air filters to eligible individuals. The bill allocated \$5 million for this purpose. Senate Bill 1530 A appropriates \$3.5 million to the program.

Senate Bill 1536 (2022) established and appropriated \$15 million for deposit in the Residential Heat Pump Fund, through which the State Department of Energy provides rebates for the purchase and installation of heat pumps for residential units. Senate Bill 1530 A appropriates \$4 million for the Fund.

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House Bill 2842 (2021) established the Healthy Homes Program (HHP) within the Oregon Health Authority (OHA). The OHA awards grants through the HHP to eligible entities that provide financial assistance to low-income households and communities disproportionately affected by environmental pollution or other hazards, and to landlords for the repair and rehabilitation of residential dwelling units. Senate Bill 1530 A appropriates \$7.5 million for the HHP.

In Individual Development Accounts (IDAs), program participants deposit funds into their IDA, and those funds are typically matched at a five-to-one rate. These funds may be used to help with home purchases or repairs, fulfilling an educational goal, developing and launching a small business, or investments including assistive technology to increase independence, vehicle, rental, debt repayment, and emergency savings. The initiative was established in 1999, and a tax credit last extended with House Bill 2433 (2021) serves as a funding mechanism. Senate Bill 1530 A appropriates \$5 million to the Individual Development Account program.

Community warehouse projects typically refer to furniture banks, which distribute lightly used furniture and home goods to those in need. Senate Bill 1530 A appropriates \$1 million for grants to an organization to donate reusable household goods and furnishings to low-income Oregon residents.