

SUBCOMMITTEE RECOMMENDATION

HB 5011

Housing and Community Services Department

To: Ways and Means Full Committee
From: Transportation and Economic Development Subcommittee
Carrier: Representative Gomberg

HB 5011 is the budget bill for the Housing and Community Services Department.

The Transportation and Economic Development Subcommittee recommends a total funds budget for the Housing and Community Services Department of \$2.7 billion and 478 positions. This is a 28.2% decrease from the 2023-25 legislatively approved budget, and a 39.3% increase from the 2025-27 current service level.

The recommended budget includes the following major General Fund investments:

- \$204.9 million to support a statewide shelter system, with \$102.5 million assumed to be ongoing through 2034;
- \$50.3 million for rehousing, with \$25.2 million assumed to be ongoing through 2034;
- \$10 million for housing initiatives for Oregon's nine federally recognized tribes, \$5 million of which is ongoing through 2034;
- \$33.6 million to support eviction prevention on an ongoing basis;
- \$87.4 million on a one-time basis for long term rental assistance of up to 24 months;
- \$3.9 million on a one-time basis for down payment assistance; and

- One-time resources for housing counseling and manufactured home repair and replacement.

The budget reauthorizes and makes permanent positions relating to shelter, rehousing, and central services that were phased out of current service level; and adds 16 positions recommended as part of an agency operations assessment. A total of \$176.4 million and 42 positions are related to administration of disaster recovery and resiliency programs, funded primarily through the federal Community Development Block Grant - Disaster Recovery funds allocated to Oregon after the 2020 wildfires.

Two budget notes direct the agency to return to Ways and Means in February with recommendations on shelter funding and eviction and homelessness prevention program design.

The Transportation and Economic Development Subcommittee recommends HB 5011 be amended by the –2 amendment and be reported out do pass, as amended.