

RE: SB 610, M110 Formula Funding
Trent Wilson Testimony – Clackamas County
February 26, 2025

Hello Co-Chairs Prozanski and Kropf, and members of the Joint Committee.

My name is Trent Wilson, I am the Government Affairs Manager at Clackamas County.

Thank you for having me today and hearing this panel. We support SB 610.
My role today is to share our experience engaging with the Measure 110 Council last summer, and emphasize our great concern for engagement and public process.

To understand why we are involved, I must first say why we are concerned. Clackamas County did not and does not receive a proportional share of revenue from M110 funding – at least when you measure by population.

As the third largest county in both the region and the state, our providers in Clackamas receive less funding than providers in Lane, Marion, Deschutes, and Jackson Counties.

However, the expectation by many is that we deliver services in proportion to our size. When or if you hear from our partners in the region that they are overburdened with need, I think it is important to know we have good providers in Clackamas County, but the funding is not really there to grow or “share the load” in a way that is proportional.

At Clackamas, we agree funding should be prioritized where it is needed most. AND, it should be prioritized where there is expectation to proportionally serve large populations.

One notable metric in the current formula is that the Housing “Point in Time Count” is weighted at 30%.

Why is this a problem? Because the point in time count is isolated to a single day of the year and counts only who you can find. It is better used as a survey... not a census.

However, the M110 formula grants determine a four year funding formula. To repeat, a one-day survey is weighted at 30% to determine the distribution of over \$400 million.

The housing numbers in Clackamas County is constantly improving. In fact, we have had a 65% reduction in homelessness since 2019. Gosh, let me just say, what a good problem to have. So we get hit hard here in the formula.

But there are problems with this being used.

- First, it assumes only homeless people have behavioral health and addiction needs.
- Second, it tells me that success is not valued in this formula. In fact, it is a penalty.

Additionally, because of your good work on HB 4002, the deflection formula was attached to the M110 formula.

The marriage of the two programs is what caught our attention. Suddenly, the state was building programs on a formula that disadvantages the third largest population in the state.

I share this narrative because we raised these concerns with the M110 Council upon learning they were preparing to adjust the formula. Our experience left a lot to be desired.

Our Board of County Commissioners sent a letter to the Council asking them to please pause their progress.

There was no public testimony invited.

There are no public comment periods for how \$400-plus millions dollars of tax payer revenue is distributed.

The letter was not shared with the whole council - even though it was addressed to the whole council - and it was not discussed in their next meeting upon receipt of the letter.

What instead happened was that the tri-chairs of the Council read aloud a statement that said – and I'm summarizing – Clackamas sent us a letter, not everyone can like a formula, we will not make a change, the grant is underway, direct your question to a grant administrator.

I'd like to close by noting that it is unacceptable to Clackamas County there is not a more formal process for weighing in for how these dollars are distributed. And when a body of elected officials that represent 10% of the state (and by the way serves as the local public health authority) reaches out to a council responsible with funding behavioral health services in that county, it should merit a little more consideration than a reading of a statement that said "we got your letter, sorry this doesn't work for you."

For these reasons and many more, we are supportive of SB 610. It may not be perfect, but we believe it puts us all on the right path across the state, and raises bar of accountability for how this revenue is distributed.

I will be sure to add the county's letter to the M110 Council into the record so that you have access to it.

Thank you.



August 8, 2024

Dear Measure 110 Oversight and Accountability Council:

On behalf of Clackamas County, we encourage you to reconsider your recent decision to adjust the distribution formula of M110 funds. Although Clackamas does not directly receive M110 funds presently, the formula funds service providers in Clackamas County and, therefore, dictates what services are available to our residents. Further, new use of this formula by the Criminal Justice Commission (CJC) to implement HB 4002 will influence available funding to stand up and support new deflection programs. The reduced and disproportionately low funding to Clackamas is deeply alarming, and we feel the new public safety uses of this formula merit further attention.

Details of our concerns are listed below:

Formula Concerns: Proportionality and Expectations

While population should not be the only criteria for funding distribution, it is a significant factor in determining level of need. Clackamas County is expected to serve the third largest county by population in Oregon. Yet, the newly adopted formula puts Clackamas seventh. Two counties receiving greater funding have roughly half of Clackamas' population, while our two peer counties by population, Washington and Lane, will have access to \$10 million and \$14 million, respectively, more than what will be available to Clackamas.

Clackamas bears responsibility for serving its own residents and also is expected—and frequently asked—by our regional partners to shoulder additional work so no single county in the metro area bears the addiction services burden in isolation. Clackamas County shares a long border and transportation, social, and economic connections with Multnomah County. People often seek services where convenient, which is not always in the county they live. We urge the council to heed this feedback about meeting the needs of service size not just of the county, but also of the metro area.

Formula Concerns: Variable Weighting

We appreciate the intent of weighting certain criteria in order to understand where best to distribute funds. We question, however, whether the categories are weighted appropriately and worry they are based on information that has too much year-over-year variation, or is dependent on when collected, to influence a formula that has a four-year lifecycle.

For example, the 30% weighting of the homeless Point in Time count is, we assume, a significant reason the funding available to Clackamas providers is so much lower than it is to

other counties with lower populations. The Point in Time count can vary widely from year-to-year. It is useful to track trends over time but is not a census and can undercount true need, particularly in rural communities. Clackamas County has been successful in our housing programs, yet the proposed formula penalizes us for our success. Continued success requires continued funding. We recommend this criteria weighting either be lowered or replaced with a data point that establishes predictability over multiple years.

New Uses of the Formula

HB 4002 (passed in 2024) created a new deflection program in Oregon that will be implemented by counties. The bill names this very formula as the foundation for allocations to deflection programs. Said another way, the decisions by this council to adjust the formula have implications that now exceed the scope of work you were initially tasked to oversee. The inclusion of these public safety dollars to stand up and implement deflection programs now carry the same complexities shared above: Clackamas County will be seventh in funding, penalized for its success in housing people, and expected to deliver a new public safety program for the third largest population in the state while underfunded.

The reliance upon this formula for the extended purposes of public safety has elevated our concern for how this formula is used. We are aware the old formula will be used for the current HB 4002 funding distribution, but what remains unclear is whether the new formula will be used moving forward. Either way, both formulas do not work in supporting the need for Clackamas to stand up and deliver a deflection program appropriately sized for our communities.

Process Concerns

This formula allocates an estimated \$427 million to Oregon communities over the next four years for Measure 110 recovery programs, and now informs the distribution of funds for HB 4002 deflection programs. We strongly recommend you include formal public comment opportunities into your process generally, and especially ahead of any changes that will affect the distribution of funding. We recommend your council now include additional members that represent public safety, district attorneys, or the CJC for as long as the HB 4002 deflection program funding is tied to this formula.

We acknowledge the heavy lift put upon your council to steward these funds and ensure they reach communities and providers working to address the addiction crisis in Oregon. We urge your thoughtful consideration to correct these funding gaps for the roughly 430,000 Oregonians that reside in Clackamas County. We stand by to help you in this process.

Thank you for your consideration.
Sincerely,



Tootie Smith, Chair
On Behalf of the Clackamas County Board of Commissioners