

SB 1530 -3 STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/13

WHAT THE MEASURE DOES:

The measure appropriates \$189.5 million for the implementation of various state programs.

Detailed Summary:

Appropriates \$189.5 million for the implementation of programs listed below. Declares emergency, effective on passage.

- Appropriates \$65 million for emergency shelters
- Appropriates \$5 million for emergency warming or cooling shelters
- Appropriates \$40 million for the Oregon Eviction Diversion and Prevention, and Eviction Prevention Rapid Response programs
- Appropriates \$20 million for the Affordable Housing Land Acquisition Revolving Loan Program
- Appropriates \$15 million for alternative homeownership models and affordable single-family housing
- Appropriates \$5 million for individual development accounts
- Appropriates \$30 million for the Drug Treatment and Recovery Services Fund
- Appropriates \$3.5 million to the Oregon Health Authority for a program to acquire and distribute air conditioners and air filters
- Appropriates \$5 million for the Residential Heat Pump Fund
- Appropriates \$1 million for a nonprofit to donate reused household goods and furnishings

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-3 The amendment increases the total appropriations in the measure to \$258 million. It adds appropriations for infrastructure, recovery housing, the Healthy Homes Repair Fund, and support for residents whose housing is being withdrawn from publicly supported housing or is in a sold or closing manufactured dwelling park. It reduces appropriations for the Residential Heat Pump Fund and emergency warming and cooling shelters. It removes appropriations for the Drug Treatment and Recovery Services Fund and Affordable Housing Land Acquisition Revolving Loan Program. It modifies requirements for homelessness prevention and individual development account appropriations.

REVENUE: No revenue impact

FISCAL: Fiscal impact statement issued for referral purposes

Detailed summary

- Increases total appropriations to \$258 million
- Appropriates \$2 million to support residents whose housing is being withdrawn from publicly supported housing, or is within a manufactured dwelling park being sold or closed
- Appropriates \$100 million for infrastructure projects supporting housing development
- Appropriates \$18 million for recovery housing projects
- Appropriates \$7.5 million for the Healthy Homes Repair Fund
- Reduces the appropriation for Residential Heat Pump Fund to \$4 million
- Reduces the appropriation for support for warming or cooling emergency shelters or facilities to \$2 million

SB 1530 -3 STAFF MEASURE SUMMARY

- Removes the \$30 million appropriation for Drug Treatment and Recovery Services Fund
- Removes the appropriation to the Affordable Housing Land Acquisition Revolving Loan Program
- Includes services administered by culturally responsive organizations in the appropriation for homelessness prevention
- Removes the requirement that the appropriation to individual development accounts be used for the purchase of a primary residence

BACKGROUND:

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 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 appropriates \$5 million for emergency cooling and warming shelters.

Oregon Housing and Community Service's 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 allocates \$40 million for these programs.

House Bill 2912 (2017) established the Affordable Housing Land Acquisition Program to provide financial assistance to eligible organizations for the purchase of land for affordable housing development. Eligible organizations include local governments, housing authorities, nonprofit organizations, and federally recognized tribes. Senate Bill 1530 allocates \$20 million to the Program.

The Department of Land Conservation and Development (DLCD) state 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. Alternative homeownership models, such as limited equity, shared equity, and co-op homeownership models, can lower costs to homebuyers. Senate Bill 1530 allocates \$15 million to provide funding for alternative ownership and co-op models, and affordable single-family housing.

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 appropriates \$5 million to the Individual Development Account program.

Measure 110, the Drug Addiction Treatment and Recovery Act, passed in a statewide vote in the November 2020 Oregon general election. Among its components is the Drug Treatment and Recovery Services Fund for addition recovery centers. This was amended by Senate Bill 755 (2021) to include Behavioral Health Resource Networks (BHRNs), which provide services and support to those with substance use disorders or harmful substance use. Senate Bill 1530 appropriates \$30 million to the Drug Treatment and Recovery Fund.

SB 1530 -3 STAFF MEASURE SUMMARY

Senate Bill 1536 (2022) directed the Oregon Health Authority to create a program for the acquisition and distribution of air conditioners and air filters to eligible individuals, and allocated \$5 million for this purpose. Senate Bill 1530 appropriates 3,500,000 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 appropriates \$5 million for the Fund.

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