

HOUSE SPECIAL COMMITTEE ON WILDFIRE RECOVERY UPDATE

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Office of Governor Kate Brown
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UPDATE ON HB 5042

AMERICAN RESCUE PLAN ACT

WILDFIRE RECOVERY COUNCIL'S
LEGISLATIVE RECOMMENDATIONS

UNMET NEEDS SUMMARY

**HB 5042 BUDGET
RECONCILIATION**

HB 5042 – BUDGET RECONCILIATION

- HB 5042-2, Omnibus budget reconciliation bill implementing changes to rebalance the 2019-2021 biennium legislatively-approved budget.
- Specific Wildfire recovery actions included, but not limited to, the following:
 - \$70.3 million General Funds limitation repurposed for wildfire-related food and shelter costs
 - \$3.7 million General Funds for local governments to mitigate impacts from the 2020 wildfires
 - \$1.5 million General Funds to OSP/OSFM for Wildland Urban Interface Assistance Grant Program
 - \$1.5 million General Funds to State Forestry Department for County Communications Infrastructure Grant Program

AMERICAN RESCUE PLAN ACT OF
2021

CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUND (CSLFRF)

- RESCUE PLAN established the CSLFRF
- Funds are available until December 31, 2024
- Allowable uses:
 - Respond to pandemic or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality
 - To provide government services to the extent of the reduction in revenue due to the pandemic
 - Investments in water, sewer, or broadband infrastructure
- Will need Treasury guidance further outlining eligible uses and providing general clarity

CSLFRF – FUNDING TO STATE OF OREGON

- Oregon's estimated allocation is \$2.608 billion
- State will receive allocation within 60 days from bill signing
- Treasury guidance expected in the coming weeks

CSLFRF – FUNDING TO LOCAL GOVTS

- Same eligible uses
- OR cities/counties/other non-county entities' estimated allocation is \$1.498 billion
- Paid directly from Treasury to cities and counties except for non-county entities, which the state has to distribute
- Distributed in 2 tranches

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#1- Pursue statutory changes to expand eligible uses of existing manufactured home park acquisition funds to allow purchase of land investment in infrastructure.

- *HB 3218 – Expands allowable uses for Housing and Community Services Department's manufactured dwelling program to support dwellings and parks destroyed by natural disaster*

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#2- Provide resources and partner with Public Housing Authorities and nonprofits for land acquisition for MHP and/or affordable housing .

- *GRB includes \$20 million for Land Acquisition Program (LAP) in OHCS. LAP provides loans to purchase land*
- *E-Board approved \$25 million to Housing Authority of Jackson County*

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#7,8,9 - Secure State General Funds to cover Commercial (#7) and Private properties (#8) structural debris clean-up activities which may not be eligible for FEMA reimbursement.

To date, E-Board investments total \$93 million (GF) to ODOT.
ODOT needs an additional \$50 million to cover state cost share

DEQ needs approximately \$3 million to cover HHW state cost share

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#11- Secure \$50 million General Fund for state cost share to leverage FEMA Hazard Mitigation Programs (estimated at \$200 million plus, final total will not be known until FEMA conducts final assessment in September 2021)

Mitigation projects may extend beyond a single biennium, need to ensure these funds are able to be fully leverage, while seeking additional matching funds.

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#12- Acknowledge local capacity challenges and address diminished tax base, supplement locally assessed property tax revenues to assist local governments.

E-Board approved \$2 million to fund Municipal Wildfire Relief Program to obtain human resources and contracted services

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#14 - Expand OEM Staffing to include regional members with a focus on response coordination, hazard mitigation and recovery.

The Governors Recommended Budget for the OMD includes policy package 301 which converts Limited Duration Positions into FTE in OEM for ongoing wildfire recovery activities

Additionally, OEM will be seeking funding through SB 287 for positions with a focus on regional preparedness and response

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#15 - Wildfire Impacted School Districts stabilization Fund.

House Bill 2630 – Provides for five years calculations of distribution of state moneys to school districts impacted by wildfires may not be decreased

Note: revenue shortfalls due to wildfires have been identified by Rogue Valley Community College and Southern Oregon University

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#16 – Backfill local governments, special districts for loss of tax revenue.

County Assessors and League of Oregon Cities professionals have estimated property tax and other fee revenue loss impacts totaling approximately \$23 million through 2024

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#17 – North Santiam Canyon Sewer Water Quality Infrastructure

*The GRB provides access to OBDD Lottery Bond programs,
Special Public Works Funds and Wildfire Recovery Grants*

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#18 – Fund Statewide Alert System

*E-Board approved \$1.4 million for Statewide Alert System –
OR-Alert powered by Everbridge*

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#20 – Access to Broadband

The GRB broadband investment contains a three-pronged approach:

\$100 million Community Based investments

\$10.5 million Connecting Schools

\$5 million Urban Connectivity

WILDFIRE RECOVERY COUNCIL LEGISLATIVE RECOMMENDATIONS

#23 – Financial Accountability and Oversight

- *SB 287 sec. 29 & 30, Financial Management Team*
- *Independent third-party assessment conducted*
- *ODF formalizing financial polices and procedures*

WILDFIRE RECOVERY NEEDS SUMMARY

- **Estimated Unmet Housing Needs** – est. \$218 million – 380 million
- **Infrastructure** -- est. \$238 million - \$268 million
- **Economic Recovery** – est. \$90 million
- **Natural Resources** – est. \$86 million
- **Resiliency** - est. \$53 million