

HB 2842 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Patrick Heath, Department of Administrative Services

Reviewed By: Tom MacDonald, Legislative Fiscal Office

**Oregon Health Authority
2021-23**

PRELIMINARY

Budget Summary*

| | 2019-21 | 2021 - 23 | 2021-23 | Committee Change from 2019-21 | |
|---------------------|--|-----------------------|--------------------------|-------------------------------|----------|
| | Legislatively Approved Budget ⁽¹⁾ | Current Service Level | Committee Recommendation | Leg. Approved | |
| | | | | \$ Change | % Change |
| General Fund | \$ - | \$ - | \$ 10,000,000 | \$ 10,000,000 | 100.0% |
| Other Funds Limited | \$ - | \$ - | \$ 10,000,000 | \$ 10,000,000 | 100.0% |
| Total | \$ - | \$ - | \$ 20,000,000 | \$ 20,000,000 | 100.0% |

Position Summary

| | | | | |
|--------------------------------------|------|------|------|------|
| Authorized Positions | 0 | 0 | 4 | 4 |
| Full-time Equivalent (FTE) positions | 0.00 | 0.00 | 3.08 | 3.08 |

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

HB 2842 establishes the Healthy Homes Repair Fund in the State Treasury, separate and distinct from the General Fund. The fund is intended to fund grants to eligible entities under the Healthy Homes Program established by the bill and pay for the Oregon Health Authority’s administrative costs for the program. The fund is authorized to receive application grant fees for the program, as well as to receive grants, transfers from the federal government, or repayments of program funds. HB 2842 appropriates \$10 million General Fund to the Oregon Health Authority (OHA) for the purposes of the bill. These funds will be deposited into the Healthy Homes Repair Fund, from which it will be spent as Other Funds.

Summary of Human Services Subcommittee Action

HB 2842 establishes the Healthy Homes Program within OHA. The program will provide grants to repair and rehabilitate residences for low-income households and landlords with low-income tenants. Grants are to be disbursed by entities that serve certain communities or geographic areas with a focus on environmental justice and that have the capacity to administer grant funds. Grant program recipients must enter into an agreement with OHA that contains provisions, including the purpose of the grant, limitations of administrative and program delivery costs to less than 15% of grant funds, allowing for audits and reporting by the grant recipient, and repayment provisions. OHA is to establish grant criteria by rule and consult with the Governor’s Policy Advisor for Economic and Business Equity for grant monies to be used for work to be performed by disadvantaged business enterprises, minority-owned businesses, women-owned businesses, or businesses owned by service-disabled veterans. OHA also may develop or contract with nonprofits or public higher education institutions to develop performance measures, as well as ways to identify and reduce health hazards in housing.

Additionally, this measure establishes the Interagency Task Force on Healthy Homes. The Task Force is to report on the Healthy Homes Program to the interim committees of the Legislative Assembly related to housing, to the Governor, and to the Environmental Justice Task Force no later than September 15, 2022. OHA is to provide staff support for the Task Force.

The Subcommittee recommended \$10.0 million General Fund, \$10 million Other Funds expenditure limitation, and four positions (3.08 FTE) to establish the program. Grant funds will come from a one-time deposit of \$10 million General Fund into the Healthy Homes Repair Fund. After the cost of administration, OHA will have \$9,150,558 available to make grants under the program. To administer the grant program, OHA will hire one permanent part-time Principal Executive Manager D to manage the program and program staff (0.44 FTE); one permanent full-time Operations and Policy Analyst 3 (0.88 FTE) to design program elements and implement the program, coordinate the Task Force, and develop policies; one permanent full-time Program Analyst 2 (0.88 FTE) to work on program procedures and communication, and contract and program administration; and, one full-time Fiscal Analyst 2 (0.88 FTE) to provide financial tracking and reporting. The cost of administering the program will include \$138,993 in position-related services and supplies, \$40,000 for Attorney General Fees needed for rulemaking under the program, \$40,000 for a contract for meeting facilitation for the task force, and \$6,950 for hosting the task and reimbursing task force members.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Health Authority
 Patrick Heath - 503-983-8670

| DESCRIPTION | GENERAL FUND | LOTTERY FUNDS | OTHER FUNDS | | FEDERAL FUNDS | | TOTAL ALL FUNDS | POS | FTE |
|--|----------------------|---------------|----------------------|-------------|---------------|-------------|-------------------|----------|-------------|
| | | | LIMITED | NONLIMITED | LIMITED | NONLIMITED | | | |
| <u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u> | | | | | | | | | |
| SCR 443-030-05 Public Health Division | | | | | | | | | |
| Personal Services | | \$ - | \$ 623,479 | \$ - | \$ - | \$ - | 623,479 | 4 | 3.08 |
| Services and Supplies | | \$ - | \$ 225,943 | \$ - | \$ - | \$ - | 225,943 | | |
| Special Payments (6060 Intra Agcy Gen Fund Tsfr) | \$ 10,000,000 | \$ - | \$ - | \$ - | \$ - | \$ - | 10,000,000 | | |
| Special Payments | \$ - | \$ - | \$ 9,150,578 | \$ - | \$ - | \$ - | 9,150,578 | | |
| TOTAL ADJUSTMENTS | \$ 10,000,000 | \$ - | \$ 10,000,000 | \$ - | \$ - | \$ - | 20,000,000 | 4 | 3.08 |
| SUBCOMMITTEE RECOMMENDATION * | \$ 10,000,000 | \$ - | \$ 10,000,000 | \$ - | \$ - | \$ - | 20,000,000 | 4 | 3.08 |

PRELIMINARY