

**A-Engrossed**  
**House Bill 2316**

Ordered by the House April 1  
Including House Amendments dated April 1

Sponsored by Representative SALINAS (Pre-session filed.)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

*[Transfers from Housing and Community Services Department to Oregon Health Authority responsibility for administering Housing for Mental Health Fund.]*

**Establishes Behavioral Health Housing Incentive Fund and transfers interest earned by Housing for Mental Health Fund to Behavioral Health Housing Incentive Fund on effective date of Act. Transfers remaining funds in Housing for Mental Health Fund to Behavioral Health Housing Incentive Fund and repeals Housing for Mental Health Fund on June 30, 2022.**

**Directs Oregon Health Authority to use moneys in Behavioral Health Housing Incentive Fund for specified purposes.**

**Declares emergency, effective on passage.**

**A BILL FOR AN ACT**

1  
2 Relating to individuals with mental disorders; creating new provisions; amending ORS 458.380 and  
3 458.385; repealing ORS 458.380; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) The Behavioral Health Housing Incentive Fund is established in the State**  
6 **Treasury, separate and distinct from the General Fund. The Behavioral Health Housing In-**  
7 **centive Fund consists of moneys deposited or transferred to the fund by the Legislative As-**  
8 **sembly and moneys appropriated to the fund by the Legislative Assembly. Interest earned**  
9 **on the fund shall be credited to the fund.**

10 **(2) Moneys in the Behavioral Health Housing Incentive Fund are continuously appropri-**  
11 **ated to the Oregon Health Authority to carry out the provisions of ORS 458.385.**

12 **SECTION 2. On the effective date of this 2021 Act, interest earned on the Housing for**  
13 **Mental Health Fund established in ORS 458.380 shall be transferred to the Behavioral Health**  
14 **Housing Incentive Fund established in section 1 of this 2021 Act.**

15 **SECTION 3. Any unobligated funds remaining in the Housing for Mental Health Fund**  
16 **established in ORS 458.380 on June 30, 2022, shall be transferred to and deposited in the Be-**  
17 **havioral Health Housing Incentive Fund established in section 1 of this 2021 Act.**

18 **SECTION 4. ORS 458.380 is amended to read:**

19 458.380. *[(1)]* The Housing for Mental Health Fund is established in the State Treasury, separate  
20 and distinct from the General Fund. The Housing for Mental Health Fund consists of moneys de-  
21 posited in the fund under section 8, chapter 812, Oregon Laws 2015, and may include moneys ap-  
22 propriated, allocated, deposited or transferred to the fund by the Legislative Assembly or otherwise  
23 and interest earned on moneys in the fund.

24 *[(2) Moneys in the fund are continuously appropriated to the Housing and Community Services*

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 *Department for disbursement for the purposes set forth in ORS 458.385.]*

2 **SECTION 5.** ORS 458.385 is amended to read:

3 458.385. (1) The [*Housing and Community Services Department, in collaboration with the*] Oregon  
4 Health Authority[,] shall disburse moneys in the [*Housing for Mental Health Fund*] **Behavioral**  
5 **Health Housing Incentive Fund established in section 1 of this 2021 Act** to provide funding for:

6 (a) The development of community-based housing, including licensed residential treatment facil-  
7 ities, for individuals with mental illness and individuals with substance use disorders; and

8 (b) Crisis intervention services, rental subsidies and other housing-related services to help keep  
9 individuals with mental illness and individuals with substance use disorders safe and healthy in their  
10 communities.

11 (2) The [*department*] **authority** shall provide funding for:

12 (a) A portion of the costs to purchase land and to construct housing described in subsection  
13 (1)(a) of this section; and

14 (b) Up to 50 percent of the start-up costs for providing housing described in subsection (1)(a) of  
15 this section, including but not limited to fixtures, furnishings and training of staff.

16 (3)(a) The [*department*] **authority** shall prescribe the financing mechanisms to be used to provide  
17 funding under subsection (2)(a) of this section of up to 35 percent of the total project development  
18 costs.

19 (b) The [*department*] **authority** may waive the 35 percent limit on total project development  
20 costs under paragraph (a) of this subsection for a low-cost project or to meet a critical need in a  
21 rural area.

22 (4) The [*department*] **authority** shall convene an advisory group to make recommendations to the  
23 [*department*] **authority** for:

24 (a) The allocation of moneys between different types of housing;

25 (b) The financing of housing described in subsection (1)(a) of this section;

26 (c) The provision of services described in subsection (1)(b) of this section;

27 (d) Soliciting funding proposals; and

28 (e) Processing applications for funding.

29 (5) The advisory group convened under subsection (4) of this section must include:

30 (a) One representative of a private provider of mental health treatment;

31 (b) One representative of a private provider of substance abuse treatment;

32 (c) Two representatives of groups that advocate on behalf of consumers of mental health or  
33 substance abuse treatment;

34 (d) One staff person from the **Housing and Community Services** Department;

35 (e) One staff person from the division of the [*Oregon Health*] authority that regulates mental  
36 health and substance abuse treatment programs;

37 (f) Two consumers of mental health or substance abuse treatment;

38 (g) One representative of a community mental health program;

39 (h) One person with expertise in developing and financing community housing projects in rural  
40 communities; and

41 (i) One representative of community corrections.

42 **SECTION 6.** ORS 458.380 is repealed on June 30, 2022.

43 **SECTION 7.** This 2021 Act being necessary for the immediate preservation of the public  
44 peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect  
45 on its passage.

