

**HB 3395 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

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**Reviewed By:** Michelle Deister, Legislative Fiscal Office

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**Department of Administrative Services**

**2023-25**

**Department of Land Conservation and Development**

**2023-25**

**Department of Human Services**

**2023-25**

**Housing and Community Services Department**

**2023-25**

PRELIMINARY

**Budget Summary\***

	2021-23 Legislatively Approved Budget <sup>(1)</sup>	2023-25 Current Service Level	2023-25 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
				\$ Change	% Change
<b>Department of Administrative Services</b>					
General Fund	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000	100.0%
<b>Department of Land Conservation and</b>					
General Fund	\$ -	\$ -	\$ 1,250,000	\$ 1,250,000	100.0%
<b>Department of Human Services</b>					
General Fund	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ 4,244,963	\$ 4,244,963	100.0%
<b>Housing and Community Services</b>					
General Fund	\$ -	\$ -	\$ 38,029,802	\$ 38,029,802	100.0%
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,524,765</b>	<b>\$ 48,524,765</b>	<b>100.0%</b>

**Position Summary**

<b>Department of Administrative Services</b>				
Authorized Positions	0	0	0	0
Full-time Equivalent (FTE) positions	0.00	0.00	0.00	0.00
<b>Department of Land Conservation and</b>				
Authorized Positions	0	0	0	0
Full-time Equivalent (FTE) positions	0.00	0.00	0.00	0.00
<b>Department of Human Services</b>				
Authorized Positions	0	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.00	1.00	1.00
<b>Housing and Community Services</b>				
Authorized Positions	0	0	2	2
Full-time Equivalent (FTE) positions	0.00	0.00	1.76	1.76

## **Summary of Revenue Changes**

House Bill 3395 appropriates a total of \$48.5 million General Fund across the following agencies: the Department of Administrative Services (DAS), the Department of Land Conservation and Development (DLCD), the Department of Human Services (DHS), and the Housing and Community Services Department (HCSD) for purposes related to housing and community development as required in the bill.

## **Summary of Transportation and Economic Development Subcommittee Action**

House Bill 3395 allows residential uses on lands zoned for commercial uses within urban growth boundaries. The bill also expands allowable purposes of the Emergency Housing Account to include grants to assist companion animals of individuals experiencing or at risk of homelessness.

### **Department of Administrative Services**

House Bill 3395 requires the DAS, in consultation with DLCD and HCSD to provide grants to councils of governments and economic development districts to support housing and community development capacity within cities, counties, and the nine federally recognized tribes in Oregon. The bill appropriates \$5.0 million General Fund to DAS to provide grants required under the measure.

### **Department of Land Conservation and Development**

House Bill 3395 appropriates \$1.3 million General Fund to DLCD to provide technical assistance grants to local governments to assist in amending their comprehensive plans.

### **Department of Human Services**

House Bill 3395 appropriates \$4.2 million General Fund to DHS for one limited duration Program Analyst 3 position (1.00 FTE) to support work associated with the distribution of \$4.0 million in affordable housing support to low-income college students in accordance with DHS self-sufficiency programs.

### **Housing and Community Services Department**

House Bill 3395 appropriates \$38.0 million General Fund to HCSD for the following purposes:

- \$10.0 million for grants to qualified housing sponsors to develop community housing supporting agricultural employees.
- \$7.5 million for a grant program to establish the Affordable Homeownership Revolving Loan Fund that will allow a first-time home buyer who is purchasing a home, cooperative, or condominium to establish equity at a faster rate. The grant is directed to the Network for Oregon Affordable Housing (NOAH). Grant funds will not be distributed until NOAH establishes a loan fund with a balance of no less than \$10.0 million of additional private money. Loans from the fund must be used for the purchase of a dwelling subject to affordability restrictions under ORS 456.270 to ORS 456.295 and loans may only be made to applicants that have met with an approved or certified

housing counseling agency with a first-time home-buyer program. The loan must have a term of 20 years or less and have a fixed interest rate that is not more than that would allow monthly amortized principal and interest payments under the term of the loan to be the amount that would result from a 30-year fixed mortgage or 0.5 percent. House Bill 3395 requires HCS D to report to an appropriate interim legislative committee on the use of the funds by NOAH. HCS D will receive reports on its spending and provide reports to the Legislative Assembly by September 15, 2025, and September 15, 2027.

- \$20.0 million for grants to one or more nonprofit corporations to develop the Affordable Housing Loan Guarantee Fund, created for the purpose of guaranteeing the repayment of loans to finance construction of housing subject to affordable housing covenants for low- and moderate-income households. HCS D is directed to create funding process criteria and require annual reports from the grantees on the use of the funds.
- \$0.5 million, on a one-time basis, to support the administrative workload associated with this bill including one limited duration Procurement and Contract Specialist 3 position (0.88 FTE) and one limited duration Program Analyst 3 position (0.88 FTE).

PRELIMINARY

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Department of Administrative Services, Department of Land Conservation and Development, Department of Human Services, Housing and Community Services Department  
 Tamara Brickman -- (971) 719-3492

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>SUBCOMMITTEE ADJUSTMENTS</b>									
<b>Department of Administrative Services</b>									
<b>SCR 10700-099 - Special Government Payments</b>									
Special Payments	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000		
<b>Department of Land Conservation and Development</b>									
<b>SCR 66000-003 - Grants</b>									
Special Payments	\$ 1,250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,250,000		
<b>Department of Human Services</b>									
<b>SCR 100-060- Self Sufficiency Program</b>									
Personal Services	\$ 222,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,987	1	1.00
Services and Supplies	\$ 21,976	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,976		
Special Payments	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000		
<b>Housing and Community Services Department</b>									
<b>SCR 91400-030- Multifamily Rental Housing Programs</b>									
Personal Services	\$ 194,741	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,741	1	0.88
Services and Supplies	\$ 20,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,780		
Special Payments	\$ 30,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000,000		
<b>SCR 91400-040- Single Family Housing Programs</b>									
Special Payments	\$ 7,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,500,000		
<b>SCR 91400-070- Central Services</b>									
Personal Services	\$ 194,741	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,741	1	0.88
Services and Supplies	\$ 119,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,540		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 48,524,765</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,524,765</b>	<b>3</b>	<b>2.76</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 48,524,765</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,524,765</b>	<b>3</b>	<b>2.76</b>