

**A-Engrossed**  
**House Bill 2987**

Ordered by the House March 24  
Including House Amendments dated March 24

Sponsored by Representative MARSH (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.

*[Requires Oregon Health Authority to study grants under Healthy Homes Program. Directs authority to submit findings to interim committees of Legislative Assembly related to public health not later than September 15, 2024.]*

**Authorizes Oregon Health Authority to establish by rule maximum percentage of grant funds that grant recipients under Healthy Homes Program may use for administrative expenses.**

**Declares emergency, effective on passage.**

**A BILL FOR AN ACT**

1  
2 Relating to the Healthy Homes Program; amending ORS 431A.400; and declaring an emergency.

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

4 **SECTION 1.** ORS 431A.400, as amended by section 33, chapter 86, Oregon Laws 2022, is  
5 amended to read:

6 431A.400. (1) As used in this section:

7 (a) "Eligible entity" means a:

8 (A) Local government as defined in ORS 174.116;

9 (B) Local housing authority;

10 (C) Nonprofit organization;

11 (D) Federally recognized Indian tribe in Oregon;

12 (E) Indian health center;

13 (F) Coordinated care organization as defined in ORS 414.025;

14 (G) Community action agency as described in ORS 458.505;

15 (H) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803;

16 (I) An electric utility as defined in ORS 757.600; or

17 (J) A natural gas utility as defined in ORS 757.392.

18 (b) "Environmental justice factor" means a circumstance or condition that impacts a  
19 community's ability to achieve a balance of health, economic or environmental benefits and burdens  
20 or that impacts a community's ability to participate in public processes.

21 (c) "Grant program recipient" means an eligible entity that has been awarded a grant from the  
22 Oregon Health Authority under this section.

23 (d) "Landlord" means a landlord, as defined in ORS 90.100, that meets eligibility criteria for a  
24 loan, grant or other financial assistance under the Healthy Homes Program as determined by the  
25 authority.

**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 (e) “Low income household” means a household having an income equal to or below 80 percent  
2 of the area median family income as determined by the authority.

3 (f) “Nonprofit organization” means an organization or group of organizations that is described  
4 in section 501(c)(3) of the Internal Revenue Code and is exempt from income tax under section 501(a)  
5 of the Internal Revenue Code.

6 (g) “Repair and rehabilitation” includes actions that:

7 (A) Maximize energy efficiency of residences;

8 (B) Extend the usable life of residences; or

9 (C) Improve the health and safety of the occupants of residences, including:

10 (i) Radon abatement;

11 (ii) Lead abatement;

12 (iii) Mold and mildew abatement;

13 (iv) Installation of a smoke filtration system, an air purification system or ventilation or re-  
14 duction of pathways for air infiltration;

15 (v) Removal of asthma or allergen triggers;

16 (vi) Structural or safety improvements that increase accessibility or visitability;

17 (vii) Improvements that make homes more fire resistant;

18 (viii) Structural or safety improvements that promote seismic resiliency;

19 (ix) Improvements that reduce the reflection of heat on or around the home, including improve-  
20 ments related to trees, vegetation, green roofs or cool roofs; and

21 (x) Electrical upgrades that improve the safety of the home or support or enable the use of en-  
22 ergy efficiency upgrades such as heating or cooling devices.

23 (h) “Residence” means a dwelling that is intended for occupation by a single family and is oc-  
24 cupied by one or more individuals who are members of a low income household as the individuals’  
25 principal residence, including a site-built home, manufactured home, residential trailer, mobile home,  
26 condominium unit or unit within multifamily housing.

27 (i) “Smoke filtration system” means a residential air filtration system that meets minimum effi-  
28 ciency standards, as determined by the authority, for the removal of particulates and other harmful  
29 substances generated by wildfires.

30 (2) The Healthy Homes Program is established within the Oregon Health Authority. The purpose  
31 of the program is to provide grants to eligible entities that provide financial assistance to persons  
32 in low income households to repair and rehabilitate their residences and to landlords to repair and  
33 rehabilitate dwelling units inhabited by low income households.

34 (3) To be eligible to receive grants from the Healthy Homes Program, an eligible entity must  
35 establish that it:

36 (a) Serves or represents:

37 (A) Communities with high concentrations of low income households; or

38 (B) Communities impacted by environmental justice factors, including but not limited to:

39 (i) Areas with above-average concentrations of historically disadvantaged households or resi-  
40 dents with low levels of educational attainment, areas with high unemployment, high linguistic iso-  
41 lation, low levels of homeownership or high rent burden or sensitive populations;

42 (ii) Areas disproportionately affected by environmental pollution and other hazards that can lead  
43 to negative public health effects, exposure or environmental degradation; or

44 (iii) Other environmental justice factors as determined by the authority.

45 (b) Has the capacity to administer grant funds received under this section.

- 1 (c) Is able to comply with the requirements of all state and federal laws, rules and regulations.
- 2 (4)(a) The authority shall adopt by rule processes for eligible entities to apply to receive grants
- 3 from the Healthy Homes Program. The processes may include a request for proposals.
- 4 (b) The authority may adopt by rule:
- 5 (A) Standards for repair and rehabilitation activities conducted by low-income households;
- 6 (B) Standards for repair and rehabilitation activities conducted by landlords;
- 7 (C) Additional requirements for landlords who receive program funds; and
- 8 (D) Provisions for the allocation of program funds including but not limited to allocations for
- 9 types of eligible entities, types of recipients, types of housing and regions of this state.
- 10 (c) The authority, in consultation with the Governor's Policy Advisor for Economic and Business
- 11 Equity, may establish by rule standards for the work performed using grants from the program to
- 12 be performed by disadvantaged business enterprises, minority-owned businesses, woman-owned busi-
- 13 nesses or businesses that service-disabled veterans own, as those terms are defined in ORS 200.005.
- 14 (5) Upon being awarded a grant under this section, the grant program recipient shall enter into
- 15 an agreement with the authority that contains provisions that:
- 16 (a) Indicate the purposes for which the grant funds may be used;
- 17 (b) Prohibit the grant program recipient from using more than [15 percent] **the percentage of**
- 18 **grant funds for administrative expenses [and program delivery costs] allowed by the authority by**
- 19 **rule;**
- 20 (c) Include the repayment provisions set forth in subsection (6) of this section;
- 21 (d) Permit the authority to conduct audits and investigations of the grant program recipient
- 22 regarding the purposes for which grant funds have been used; and
- 23 (e) Require the grant program recipient to provide reports as set forth in subsection (7) of this
- 24 section.
- 25 (6) A grant program recipient must repay to the authority, in whole or in part, grant funds re-
- 26 ceived under this section to the extent that:
- 27 (a) The grant program recipient does not use the grant funds in accordance with the provisions
- 28 of the grant agreement executed between the authority and the grant program recipient under sub-
- 29 section (5) of this section; or
- 30 (b) The Director of the Oregon Health Authority determines that the grant program recipient
- 31 must repay all or part of the grant funds on grounds of misappropriation, fraud or similar reasons
- 32 after auditing or investigating the grant program recipient's operations and conducting a contested
- 33 case hearing under ORS 183.413 to 183.470.
- 34 (7) A grant program recipient shall report to the authority by June 30 of each year concerning
- 35 the status and use of grant funds received under this section. The report required under this section
- 36 may not disclose the personal information of the recipients of loans, grants or other financial as-
- 37 sistance under the Healthy Homes Program. The report must include:
- 38 (a) A detailed description of the grant program recipient's use of grant funds;
- 39 (b) A list of each loan, grant or other financial assistance that the grant program recipient has
- 40 provided and, where applicable, a full accounting of the repayment status of the loans;
- 41 (c) The number of low income households that the grant program recipient has provided finan-
- 42 cial assistance to for the repair and rehabilitation of their residences;
- 43 (d) The number of landlords that the grant program recipient has provided financial assistance
- 44 to for the repair and rehabilitation of dwelling units;
- 45 (e) The nature and amounts of the administrative expenses and program delivery costs the grant

1 program recipient has incurred in providing the financial assistance under the program;

2 (f) Disaggregated data concerning the income, racial or ethnic background, family size and re-  
3 lated demographic information of low income households who received financial assistance for repair  
4 and rehabilitation of residences under the program from the grant program recipient; and

5 (g) Any other information required by the authority.

6 (8) The authority may not pay amounts for grants under this section from any source other than  
7 available funds in the Healthy Homes Repair Fund established in ORS 431A.402.

8 (9) Under the Healthy Homes Program, the authority may develop, or contract with public in-  
9 stitutions of higher education or nonprofit organizations to assist in developing:

10 (a) Methods for evaluating health hazards in housing;

11 (b) Methods for preventing and reducing health hazards in housing;

12 (c) Performance measures for the work being performed through the financial assistance pro-  
13 vided under the program; and

14 (d) Recommendations for promoting the incorporation of healthy housing into ongoing practices  
15 and systems, including housing codes.

16 **SECTION 2. This 2023 Act being necessary for the immediate preservation of the public**  
17 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**  
18 **on its passage.**