

20 March 2023

Chair Jama, Vice-Chair Anderson, and Members of the Senate Committee on Housing and Development:

The Community Action Partnership of Oregon writes in support of the intent of Senate Bill 893. This legislation spotlights the need for and opportunity to clarify existing authority and confusing bureaucratic processes. With further amendment, it can enhance the existing funding framework. It is important to our network that we **preserve and build upon existing homeless and anti-poverty programs** that are already being provided in our local communities. As named members of the House Bill 2100 Task Force on Homelessness and Racial Disparities (created by HB 2100 in the 2021 regular session), we have participated on the Task Force since it first began deliberations late in 2021.

For thirty years, Community Action has been the anti-poverty, anti-homeless service network for Oregon, one that served the full geography of our 36 counties under a state and federal Community Services mandate. We were charted by the Economic Opportunity Act of 1964, a product of the Civil Rights Movement and the War on Poverty. Progressive and redistributive racial justice is a key part of our DNA. But what we face today is no longer just an anti-poverty problem. Modern homelessness requires alignment with many additional systems. Homelessness is poverty, but it is also addiction treatment, mental health services, public health policy, food, and many other concerns outside our historic mandate. We believe, therefore, that the gathering crisis of unsheltered homelessness will require an all-hands-on-deck approach here in Oregon. And we warmly welcome other agencies and delivery systems to the Herculean task of ending unsheltered homelessness.

We voted to support the final task force recommendations, and in fact I moved their urgent adoption when it seemed that the recommendations might be delayed until the interim 2024 legislative session. The recommendations of the Task Force represent months of conversations and compromises by all parties and stakeholders, conducted in a very difficult environment where finding a quoroum of named parties was one of the greatest ongoing challenges. Our Community Action Partnership of Oregon network wants to insure that the intent of that carefully negotiated compromise is preserved, and that all the identified funded partners and delivery systems in this discussion are protected in their interests going forward. We want to work collaboratively to reduce racial disparities throughout the housing continuum. So we support a broader delivery system in Oregon so long as existing work continues.

The four identified funding systems are **Tribes, Culturally Responsive Organizations, Continuums of Care, and Community Action**. Our task force proposed a budget large enough that it will both protect our currently funded work, and provide resources for each of the three other delivery models outlined in the 2100 Task Force Report. The system outlined in the Governor's Emergency Order, which just passed through Ways and Means last week with bi-partisan support, also funds the same four delivery systems: Tribes, Culturally Responsive Organizations, Continuums of Care, and Community Action.

We do have some concerns and technical recommendations, however, ahead of the Work Session on Wednesday. We would like the opportunity to work with OHCS and committee members to refine the legislative language to avoid any unintended consequences.

For example:

- Given the complex negotiations that produced the House Bill 2100 Task Force Report, we believe that
  as many of the Task Force Recommendations as possible should be codified in statute, and as little as
  possible left to the rule making process.
- If funding allocations are not made through formula funding, they should not be determined by OHCS alone. They should be determined in **partnership** with the stakeholders receiving the funding.

- Language in the -1 draft shared by OHCS, in particular Section 1(2)(b), should align with other parts of the section. We have in (a) "or other means as determined in partnership with each tribe." But in (b) we have "other means as determined by the department." These language inconsistences should align, and should require consultation with all four funding delivery systems. Homelessness is a hyper-local social phenomenon, and statewide and national approaches, particularly in rural areas, often simply do not work.
- Language in the -1 draft, in particular Section 5, suffers from the same limitations. "Department shall utilize outcome-oriented contracting processes and evidence-based and emerging practices for serving rural communities." This requirement is overly restrictive and often not in alignment with our experience of "homelessness looks different here in rural Oregon." Our network also expects results from state investments, and we have no objections to performance based systems. But we need local flexibility to "try all things," because the best practice advice is often the result of homeless research in communities with more than 50,000 residents, and often based on East Coast systems that are not relevant to the vast geographies of Oregon. We also worry that a heavy emphasis on outcomes-based contracting will be prejudicial not only to rural service providers across Oregon, but especially to smaller culturally responsive non-profits trying to do more work in their local communities.
- Language in the -1 draft, in particular Section 3(17)(h), cites the Community Services Block Grant (CSBG) Act as an example of federal resources that should be brought into alignment with the Department's priority of ending homelessness. CSBG, however, is not a federal homeless fund. It is a federal anti-poverty fund, meant to be delivered by Community Action Agencies, and designed to be a flexible, capacity-building fund that helps the organization leverage other funds to address the full spectrum of poverty, not just housing insecurity. Ultimately, the distribution of Community Services Block Grant funds is directed by the state plan filed with the federal government. The emphasis of that plan changes over time as the priorities of legislators, governors and the public shift. It would be unwise for the legislature to permanently restrict the use of these highly flexible funds to one category of use. Doing so unnecessarily ties the hands of future policy-makers and is likely outside the broad scope of federal intent for use of these funds.
- Changes recommended by the House Bill 2100 Task Force, and enumerated in SB 893, should include no changes to 458.505 (1). In specific the Community Services Block Grant, the Low Income Home Energy Assistance Program, and the United States Department of Energy Weatherization Assistance Program should continue to be delivered by the Community Action network. These are not housing and homeless funds and they live outside the mandate of the Task Force.
- We support greater flexibility for Oregon Housing and Community Services in consideration of the regulatory function of the Housing Stability Council. That body has at times created substantial barriers for quick and effective action by OHCS, even at times standing in the way of OHCS's legislative direction. Its role should be that of a public oversight body, and not to micro-manage OHCS. We do believe that OHCS should consult with outside parties in their programs and practices, but those consultations are best with local service providers and statewide provider networks.

As a network, we are looking forward to working with OHCS and the Committee to move the enactment of SB 893 forward, and the implementation of a new funding system in Oregon that meets our modern challenges, one that still protects the services to currently funded, vulnerable citizens in our communities.

Respectfully,

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