

## **HB 3079 -2, -4 STAFF MEASURE SUMMARY**

### **House Committee On Early Childhood and Human Services**

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**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 2/25, 4/8

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#### **WHAT THE MEASURE DOES:**

The measure requires the Department of Human Services (DHS) to update its estimate of the additional funding needed to implement or extend youth experiencing homelessness programs. The measure directs DHS and the Housing and Community Services Department to study options for allocating 30 percent of the portion of their budgets related to housing and homelessness services for the 2027-2029 biennium toward reducing the number of youth aging into adult homelessness, and to submit a report to the Legislative Assembly by September 15, 2026.

#### Detailed Summary:

##### **Sections 1, 2, and 4 (Study and Report)**

- Directs the Department of Human Services (DHS) to update estimates from its report on recommendations for legislation to reduce the numbers of youth experiencing homelessness by at least 25 percent over a five-year period to reflect the increase in costs since 2022 due to inflation and increased salary expenses.
- Directs DHS and the Oregon Housing and Community Services Department (OHCS) to study options for allocating 30 percent of their budgets related to funding for housing and homelessness services in the 2027-29 biennium toward reducing the number of youth aging into homelessness.
- Requires DHS, in collaboration with OHCS, to submit a report on the study that may include recommendations for legislation to the Legislative Assembly by September 15, 2026.
- Sunsets on January 2, 2027.

##### **Section 3 (Emergency Housing and Housing Services)**

- Expands eligibility for emergency housing and other housing services currently provided to school-aged children and their families who are or at risk of experiencing homelessness to include individuals who are pregnant or who are between the ages of birth and kindergarten and experiencing or at risk of experiencing homelessness.

*REVENUE: May have revenue impact, but no statement yet issued*

*FISCAL: May have fiscal impact, but no statement yet issued*

#### **ISSUES DISCUSSED:**

- Differences between programs for youth experiencing homelessness and programs for adults experiencing homelessness
- LGBTQ+ youth experiencing homelessness
- New grant programs
- Youth Emergency Housing Assistance
- Timelines for distribution of funds

#### **EFFECT OF AMENDMENT:**

-2 The amendment directs the Department of Human Services (DHS) to establish an Emergency Certified Provider Capacity Grant Program to award grants to providers of homeless youth services that are at risk of closing programs. The amendment appropriates funds to DHS and the Oregon Youth Authority (OYA) for distribution to

providers of programs for youth experiencing homelessness. The amendment requires service providers who receive these funds to submit reports to DHS on improvements to staff turnover rates and rates of completion of training programs.

Detailed Summary:

**Section 4 (Grant Program):**

- Directs DHS to establish an Emergency Certified Provider Capacity Grant Program to award grants to providers of homeless youth services who are at risk of closing their programs or reducing capacity due to workforce challenges, inflationary costs, or higher than expected acuity.
- Requires DHS to evaluate provider grant requests and distribute awarded fund to providers within 60 days of approval.
- Sunsets on January 2, 2027.

**Section 5 (Reporting Requirements):**

- Requires service providers that receive grant funds from DHS or OYA to submit two reports to DHS on improvements to staff turnover rates and rates of completion of training programs by December 31, 2026, and December 31, 2027, respectively.
- Requires DHS to submit a preliminary report to the Legislative Assembly summarizing grant recipient reports by February 1, 2027, and to submit a final report by February 1, 2028.
- Sunsets on January 2, 2029.

**Sections 6-9 (Appropriations)**

- Appropriates \$54 million General Fund to DHS for programs for youth experiencing homelessness and specifies division of the funds between grant programs.
- Appropriates \$2.1 million General Fund to DHS for distributions to providers of in-house training for youth experiencing homelessness, half of which may be expended for self-sufficiency programs and half of which may be expended for child welfare programs.
- Appropriates \$950,000 General Fund to OYA for distribution to residential program providers for in-house training for youth experiencing homelessness.
- Appropriates \$750,000 General Fund to DHS for distribution to local workforce boards or a statewide nonprofit representing the workforce boards to address provider and community workforce shortages.

*REVENUE: May have revenue impact, but no statement yet issued*

*FISCAL: May have fiscal impact, but no statement yet issued*

-4 The amendment removes sections in the bill directing the Department of Human Services (DHS) to update estimated costs from its report to reduce youth experiencing homelessness and removes sections directing specified state agencies to study allocating a certain amount of their budgets to reduce youth aging into adult homelessness. It makes changes to the youth experiencing homelessness grant program and establishes new grant programs. The amendment makes appropriations to DHS, the Oregon Housing and Community Services Department (OHCS), the Oregon Health Authority (OHA), and the Higher Education Coordinating Commission (HECC).

Detailed Summary:

**Programs for Youth Experiencing Homelessness**

- Removes section requiring DHS to update estimates from its report on recommendations for legislation to reduce the numbers of youth experiencing homelessness by at least 25 percent over a five-year period to reflect the increase in costs since 2022 due to inflation and increased salary expenses.

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- Removes section directing DHS and OHCS to study options to allocate 30 percent of the portions of their budgets attributed to housing and homelessness services to programs that would reduce youth aging into adult homelessness.
- Changes allowed uses of grants awarded by DHS for programs serving youth who are experiencing homelessness and removes the requirement that grant applicants describe how other funding will be used to supplement grant funding.
- Directs OHA to administer a grant program for qualified youth substance abuse treatment providers who are col-located in facilities already providing services to youth experiencing homelessness.
- Directs the HECC to establish a behavioral and mental health grant program and outlines the purposes of the grant program.
- Requires HECC to distribute grants no later than 60 days after the effective date of the measure.
- Sunsets the behavioral and mental health grant program on January 2, 2026.

### Appropriations

- Appropriates unspecified General Fund moneys to DHS for the youth experiencing homelessness program.
- Appropriates unspecified General Fund moneys to OHCS for the Emergency Housing Account for grants for to assist specified individuals who are at risk of becoming homeless.
- Appropriates \$2 million General Fund to OHA to provide grants to youth substance youth disorder treatment providers.
- Appropriates \$750,000 General Fund to HECC for the behavioral and mental health grant program.

*REVENUE: No revenue impact.*

*FISCAL: Fiscal impact issued.*

### BACKGROUND:

#### Youth Experiencing Homelessness Program (YEHP)

The Department of Human Services' (DHS) [Youth Experiencing Homelessness Program](#) (YEHP) provides services and resources aimed to reduce youth homelessness. In 2021, the Legislative Assembly passed [House Bill 2544](#), which authorized DHS to award two-year grants to organizations serving youth experiencing homelessness. YEHP oversees this grant program. The grants may be used to increase accessibility of programs and services to youth experiencing homelessness, and to create or strengthen partnerships with host home programs and other transitional housing options.

In 2022, the Legislative Assembly passed [House Bill 4013](#) which directed DHS to include recommendations for legislation to reduce the numbers of youth experiencing homelessness by at least 25 percent over a five-year period, as part of an existing report on the system of services and support for runaway and homeless youth required under [ORS 417.799](#). HB 4013 also required DHS to include estimates of additional funding necessary to implement or extend proposed programs to address youth homelessness as a part of the report, and a projected 20-year estimate of cost savings to the state if the state achieved the 25 percent reduction in youth homelessness.

DHS released a [report](#) addressing requirements of HB 4013 (2022) in November 2022 as an addendum to the [ORS 417.799 Youth Experiencing Homelessness report](#) submitted in September 2022. Appendix A of the [report](#) contains information on the average cost of services for youth experiencing homelessness and the potential cost avoidance based on the 25-percent reduction in youth homelessness.

#### Oregon Housing and Community Services (OHCS) and Youth Emergency Housing Assistance (YEHA)

[ORS 458.650](#) directs OHCS to administer the Emergency Housing Account to assist specified individuals who are or at risk of becoming homeless through means including the emergency housing assistance program. [House Bill 2001 \(2023\)](#) expanded uses of the Emergency Housing Account funds to include services and assistance to school-aged children or their families experiencing or at the risk of experiencing homelessness. OHCS' [Youth Emergency Housing Assistance program \(YEHA\)](#) provides housing-focused services to enhance family stability and school success. These services include, but are not limited to, rent and utilities, hotel stays, security deposits.