#### FISCAL IMPACT OF PROPOSED LEGISLATION



Legislative Fiscal Office 83<sup>rd</sup> Oregon Legislative Assembly 2025 Regular Session

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**Bill Title:** Relating to rental assistance.

**Government Unit(s) Affected:** Department of Human Services, Department of Corrections, Counties, Housing and Community Services Department, Oregon Youth Authority

## **Summary of Fiscal Impact**

The measure may have a fiscal impact on the Department of Corrections - see explanatory analysis.

# **Measure Description**

The measure modifies the eligibility criteria for the Long-Term Rent Assistance Program, which is administered by the Housing and Community Services Department (HCSD), for certain people under 25 years of age. The measure expands the eligibility criteria for the program to include persons under 25 years of age who reside or have recently resided in a child care center, or who are confined or have recently been confined in a correctional facility. The measure also requires HCSD to consult with the Oregon Youth Authority, among other stakeholders.

#### **Fiscal Analysis**

The Long-Term Rent Assistance Program and the Long-Term Rent Assistance Fund were established through the passage of HB 2163 (2021). The program currently provides rental assistance to individuals younger than 25 years of age who are transitioning out of foster care, homelessness, behavioral or treatment facilities, or a county corrections or detention facilities. Currently, HCSD administers the program through a weighted survey process that identifies grantees that are both able to administer the program within specified geographic regions and provide continuity of support, so no recipients lose their housing if funding for the program were exhausted. Given those parameters, HCSD has only provided awards to three organizations that submitted qualifying surveys to HCSD: Washington County Housing Department, Mid-Willamette Valley Community Action Agency, and Northwest Oregon Housing Authority. Those organizations established their own internal processes to take referrals from community-based organizations and coordinate entry to identify eligible youth. Currently, HCSD has no plans to expand the program to include other organizations, because all funding for the program has already been committed. Without additional funding, HCSD would be unable to provide funding to any other organizations.

The Legislative Fiscal Office notes that HCSD also administers other programs focused on rehousing for homeless households and eviction prevention, both of which have rental assistance as an eligible use; the Governor's budget includes \$188.2 million for up to 24 months of rental assistance and supportive services for an estimated 1,137 households, and \$105.2 million to sustain rental assistance to those placed as part of the Governor's homelessness emergency, but neither amount is associated with the statute amended by this measure (ORS 458.390) and its associated Long-Term Rental Assistance Fund (ORS 458.392) which are specific to homeless youth. There is no funding at the 2025-27 current service level for the Long-Term Rent Assistance Program in HCSD.

If this measure is adopted and the Long-Term Rent Assistance Fund receives additional funding, the Department of Corrections (DOC) may need additional position authority to coordinate and assist adults in custody to apply

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for rental assistance and secure housing pre-release under this program. DOC may request additional position authority from the Emergency Board if that becomes necessary.

The measure is anticipated to have a minimal fiscal impact on the Oregon Youth Authority. The measure is not anticipated have a fiscal impact on the Department of Human Services and counties.

#### **Relevant Dates**

The measure takes effect on January 1, 2026.

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