

A-Engrossed House Bill 3837

Ordered by the House April 10
Including House Amendments dated April 10

Sponsored by Representative RUIZ

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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would grant funds to cities and Indian tribes with high poverty rates to help them reduce poverty. (Flesch Readability Score: 67.3).

Appropriates moneys to the Oregon Business Development Department to award grants to cities and Oregon Indian tribes with high poverty rates for the purpose of developing local poverty reduction plans.

Sunsets on January 2, [2028] **2030**.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

Relating to poverty reduction; and declaring an emergency.

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

SECTION 1. (1) There is appropriated to the Oregon Business Development Department, for the biennium beginning July 1, 2025, out of the General Fund, the amount of \$2,775,000.

(2) Of the moneys appropriated under this section:

(a) The Oregon Business Development Department may withhold an amount not to exceed \$200,000 for the actual costs it incurs in administering section 2 of this 2025 Act; and

(b) The balance may be used solely for the purposes set forth in section 2 of this 2025 Act.

SECTION 2. (1) As used in this section, "eligible community" means, as applicable:

(a) A city or federally recognized Indian tribe in Oregon that contains one or more census tracts with a federal poverty rate of 23 percent or more; or

(b) The governing body of such a city or Indian tribe.

(2) The Oregon Business Development Department shall use the moneys appropriated under section 1 of this 2025 Act to award grants to eligible communities for the purpose of developing local poverty reduction plans that:

(a) Demonstrate the eligible community's engagement with businesses, financial institutions, governmental bodies, nonprofit organizations, philanthropic organizations, faith communities, local schools and individuals directly affected by poverty;

(b) Are informed by the eligible community's analysis of local data related to poverty;

(c) Map local economic resources and gaps;

(d) Are informed by research on best practices for reducing local poverty; and

(e) Create performance measures by which the eligible community's progress toward its poverty reduction goals may be tracked.

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 (3)(a) The department shall prescribe a process, including forms and deadlines, by which
2 an eligible community may apply to the department for a grant under this section.

3 (b) The application form must, at least, require an applicant to include:

4 (A) Information and documents showing that the applicant is an eligible community and
5 is currently capable of developing a local poverty reduction plan; and

6 (B) An itemized estimate of the amount of funding the applicant expects the plan devel-
7 opment process to require.

8 (4)(a) If the department determines that an eligible community's application qualifies for
9 funding under this section, the department shall offer the eligible community a grant
10 agreement for an award in the following amounts:

11 (A) For an eligible community with a population of less than 25,000 residents, not more
12 than \$75,000;

13 (B) For an eligible community with a population of at least 25,000 residents but less than
14 100,000 residents, not more than \$150,000; and

15 (C) For an eligible community with a population of at least 100,000 residents, not more
16 than \$300,000.

17 (b) If the department determines that an eligible community's application does not qual-
18 ify for funding under this section:

19 (A) The department may consult with the eligible community about the application's de-
20 ficiencies; and

21 (B) After such consultation, the eligible community may submit, according to a schedule
22 agreed to by the department, an amended application, which is subject to the same require-
23 ments and award limitations as the original application.

24 (c) If the department makes a final determination that the eligible community does not
25 qualify for funding under this section, the determination is not subject to appeal.

26 (5) An eligible community that enters into a grant agreement with the department under
27 subsection (4) of this section shall deliver to the department the completed local poverty
28 reduction plan no later than the date established in the grant agreement.

29 (6)(a) If the department determines that the completed local poverty reduction plan does
30 not meet the requirements established under this section or the grant agreement, the de-
31 partment shall notify the eligible community of:

32 (A) Its determination;

33 (B) The deficiencies of the plan; and

34 (C) Recommendations and a timeline for curing the deficiencies.

35 (b) Upon request, the department shall consult with the eligible community about curing
36 the deficiencies of the plan.

37 (7) If an eligible community fails to cure the deficiencies of its local poverty reduction
38 plan to the satisfaction of the department within a reasonable period of time prescribed by
39 the department, the department may bring a civil action to secure repayment of the amount
40 of the grant award, plus interest at a rate of five percent for each month or fraction of a
41 month that the amount remains unpaid and the department's legal costs in obtaining judg-
42 ment for the amount.

43 SECTION 3. Section 2 of this 2025 Act is repealed on January 2, 2030.

44 SECTION 4. This 2025 Act being necessary for the immediate preservation of the public
45 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect

1 **on its passage.**

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