Oregon Housing and Community Services Department



Legislature Update February 24, 2009

Lisa Joyce Legislative Relations Manager



For More Information Lisa Joyce Legislative Relations Manager Ph: (503) 986-0951 (503) 510-2856 Email: Lisa.Joyce@hcs.state.or.us

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Like our partners, state legislators and advocates want to know the details in the federal government's American Recovery and Reinvestment Act (ARRA).

"They're wondering how much the state will get and how it will be distributed," said **Rick Crager**, deputy director of Oregon Housing and Community Services (OHCS). "We are all waiting for answers to these questions."

Despite the uncertainty, many hope the act will help mitigate cuts resulting from an \$855 million shortfall in this biennium's budget and a \$3 billion hole in 2009-2011.

A projected \$97.5 million from the ARRA will support OHCS-related programs, such as weatherization, affordable housing development, homelessness, and food. The department hopes to release details about these dollars and how they can be used by the end of March.

Meanwhile, the Senate Ways and Means Committee plans to finish work on **SB 5552**, the bill that balances the 2007-09 budget.

According to **Crager**, the big impact for OHCS in this particular round of budget reductions is a cut of \$204,800 to the Home Ownership Assistance program. An estimated 137 first-time homebuyers will not receive down payment assistance as a result of this reduction.

Legislators are hoping to wrap this bill up so they can move to the more challenging task of crafting a 2009-2011 biennial state budget.

"We can only hope that our legislators can continue to protect Oregon's most vulnerable during this difficult economy," **Crager** said. "Homelessness is the most extreme form of poverty, and it's a growing problem in this state."

As the budget crisis justifiably takes center stage at the Capitol, a few other policy initiatives are moving through this legislative session. One is **Senate Bill (SB) 200**, which recognizes the complex causes and effects of homelessness and proposes a state homelessness policy to guide state government's response.

SB 200 creates a state homelessness policy and will support implementation of the Governor's 10-year Plan to End Homelessness. The Senate Commerce and Workforce Development Committee will hear the bill at **3 p.m. on March 25** in Senate Hearing Room B.

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725 Summer St NE Suite B, Salem, Oregon 97301-1266 | <u>www.oregon.gov/ohcs</u> TEL 503.986.2000 | FAX 503.986.2020 | TTY 503.986.2100



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In other action:

HB 2436: Increases document recording fees by \$15 and dedicates that revenue to affordable housing development. Will be voted on the Senate floor Thursday, and then will move on for the Governor's approval.

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