

Budget plan would aid low-income Oregonians and help with housing, child care, job training

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New state spending designed to improve the lives of Oregonians by helping thousands of homeless residents obtain shelter, providing access to clean water in small, rural towns and enabling more than 100,000 students to take summer classes appears headed to legislative approval.

“We are seizing this opportunity to send direct relief to Oregonians and deliver results for working families,” said Speaker Dan Rayfield, D-Corvallis, after the \$1.4 billion package was endorsed by the Joint Ways and Means Committee on Monday, Feb. 28 with 17 Democrats and Republicans voting in favor. One Democrat and four Republicans opposed the plan. House Bill 5202 is now in the House. The budget will supplement the one that covers the current biennium from July 1, 2021 through June 30, 2023. It includes some quick payouts to Oregonians, including \$600 checks to 240,000 low-income residents.

The package also covers various programs serving people in all corners of the state, but those will take time to roll out. Oregonians won’t see for months the benefits from multi-million dollar packages on housing, workforce training, energy efficiency and child care.

One example: About \$400 million is earmarked in the budget for affordable housing and shelter projects.

When new shelters and temporary housing units open, which could be a year away, hundreds of people around the state will get to sleep in a bed with a roof over their heads instead of being squeezed into a vehicle, staying with friends or relatives or sleeping on the streets.

“We have so many people in Oregon who are unsheltered or homeless,” Gomberg said. “In my district, one in five kids in our public schools doesn’t have a long-term secure place to spend the night.”

Several items provide relief to low-income Oregonians. The pandemic has widened the divide between the poor and wealthy, with inflation pushing the cost of food and housing up while incomes have not kept up, economists say. If passed, as is likely, the budget could keep insured 55,000 low-income people who risk losing their health insurance, provide rebates to low-income residents to make their homes more energy efficient, make child care more affordable and increase training so that Oregonians of color and women can develop skills to work in health care, construction or manufacturing.

The agenda was largely written by Democrats, who control both chambers. Republicans support some of the proposals but they say the budget is too big and that the state could face unforeseen expenses in the future.

“The Democrats are spending a lot of money without a full picture of what the future costs of these programs will be,” said Dru Draper, spokesman of the Senate’s Republican caucus. “In many cases, these programs double down on the same policies that have failed to show much in the way of results. They won’t be able to spend their way out of rising crime,



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Democrats have advanced a \$1.4 billion budget that includes affordable housing, education, health care and other priorities.

our homeless and housing issues, or failing government schools. All these issues require real reform.”

Legislators opened their session with more than \$2 billion extra to spend because of unexpected and surging tax collections. Here is a look at some of the key areas where money would flow under the latest spending plan.

Affordable housing

Legislators budgeted \$400 million to build and preserve affordable homes, get people off the streets and into shelters and help with down payments.

Among projects funded:

\$25 million to nine large cities and counties for temporary shelters, outreach services and hygiene services, like portable toilets, shower trucks and laundry facilities. Salem, which is set to receive \$2.5 million, has more than 120 small shelters with room for two people to sleep, but needs land and staff. Eugene, which will receive \$5 million, intends to expand its year-old “safe sleep sites” program that allows people to legally camp in their cars or tents.

\$20 million to preserve five manufactured home parks, saving about 300 affordable homes.

Most of the remaining sum is for existing programs that help affordable housing developers pay for land or construction or to help people who are homeless or at risk of becoming homeless, including rent assistance programs to stave off eviction and workers who help homeless people connect with resources.

Education

Hundreds of millions of dollars from the state’s general fund will pour into the budget of the Higher Education Coordinating Commission and the Oregon Department of Education, the bulk of it to pay for summer classes provided by schools and community groups.

\$150 million to school districts and Education Service Districts providing summer classes to help high school students catch up on course credit, offer enrichment in core subjects like math, science and English and enhance student emotional and behavioral health. In 2021, 161 school districts, 69 charter schools and thousands of community programs requested about \$100 million for summer classes that served more than 100,000 students. Senate President Peter Courtney, D-Salem, and Sen. Michael Dembrow, D-Portland, hope to nearly double the reach of summer classes this year and to use expanded summer school as an inroad to pushing for year-round school.

\$5 million to increase graduation rates for the state’s 12,700 Black and African American students.

\$4 million for the Oregon Teacher Scholars Program for scholarships of \$10,000 to non-native English speakers nearing the end of their teaching degree programs.

Behavioral health

The behavioral health profession will get \$175 million to help retain employees. The providers serving adults and children are on the verge of collapse.

Another \$100 million will go for behavioral health housing.

“This will make that whole system work a lot better,” said Rep. Rob Nosse, D-Portland, chair of the House Behavioral Health Committee.

“There’s not a lot of secure residential treatment or housing across our state for people who are pretty sick but not quite ready to live among us but not sick enough to be in the state hospital,” Nosse said. “This additional \$100 million will get more of that built.”

The package marks a continuation of \$1 billion in federal and state dollars

that was earmarked for the 2021-2023 biennium for behavioral health and addiction treatment. Most of those programs are not off the ground yet.

Workforce training

A \$200 million package, including \$77 million in state money, will fund Gov. Kate Brown’s “Future Ready Oregon” for workforce training and other programs to train workers package.

“Without these efforts, Oregon will not be prepared to adequately address ongoing health care needs and future public health crises, which will only widen the health equity gap across our state,” said Dr. George Mejicano, associate dean of education in the OHSU School of Medicine.

Child care

The budget puts \$100 million into child care, including \$21 million for \$500 retention payments to child care workers in 2022 and 2023. That responds to anecdotal evidence considered by legislators and survey data that indicates that Oregon is losing child care providers, leaving parents with fewer choices and higher costs.

Almost \$40 million would be used to recruit and train new child care providers and help existing facilities expand. That includes:

\$7.9 million for the American Federation of State, County and Municipal Employees union, Oregon AFSCME’s United We Heal Training Trust for grants to child care providers, including up to \$14,000 for in-home providers and \$70,000 for child care centers.

The Legislature also intends to use nearly \$27 million to increase child care subsidies for low-income families.