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MEMORANDUM

December 18, 1998

TO: CADO Members  
FROM: Jerry Bieberle  
RE: CADO Strategy Status Report

Because the Governor has revealed his 1999/01 proposed budget now is a good time to review the status of our legislative goals.

Except for a \$5 million increase in HCS' housing construction program, the Governor 's Proposed Budget has very little good news for advocates for housing and food/nutrition programs. Despite all of the good work by the Housing and Community Services Department staff and the advocacy of the CADO members, none of the HCS policy packages asking for meaningful increases were adopted by the Governor. Some solace can be taken by the absence of any reductions to the Emergency Housing Account, the State Homeless Assistance Program and the food assistance program, but it was a disappointing development.

Now that the Governor has rejected our appeal for the funding we need to continue to provide effective, quality services, we now have to turn to the Oregon Legislature for help.

Because the growth in the Oregon economy has slowed down, the 1999 Legislature may not have the additional revenues need to meet all of the hopes and expectations of advocates asking for funding for their programs. The task facing CADO is to help key legislators to make our programs priorities for funding. This task will be difficult, and will take a great amount of hard work, but it is possible.

Despite being shut out by the Governor, CADO's Legislative Agenda remains the same.

## HOMELESS ASSISTANCE AND EMERGENCY HOUSING

**GOAL:** Seek a \$1,286,970 increase in the State Homeless Assistance Program (SHAP), and a \$2,320,500 increase Emergency Housing Account (EHA).

**STATUS:** The Governors Recommended Budget maintains both SHAP and EHA at their 1997 funding level (\$2,538,588 and \$4,927,670 respectively -- See Attachment A ).

**WHAT NEEDS TO BE DONE?** Individual legislators, particularly those in leadership positions, need to hear from their local communities about the need to increase funding for homeless assistance and emergency housing activities. Once legislators understand the importance of these programs in their communities they should be willing to 1) communicate with their presiding officer (President Brady Adams in the Senate and Speaker Lynn Snodgrass in the House) 2) talk to the appropriate Co-Chair of Ways and Means, Eugene Timms in the Senate and the yet to be named House Co-Chair; and, 3) speak with the members of the Ways and Means Subcommittee considering the HCS budget, about the need to adequately fund SHAP and EHA.

Most likely, but not for sure, the Transportation/ Economic Development Subcommittee will deal with the HCS budget. Once I know for sure I'll let you know.

The object of this exercise is to identify the increases in SHAP and EHA as funding priorities for the eventual legislative budget reconciliation. I will be working within the legislative process to facilitate getting SHAP and EHA identified as funding priorities, but local pressure will make it possible.

## AFFORDABLE HOUSING AND THE TRUST FUND:

**GOAL:** Support the proposal to appropriate \$160 million to the *housing Trust Fund*.

**STATUS:** The Governor's Recommended Budget does not allocate any new funds to the Housing Trust Fund.

**WHAT NEEDS TO BE DONE?** All of the housing advocate organizations will be asking the 1999 Legislature for \$160 million for the Housing Trust Fund. Because of the tightness of the budget, and the unlikely prospect of a large amount of additional revenues, it is difficult to identify a solid funding source for the Trust Fund. Some viable alternatives are being explored and I would venture that housing advocates will support the creation of a state "rainy day fund" to be stored in the Housing Trust Fund. While the fund waits for a rainy day the interest accrued would be used for housing development.

## **STATE SUPPORT FOR COMMUNITY ACTIONS PROGRAMS:**

**Goal:** Seek state funding support for the expanding obligation Community Action Programs have had to assume to assist Oregon's working poor.

**STATUS:** The Governor's Recommended Budget made little impact on this goal, and it is still difficult make big impact quickly. Still some progress is being made. One positive development is the inclusion in the AFS base budget of \$1 million to match SHAP and EHA. Since DHR redirected \$36 million of TANF elsewhere in the Department so as to balance its budget, the chances of securing significant amounts of TANF dollars to anti-poverty efforts do not look promising.

**WHAT NEEDS TO BE DONE?** CADO needs to continue to remind policy makers, both within state government, local government and the Legislature, about the mission of CAPs, their 30+ years of experience, and how well they are position in the community to reach and work with poor people. They need to be reminded that CAPs are the primary vehicles to address the causes and conditions of poverty in their community. As some result decision makers (particularly those in DHR and AFS) should see that it is a far better option for them to look to CAPs for implementation at the community level rather than have them try to reinvent and reformat themselves to fill this function.

## **ENERGY DEREGULATION:**

**GOAL:** Support the proposal for a meter charge on all electric utilities that will help fund a \$20 million annual energy assistance fund, and a 3% public purpose charge that will result in \$8 million in new low-income weatherization funds.

Though I have been in communication with Tom Schraw on energy deregulation, I do not feel competent to write about the status of his efforts. I can attest however, to how highly impressed I am with his efforts. From my viewpoint Tom's efforts are exceedingly effect, and he has my admiration and support.

## **FOOD AND NUTRITION:**

**GOAL:** Support the proposal to seek a \$2,000,000 increase in funding for food and nutrition programs, as well as future recommendations to come forward from the Oregon Food Bank and the Oregon Hunger Relief Task Force.

**STATUS:** As is the case in the housing arena, the Governors Recommended Budget contains no increases and maintains the food and nutrition programs at their 1997 funding level.

**WHAT NEEDS TO BE DONE?** Representatives from CADO's Legislative Committee need to meet with representatives of the Hunger Relief

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Task Force to figure out ways that CADO can effectively support their activities.

CADO adopted a fairly ambitious agenda and had good reason to be optimistic about having included in the Governor budget. All of us have a reason to be disappointed, but not to be deterred from continuing to try to achieve our goals. Competition for state funding will great, and this means each CAP needs to be even more diligent in making sure that their legislators understand how important they are to their communities well being.

ATTACHMENT A

COMMUNITY ACTION DIRECTORS OF OREGON  
(CADO)

STATE GENERAL FUNDS IN HOUSING AND COMMUNITY SERVICES DEPARTMENT  
SUPPORTING COMMUNITY PROGRAMS

	State Homeless Assistance (SHAP)	Emergency Housing Account (EHA)	Food/ Nutrition
99/01 -- Gov Proposed	2,538,588	4,927,670	750,835
97/99	2,538,588	4,927,670	750,835
95/97	2,548,145	4,917,400	750,835
93/95	2,548,145	4,917,400	200,000
91/93	2,773,045	5,000,000	-----
89/91	2,679,365	-----	-----
87/89	2,500,000 <sup>1</sup>	-----	-----
85/87	2,410,000 <sup>2</sup>	-----	-----

1 - Don't know exact amount of this year's appropriation (funds were in AFS budget & I don't have that budget report - \$2.5 m is close.

2- 1985 Legislature appropriated \$2 million even, later E-Board added \$410,000 to allow for a statewide program.