



2016 LEGISLATIVE REPORT

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SUMMARY

The Oregon legislature convened for the 2016 short session on February 1, 2016 and adjourned March 3, 2016. Oregon holds five-week short sessions on even numbered years to make necessary corrections to agency budgets and deal with emergency issues.

Due to the tight timeframes in a short session, legislators and committees are limited in the number of bills they can introduce in a short session. As a result, 283 bills were introduced this session. About 31 of those bills were of interest to the developmental disability community.

The 2016 session was different than previous sessions for the developmental disability community because much of the advocacy needs focused on the Department of Human Services budget rebalance rather than specific policy bills.

BUDGET

When the legislature convenes for short sessions, it makes adjustments to the two-year (biennium) state budget. The 2015 session set the budget for 2015-2017. In the 2016 session, legislators adjusted the biennium budgets through a process called rebalance. This process allows agencies to ask for more or less money for programs based on changes in program needs and caseload forecast trends.

A basic summary of the rebalance process is as follows:

- An agency takes a snapshot of its program trends including:
 - How many people the program serves and expects to serve (caseload);

- How much the program spends on each person it serves and how much it expects to spend on each person it serves (cost per case); and
- Other program issues or changes that change the program funding needs.
- The agency then tells the legislature that if the program continues in a particular direction, the program would need more or less money to meet the needs of people who use the program.

In 2016, the rebalance bill was SB 5701. It made budget adjustments for many different state agencies, including many that serve Oregonians with IDD, like the Department of Human Services and Department of Education.

DEPARTMENT OF HUMAN SERVICES BUDGET:

2016 Budget Rebalance (SB 5701)

The legislature approved additional funding for the Department of Human Services (DHS) for the 2015-2017 biennium. Overall, the adjustments made in Senate Bill 5701 will help fill a \$71 million dollar budget gap in 2016 that was created by caseload growth and cost-per-case increases in the Intellectual and Developmental Disability (IDD) Services as well as the Aging and People with Disabilities (APD) budgets. The legislature directly filled \$37.4 million of the funding need while reserving \$40 million in a special appropriation fund created in 2015 for additional DHS requests this biennium. DHS will have opportunities to request money from this special appropriation fund when the emergency board convenes during legislative days in May, September and December, 2016.

IDD and APD Budget Note 1 (Future IDD and APD Budget Sustainability Planning):

The Department of Human Services is directed to take steps to provide policy and budget options for decision making that will be required during the 2017 legislative session to ensure future sustainability of the APD and IDD programs. Steps include further refinement, analysis, and pricing of viable options or ideas brought forth by the agency, stakeholders, and other interested parties; the focus should be on ways to control caseload growth and utilization. The agency will reach out to legislators, stakeholders, and partners to assist in this effort. In developing sustainability proposals, the Department shall prioritize options that minimize impacts on consumers and providers. The Department will also formally report, at a minimum, to the Emergency Board during Legislative Days in May and December 2016 on progress made under both parts of this budget note. The agency may also be requested to report to interim legislative policy committees on human services.

IDD and APD Budget Note 2 (Immediate APD and IDD Sustainability Actions):

In addition to the work described above, the Department is also directed to take immediate actions that may help contain costs without changing the current service system structure and that do not require statutory changes. The agency's action plan includes:

- Review and correct, if needed, the relationship between assessment tools and program eligibility criteria;
- Take action to more efficiently align service authorization with people's needs, also consider appropriate limits;
- Work to limit use of overtime in service plans; but the agency should take into account workforce shortage areas, the needs of consumers, and changes to current consumer provider relationships;
- Continue discussions with CMS to prevent the conversion of natural support to paid support, with

consideration for parental responsibility; and

- Further restrict the live-in program to prohibit live-in service plans when the individual lives in their family's home or the family lives with the individual and is served by that relative (they would still be served in the hourly program)

Intellectual and Developmental Disability Services Budget:

As mentioned above, DHS estimated that it would experience a \$71 million dollar shortfall this biennium without additional funding. These needs were primarily in the IDD and APD program areas. Both caseloads and cost per case in IDD programs are expected to be higher than the previous forecast, driving an overall increased need for funding. These increases are primarily the result of implementing the K Plan.

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In addition to the caseload and cost per case increase funding, the approved rebalance plan includes:

- \$3.0 million General Fund to restore a reduction action taken during 2015-17 budget development. This amount was offered up by the agency as a reduction during session, but was attributed to the wrong program; if left in place the cut eliminates staff supporting children's programs.
- Participation rate changes for brokerage case management are driving an increase of \$2.1 million General Fund (\$7 million total fund); the Department has a plan to improve participation rates going forward through provider training
- Collective bargaining resulted in an increase of \$2.06 million General Fund for adult foster care provider rate increases and \$2.13 million General Fund (\$7 million total fund) for Personal Support Workers to address wage increases. This change is covered by the already established collective bargaining special purpose appropriation. \$3.2 million General Fund was also added to address overtime rules for personal support workers.

Vocational Rehabilitation Rebalance:

The legislature approved an increase of \$3.3 million General Fund, \$8.5 million Federal Funds for Vocational Rehabilitation. This is to account for higher cost per case due to program recipients with higher needs, although the expected caseload is expected to be about 1% lower than the spring 2015 estimate.

The rebalance also includes a plan to use \$8.5 million one-time federal reallocation dollars to maintain the program without activating the Order of Selection (priority wait list) in the 2015-2017 biennium and implement program changes associated with the federal Workforce Innovation and Opportunities Act (WIOA). About \$7.5 million is needed to avoid the Order of Selection, and \$1 million is needed for WIOA implementation. These one-time federal dollars will have to be backfilled with General Fund in the 2017-2019 biennium to sustain program services.

Vocational rehabilitation also received a technical adjustment that amounts to \$3.3 million total funds. This was possible by moving a portion of the work tied to Executive Order 15-01 and the Employment First policy package from IDD to Vocational Rehabilitation.

EDUCATION BUDGET (SB 5701):

Early Intervention / Early Childhood Special Education:

Funding for the Early Intervention and Early Childhood Special Education (EI/ECSE) programs was increased by \$5,393,340 General Fund. The 2015-2017 biennium budget did not adequately consider caseload increases attributed to developmental screening increases. EI/ECSE programs cannot have waitlists. This rebalance investment allows the programs to serve over 700 additional children without lowering existing service levels.

HOUSING AND COMMUNITY SERVICES BUDGET (SB 5701):

The Oregon Housing and Community Services budget rebalance included the following:

- \$2.7 million General Fund for counseling services under the Oregon Foreclosure Avoidance Program. This program was underfunded in the 2015-2017 biennium with the requirement that Oregon Housing and Community Services report back during the 2016 session. These additional funds will cover the rest of the 2015-2017 biennium expenditures for fee-for-service foreclosure counseling, legal aid foreclosure counseling for complex circumstances, and program administration.
- One-time \$10 million General Fund appropriation used as follows: \$8 million is for homelessness assistance and prevention services through the Emergency Housing Assistance (EHA) program and \$2 million is to the State Housing Assistance program (SHAP) for operational support for emergency shelters and supportive services to shelter residents.

POLICY BILLS OF PARTICULAR INTEREST IN THE 2016 SESSION:

Below is a very brief summary of specific legislation of particular interest to the Developmental Disabilities community. This report includes both bills that were enacted and some that died. If you would like to read the full text of any of these bills, you can find them on the Oregon State Legislature web site at:

<https://olis.leg.state.or.us/liz/2016R1/Measures/list/>.

Housing:

Accessing affordable and appropriate housing continues to be a challenge for many Oregonians, including people with IDD and their families. Both Eugene and Portland have declared states of emergency related to housing, but policy makers agree that housing is a statewide issue. To deal with this emergency, legislators and affordable housing advocates approached the 2016 session with an aggressive agenda. They experienced some success, but you should expect to see the housing conversations for increased tenant protections and affordable housing development continue during the 2017 legislative session.

HB 4143 Tenant protections: Protects Oregon tenants from rent increases in the first year of tenancy. Also requires 90 day notice on rent increases (improved from the current 30 day notice requirement). **Passed, waiting Governor signature.**

SB 1583 Local Innovation and Fast Track (LIFT) housing program parameters: sets parameters for the LIFT program and provides funds to administer the program. LIFT received a \$40 million investment in 2015 to develop affordable housing. **Governor signed March 8, 2016, effective March 8, 2016.**

HB 4081 Removing the sunset on property tax exemptions for affordable housing: This bill will help maintain existing affordable housing units by providing predictability for non-profit developments receiving property tax exemptions. **Passed, waiting Governor signature.**

SB 1533 Inclusionary zoning and construction excise tax: After 17 years, Oregon's total ban on inclusionary zoning was repealed with this bill, which allows local governments to mandate that developers set aside a portion of new units as affordable (80% area median income and above). This bill sets various parameters on inclusionary zoning ordinances; you can read a summary of final version of the bill from the Oregon Housing Alliance [here](#). The bill also gives cities and counties the ability to impose a construction excise tax of up to 1%. On residential properties, 100% of revenue would go toward affordable housing, and half of proceeds from a commercial or industrial construction excise tax would also be allocated for affordable housing. **Passed, waiting Governor signature.**

Education:

HB 4002 Chronic Absences: Directs Department of Education and Chief Education Office to jointly develop statewide education plan to address chronic absences of students in public schools. **Passed, waiting to be transferred to Governor's desk.**

HB 4023 School District Residency: Considers certain individuals to be residents of school district in which individuals attend school even if legal residences of individuals are no longer within district because of district boundary change. **Governor Signed March 1, 2016, Effective July 1, 2016.**

HB 4024 Complaint process for harassment, intimidation and bullying: Directs State Board of Education to adopt by rule complaint process to report district policy in violation of state law prohibiting harassment, intimidation, bullying and cyberbullying. **Died.**

HB 4031 Pilot program to decrease school absences: Directs Chief Education Office to design and implement pilot program to decrease rates of school absenteeism. **Died.**

HB 4033 Network of Quality Teaching and Learning Expenditures: Specifies that moneys may be distributed under Network of Quality Teaching and Learning for purposes of advancing Educators Equity Act, improving cultural competence of educators and ensuring educators are trained in culturally relevant educational practices. **Governor signed March 1, 2016, effective March 1, 2016.**

HB 4050 Summer Learning: Creates Policy Advisory Council on Summer Learning. **Died**

HB 4119 Attending school district outside legal residence: Removes sunset on provisions that allow students whose legal residence is not within school district to attend school in district as resident if student receives written consent. **Died.**

SB 1537 Post Graduate Scholar Program: Establishes criteria by which school district may establish post-graduate scholar program to receive and expend certain State School Fund moneys for certain students who have satisfied requirements for high school diploma. **Passed, waiting Governor signature.**

Child Welfare:

SB 1515 Licensing Standards: Establishes standards and criteria for mandatory licensing, certification or authorization of child-caring agencies by Department of Human Services. **Passed, waiting Governor signature.**

SB 1516 Workgroup for fees and penalties. Directs Department of Human Services to convene work group to develop and recommend licensing fees and criminal and civil penalty structure for child-caring agencies, certain foster homes, private residential boarding schools, shelter-care homes and independent residence facilities. **Died.**

HB 4080 Foster Care Advisory Commission: Establishes Governor's Child Foster Care Advisory Commission to advise Governor and Director of Human Services regarding foster care system in this state. **Passed, waiting Governor signature.**

Protective Services:

HB 4013 Fatality Review Teams: Authorizes county governing body to establish multidisciplinary elderly or vulnerable person fatality review team to assist local organizations and agencies in identifying and reviewing fatalities involving abuse or neglect of elderly or vulnerable persons. **Died.**

HB 4136 Wrongful Death: Increases \$500,000 limit on noneconomic damages recoverable in wrongful death actions and other statutorily created causes of action to \$1.5 million. **Died.**

SB 1571 Sexual Assault Kits: Directs Department of State Police to adopt rules concerning prioritization of testing untested sexual assault forensic evidence kits. **Passed, waiting Governor signature.**

Personal Rights:

SB 1552 Advance Directives: Establishes Advance Directive Rules Adoption Committee for purpose of adopting by rule form of advance directive to be used in this state. **Died.**

SB 1568 Prohibits discrimination in health benefit plans: Prohibits discrimination based on age, expected length of life, present or predicted disability, degree of medical dependency or quality of life in determination of medical services covered by state medical assistance program, in coverage under medical retainer practice and in issuance of health benefit plans. **Died.**

Earned Income Tax Credit:

HB 4110 Earned Income Tax Credit: Increase Oregon's EITC match for families with children under the age of three from 8% of the federal credit to 11%. **Passed, waiting Governor signature.**

HB 4144 Earned Income Tax Credit Utilization Task Force: Establishes Task Force on Utilization of the Earned Income Tax Credit. Directs task force to study rates of utilization of specified tax credits and to report annually to Legislative Assembly. Directs Department of Revenue to promote taxpayer awareness of tax credit that assist low-income taxpayers and of availability of free taxpayer assistance. **Died.**

HB 4133 Pilot Project for Payments of Dependent Care Credits: Directs Department of Revenue, in collaboration with Department of Human Services, to establish pilot program for disbursement of installment payments to personal income taxpayers of amounts equal to personal income tax dependent care credits. **Died.**

Minimum Wage:

SB 1532: Raise minimum wage across Oregon in three geographic sections before topping out in 2022. The region is based on where the resident works. Then, the rates would rise along with the state's cost of living. Oregon's current wage is \$9.25. **Passed, Governor signed March 2, 2016, effective March 2, 2016.**

Timeline for minimum wage increases:

Tier 1 (the Portland urban growth boundary):

- July 1, 2016: \$9.75
- July 1, 2017: \$11.25
- July 1, 2018: \$12
- July 1, 2019: \$12.50
- July 1, 2020: \$13.25
- July 1, 2021: \$14
- July 1, 2022: \$14.75

Tier 2 (Benton, Clackamas, Clatsop, Columbia, Deschutes, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Wasco, Washington and Yamhill counties):

- July 1, 2016: \$9.75
- July 1, 2017: \$10.25
- July 1, 2018: \$10.75
- July 1, 2019: \$11.25
- July 1, 2020: \$12
- July 1, 2021: \$12.75
- July 1, 2022: \$13.50

Tier 3 (Malheur, Lake, Harney, Wheeler, Sherman, Gilliam, Wallowa, Grant, Jefferson, Baker, Union, Crook, Klamath, Douglas, Coos, Curry, Umatilla and Morrow counties)

- July 1, 2016: \$9.50
- July 1, 2017: \$10
- July 1, 2018: \$10.50
- July 1, 2019: \$11
- July 1, 2020: \$11.50
- July 1, 2021: \$12
- July 1, 2022: \$12.50

Health Care:

HB 4071: Establishes COFA Premium Assistance Program administered by Department of Consumer and Business Services to provide financial assistance with health care premiums and out-of-pocket costs for Pacific Islanders legally residing in Oregon under Compact of Free Association. This is the first bill of its kind in the United States since COFA residents were stripped of their ability to use Medicaid with federal welfare reform in the 1990s. **Passed, waiting Governor signature.**

HB 4017 Basic Health Blueprint Plan: Directs the Department of Consumer and Business Services to work with stakeholders and the Oregon Health Authority to create blueprint for a Basic Health Plan in Oregon by December 2016. Basic Health would cover people who are under age 65, have incomes between 138% federal

poverty level (FPL) and 200% FPL, or lawfully present noncitizens with incomes below 200% FPL who would be eligible for Medicaid but for their immigration status. Basic Health would allow people to purchase coverage with coordinated care organizations or private insurers. People with incomes between 138% and 200% FPL would pay premiums on a sliding scale. **Passed, waiting Governor signature.**

Miscellaneous:

HB 4042 General Assistance: requires Department of Human Services (DHS) to conduct outreach to potentially eligible individuals and provide aid and services to help the individuals get housing, Supplemental Security Income (SSI) or Social Security Disability (SSDI) benefits. Eligible individuals include: people DHS determines have a disability that would qualify for SSI or SSDI, is enrolled in a medical assistance program, and is homeless. The aid and services can include but is not limited to: housing assistance, cash assistance, and help applying for Social Security. Up to 200 people can participate in General Assistance each month.

CONCLUSION

Thank you to those of you who put time and effort into advocating for and supporting individuals with intellectual or developmental disabilities. Legislators saw and heard you and your voices definitely made a difference!

The next regular session starts in February, 2017 and lasts for five months. Legislators expect the 2017 session to be tough financially unless proposed ballot measures pass and bring in new revenue. This means we will need strong advocacy in 2017 to support many programs that benefit and serve Oregonians with IDD.

If you would like to get involved and stay informed in the meantime, make sure to join the Oregon Disabilities Network by navigating to www.ocdd.org and clicking on the link at the right "Sign up for the Oregon Disability Network." The Oregon Disability Network is sponsored by the Oregon Council on Developmental Disabilities and the Oregon Developmental Disabilities Coalition.