



TINA KOTEK  
GOVERNOR

July 24, 2025

The Honorable Tobias Read  
Secretary of State  
900 Court Street NE  
Salem, OR 97310

RE: House Bill 5011

Dear Secretary Read,

Today, I am signing House Bill 5011, the agency budget bill for Oregon Housing and Community Services (OHCS). Given the revenue constraints faced by legislative budget writers at the end of session, I am appreciative of the critical investments in the bill. I write this letter to highlight the potential consequences to homelessness response outcomes resulting from reduced funding for rehousing, long-term rental assistance, and prevention efforts.

My recommended budget for 2025-2027 was designed to maintain the outcomes and progress in addressing homelessness that has occurred under my emergency homelessness response over the last two years. Specifically, funding levels in my recommended budget were designed to:

- Maintain over 4,800 state-funded shelter beds.
- Rehouse 2,870 additional Oregonians experiencing homelessness.
- Maintain long-term rent assistance for over 2,000 households.
- Prevent eviction and homelessness for over 25,000 Oregonians.

Again, I appreciate there were fewer dollars available than when I developed my recommended budget, and I also appreciate that House Bill 5011 provides enough funding to maintain all locally-run, state-funded shelter beds in the 2025-27 biennium.

However, with reduced funding for rehousing, long-term rent assistance, and prevention, Oregon will see reduced outcomes related to homelessness response services. Specific outcome reductions will be identified by OHCS and grant recipient partners. That said, we should anticipate impacts along the scale of funding reductions:

- Rehousing services are funded 73% below my recommended budget, and an equivalent reduction in outcomes could be 2,000 fewer households rehoused.
- Long-term rent assistance is funded 17% below my recommended budget, and an equivalent reduction in outcomes is 300 fewer households receiving long-term vouchers.

Honorable Tobias Read

July 24, 2025

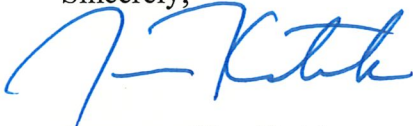
Page 2

- Prevention is funded 74% below my recommended budget, and an equivalent reduction in outcomes could be 18,000 fewer households prevented from experiencing an eviction or homelessness.

Investments in rehousing and long-term rental assistance have been successful in the past two years, keeping Oregonians from slipping through the cracks and landing back on the street. And the most cost-effective strategy to combat our homelessness crisis is to prevent people from experiencing homelessness in the first place.

I look forward to continuing discussions on how to meet the needs of our neighbors and our communities. In the meantime, my office, OHCS, and local community partners will focus implementation on maximizing outcomes and Oregonians served within the resources provided.

Sincerely,



Governor Tina Kotek

cc: Speaker of the House Julie Fahey  
Senate President Rob Wagner

TK:smg