

Date: May 20, 2021

To: Legislative Leadership, Clackamas County Legislative Delegation, Governor's Office

Cc: Oregon Housing and Community Services (OHCS)

From: Clackamas County

Today, Clackamas County signed a contract with the state to distribute Oregon Emergency Rental Assistance Program (OERAP) funding to Clackamas County residents, set to begin on Monday. Many in our county are behind on rent, and have been hard hit by the pandemic and ensuing economic disruptions. Clackamas County residents all need a safe place to call home and our county staff and partners are well prepared to deliver this much needed assistance.

Yesterday, Oregon Housing and Community Services (OHCS) issued a communication about the launch of the OERAP program, noting that the system was not available to Clackamas County residents because the state and county had not yet reached agreement on the contract. The outstanding issue that the state was ultimately unwilling to address is part of a concerning trend we have seen in the state's approach to liability.

In this instance, the state selected a third party vendor to design a software system to collect data, including personal and financial information of both tenants and landlords in order to process applications. This vendor they selected recently designed the state's IT system for the Landlord Compensation Fund, which was delayed for months because of technical problems. The county has no role in the vendor selection process, yet the contract provided by the state requires the county to assume all liability for any data breaches caused by that third party system they had no role in selecting.

With new federal, regional, and state money flowing this year, it has become an unacceptable pattern that risk gets passed along from the bigger entities to the smaller, without consideration of the capacity (fiscal and otherwise) of front line grantors to cover any failures that might happen in the process that are beyond their control.

While we will be assuming this risk in order to serve our residents, we call on our legislators and the Governor to work to resolve this broader issue in the future. We all share the goal of securely and fairly providing financial assistance to those in need. It is important that the state recognizes sharing risk as a cost of doing business.