



TEMPORARY ADMINISTRATIVE ORDER
INCLUDING STATEMENT OF NEED & JUSTIFICATION

SSP 16-2023

CHAPTER 461

DEPARTMENT OF HUMAN SERVICES

SELF-SUFFICIENCY PROGRAMS

FILED

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ARCHIVES DIVISION
SECRETARY OF STATE
& LEGISLATIVE COUNSEL

FILING CAPTION: Adopting Rules to Establish and Implement the Tax Infrastructure Grant Program

EFFECTIVE DATE: 06/15/2023 THROUGH 12/11/2023

AGENCY APPROVED DATE: 06/09/2023

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NEED FOR THE RULE(S):

All of the rules in this filing need to be adopted to establish and implement the Tax Infrastructure Grant Program, which carries out the Department's responsibility under House Bill 4117 (2022 short session). The grant program provides funding to certain organizations and tribal governments that are engaged in income tax benefits education, navigation, and return preparation. The program's objective is to encourage and enable culturally specific and responsive organizations, tribal governments, and under-served rural community organizations to provide free income tax services to households with low income. Currently, no rules for this program exist and the Department is unable to issue funds until the rules are complete.

JUSTIFICATION OF TEMPORARY FILING:

HB 4117 requires rules to be written for the Tax Infrastructure Grant Program, but the short time frame between the funding appropriation, hiring staff, and tax season does not allow for a full permanent rule making process. The Department is unable to issue funds to support staff assisting taxpayers with low income until rules are complete. Without funding, existing staff would have to be laid off and taxpayers with low income would not receive assistance with getting the tax benefits they are eligible to receive. Establishing the program through temporary rule filing will ensure the program can continue as intended by the House Bill.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

House Bill 4117, available here:
<https://olis.oregonlegislature.gov/liz/2022R1/Downloads/MeasureDocument/HB4117/Enrolled>

RULES:

461-194-0000, 461-194-0010, 461-194-0020, 461-194-0030, 461-194-0040

ADOPT: 461-194-0000

RULE SUMMARY: OAR 461-194-0000 is being adopted to establish and implement the Tax Infrastructure Grant Program, which carries out the Department's responsibility under House Bill 4117 (2022 short session). The grant

program provides funding to certain organizations and tribal governments that are engaged in income tax benefits education, navigation, and return preparation.

CHANGES TO RULE:

461-194-0000

Purpose and Objectives

The provisions of this rule are retroactively effective January 1, 2023. OAR chapter 461, division 194 establishes and implements the Tax Infrastructure Grant Program, which carries out the Department's responsibility under House Bill 4117 (2022 short session). The grant program provides funding to certain organizations and tribal governments that are engaged in income tax benefits education, navigation, and return preparation. The program's objective is to encourage and enable culturally specific and responsive organizations, tribal governments, and under-served rural community organizations to provide free income tax services to households with low income.

Statutory/Other Authority: ORS 411.060, HB 4117 (Oregon 2022 short session)

Statutes/Other Implemented: HB 4117 (Oregon 2022 short session)

ADOPT: 461-194-0010

RULE SUMMARY: OAR 461-194-0010 is being adopted to establish definitions for the Tax Infrastructure Grant Program, which carries out the Department's responsibility under House Bill 4117 (2022 short session). The grant program provides funding to certain organizations and tribal governments that are engaged in income tax benefits education, navigation, and return preparation.

CHANGES TO RULE:

461-194-0010

Definitions

The provisions of this rule are retroactively effective January 1, 2023. Terms used in OAR chapter 461, division 194, are defined as follows, unless otherwise indicated by the context:¶

(1) "Culturally specific organization" means an entity that provides services to a cultural community in an organizational environment that is culturally focused, and the community being served recognizes it as a culturally specific entity that provides culturally and linguistically responsive services. The entity must have a record of successful community engagement and involvement with the community being served.¶

(2) "Culturally responsive organization" means an entity that is designed to effectively meet the needs of individuals from diverse cultural backgrounds and experiences through an understanding and respect for the beliefs, practices, culture and linguistic needs of the diverse client populations and communities being served.¶

(3) "Department" means the Oregon Department of Human Services.¶

(4) "Tribal governments" mean the governing bodies of all nine federally recognized tribes in the State of Oregon.¶

(5) "Rural community organization" means an entity serving a geographic area in Oregon that is at least ten miles from a population center of 40,000 people or more.

Statutory/Other Authority: ORS 411.060, HB 4117 (Oregon 2022 short session)

Statutes/Other Implemented: HB 4117 (Oregon 2022 short session)

ADOPT: 461-194-0020

RULE SUMMARY: OAR 461-194-0020 is being adopted to establish and administer the Tax Infrastructure Grant Program, which carries out the Department's responsibility under House Bill 4117 (2022 short session). The grant program provides funding to certain organizations and tribal governments that are engaged in income tax benefits education, navigation, and return preparation.

CHANGES TO RULE:

461-194-0020

Administration

The provisions of this rule are retroactively effective January 1, 2023. Grants awarded by the Tax Infrastructure Grant Program must meet at least one of the following:

- (1) Strengthen the existing network of culturally specific and responsive tax preparation organizations;
- (2) Expand organizational capacity in geographically diverse areas of Oregon to improve access to tax navigation and tax preparation services;
- (3) Improve the recruitment and retention of qualified tax preparers;
- (4) Strengthen the technology resources and training systems available to tax preparers and volunteers; or
- (5) Strengthen taxpayer outreach, education, and connections to communities by culturally specific and responsive tax navigation and preparation service providers.

Statutory/Other Authority: ORS 411.060, HB 4117 (Oregon 2022 short session)

Statutes/Other Implemented: HB 4117 (Oregon 2022 short session)

ADOPT: 461-194-0030

RULE SUMMARY: OAR 461-194-0030 is being adopted to establish eligible activities for Tax Infrastructure Grant Program grant recipients, which carries out the Department's responsibility under House Bill 4117 (2022 short session). The grant program provides funding to certain organizations and tribal governments that are engaged in income tax benefits education, navigation, and return preparation.

CHANGES TO RULE:

461-194-0030

Eligible Activities

The provisions of this rule are retroactively effective January 1, 2023. Tax Infrastructure Grant Program recipients must use funds to assist households with low income by at least one of the following:

(1) Providing education about tax credits and other tax benefits available to individuals with low income;

(2) Assisting in navigation of the state and federal tax systems; or

(3) Filing income tax returns.

Statutory/Other Authority: ORS 411.060, HB 4117 (Oregon 2022 short session)

Statutes/Other Implemented: HB 4117 (Oregon 2022 short session)

ADOPT: 461-194-0040

RULE SUMMARY: OAR 461-194-0040 is being adopted to establish requirements for Tax Infrastructure Grant Program grant recipients, which carries out the Department's responsibility under House Bill 4117 (2022 short session). The grant program provides funding to certain organizations and tribal governments that are engaged in income tax benefits education, navigation, and return preparation.

CHANGES TO RULE:

461-194-0040

Monitoring and Reporting Requirements

This provisions of this rule are retroactively effective January 1, 2023.

(1) The Department will conduct reviews, audits, and other compliance monitoring as it deems appropriate to verify compliance with grant agreements. Grant recipients will cooperate fully with the Department in its compliance monitoring.

(2) Grant recipients shall meet all of the following:

(a) Maintain records that document the use of grant funds for a period of three years and make the records available to the Department upon request.

(b) Submit an annual report by May 1 of each year documenting the number of tax returns filed, the dollar amount tax benefits received, and other data as specified in the grant agreement.

Statutory/Other Authority: ORS 411.060, HB 4117 (Oregon 2022 short session)

Statutes/Other Implemented: HB 4117 (Oregon 2022 short session)