

**75TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
SENATE FINANCE & REVENUE COMMITTEE**

**MEASURE: SB 199
CARRIER:**

**REVENUE: Yes-- Revenue Impact
FISCAL: No - Fiscal Impact**

Action: Do Pass and Refer to Ways and Means by Prior Reference
Vote: 5-0-0
Yeas: Hass, Morse, Rosenbaum, Telfer, Burdick
Nays: 0
Exc.: 0

Prepared By: Warner, Economist
Meeting Dates: 2/18, 4/8

WHAT THE BILL DOES: Increases cap for Oregon Affordable Housing Lender's Credit from \$17 million per fiscal year to \$21 million per fiscal year beginning with tax years starting on or after January 1, 2010.

ISSUES DISCUSSED:

- Results of credit cap expansion enacted by 2007 regular session and 2008 special session.
- Mechanics of lenders credit.
- Use of credit to leverage federal and private money for affordable housing.
- Impact of program on individual rental costs.

EFFECT OF COMMITTEE AMENDMENTS: None

BACKGROUND: The Oregon Affordable Housing Lender's Credit allows a credit against corporate income taxes for lending institutions that make below market loans for low-income housing projects. The credit cap was increased by the Legislature during the 2008 special session from \$13 million per fiscal year to \$17 million per fiscal year starting with the 2009 tax year.