

PRELIMINARY STAFF MEASURE SUMMARY

CARRIER:

Senate Committee on Veterans and Emergency Preparedness

REVENUE: No revenue impact (-1 amendment)

FISCAL: No fiscal impact (-1 amendment)

SUBSEQUENT REFERRAL TO: None

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Cheyenne Ross, Administrator

Meeting Dates: 2/28, 3.28

WHAT THE MEASURE DOES: Removes limit on number of home or farm loans received or assumed from Department of Veterans’ Affairs. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Absence of rationale for limit
- No change in underwriting
- Primary residence only, no income-generating or vacation properties
- Generally lower default/foreclosure rates among veterans than general population
- Concern about difficulty in the 1980s, when loans were previously unlimited
- Whether current reading of limit is accurate (that a person may borrow many times, but only up their limit, may not be correct)

EFFECT OF COMMITTEE AMENDMENT:

[-1 amendment] Limits eligible persons to four loans.

BACKGROUND: Oregon law currently prohibits eligible persons from receiving or assuming more than two home or farm loans from the Oregon Department of Veterans’ Affairs. Senate Bill 34 lifts that limit, permitting eligible persons to borrow as many times as needed up to the limit of their benefit (\$417,000, at present).