

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 3 - 0 - 1

Yeas: Olsen, President Courtney, Boquist

Nays: 0

Exc.: Monnes Anderson

Prepared By: Cheyenne Ross, Administrator

Meeting Dates: 2/28, 3/28

WHAT THE MEASURE DOES: Raises limit on number of home or farm loans received or assumed from Oregon Department of Veterans' Affairs, from two to four per eligible person. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Absence of rationale for limit
- No change in underwriting
- Applicable to primary residence only, no income-generating or vacation property
- Generally lower default/foreclosure rates among veterans than general population
- Concern about difficulty in 1980s, when loans were previously unlimited
- Current reading of loan limit not accurate (that person may borrow up to two times but total sum cannot exceed current benefit amount of \$417,000); person may borrow up to amount of current benefit *each* time

EFFECT OF COMMITTEE AMENDMENT: Limits eligible persons to four loans, rather than lifting limit entirely.

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-A raises that limit to four, permitting eligible persons to borrow up to the current maximum benefit amount of \$417,000, each time if they otherwise qualify.