

PRELIMINARY STAFF MEASURE SUMMARY

CARRIER:

House Committee on Veterans and Emergency Preparedness

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

SUBSEQUENT REFERRAL: Joint Committee on Ways and Means – committee addition

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Bryan Guiney, Administrator

Meeting Dates: 3/26, 4/14

WHAT THE MEASURE DOES: Establishes Veterans Refinancing and Reintegration Services Fund in State Treasury. Directs Oregon Department of Veterans’ Affairs (ODVA), pursuant to contracts with financial intuitions, to establish home-loan refinancing for veterans and provide loan guarantees, as specified.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT: Proposed [-2] directs ODVA to pay amounts due loan or credit guarantees for unpaid refinanced mortgages, including interest, only from the Veterans Refinancing and Reintegration Services Fund. Amounts due and payable do not constitute a debt or lending of credit by the State within the meaning of any constitutional or statutory limitation. A financial institution may exercise their rights against the security (a veteran’s home) for the mortgage loan (may foreclose on the home). The Governor’s budget request must include amounts sufficient to permit the payment of all amounts which will be due on unpaid loan and credit guarantee for each biennium.

BACKGROUND: This measure creates more home-refinancing options for veterans.

House Bill 2897 establishes the Veterans Refinancing and Reintegration Services Fund and appropriates monies to the Oregon Department of Veterans’ Affairs (ODVA) for the purposes of loan or credit guarantees, fund expense, and the purchase or buyout of superior or prior liens, mortgages or security interests.