

STAFF MEASURE SUMMARY**House Committee On Human Services and Housing****Fiscal:** Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:** 02/10/16**Action:** Do Pass. Refer To Ways And Means.**Meeting Dates:** 02/03, 02/10**Vote:**

Yeas: 8 - Buehler, Evans, Gallegos, Hayden, Keny-Guyer, Parrish, Piluso, Stark

Exc: 1 - Taylor

Prepared By: Adam Crawford, Committee Administrator

WHAT THE MEASURE DOES:

Establishes Affordable Housing Mortgage Loan Fund (Fund) for purpose of making deferred loans to eligible statewide nonprofit organizations (recipients). Requires recipients to create and administer revolving fund for purpose of purchasing mortgage loans from affiliated local nonprofit organizations that construct and sell housing to low-income Oregonians. Allows recipient to retain maximum of eight percent of value of each mortgage loan. Specifies allowable conditions under which recipient may purchase mortgage loans from affiliated local nonprofit organizations. Requires recipient to report to Housing and Community Services Department annually by December 31st. Takes effect July 1, 2016.

ISSUES DISCUSSED:

- Other states with similar revolving fund programs
- Number of potential mortgages fund could purchase

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Eight states have worked with their statewide Habitat for Humanity organizations to establish statewide mortgage leveraging programs: Alabama, Idaho, Iowa, Michigan, Minnesota, South Dakota, Virginia, and West Virginia. These programs are used to leverage the value of held mortgages to provide capital for local affiliates to expand homebuilding capacity.

House Bill 4064 establishes the Affordable Housing Mortgage Loan Fund to make deferred loans to statewide nonprofit organizations that meet certain criteria. The deferred loans are then used to create a revolving loan fund securitized against that statewide nonprofit organization's local affiliates' mortgage assets. No funds are appropriated in House Bill 4064.