

HB 3192 STAFF MEASURE SUMMARY

House Committee On Human Services and Housing

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Sub-Referral To: House Committee On Revenue
Meeting Dates: 3/23, 3/30

WHAT THE MEASURE DOES:

Establishes the Homeownership Down Payment Assistance Program within Housing and Community Services Department (OHCS) to provide grants to eligible nonprofit organizations, housing authorities, and local governments to provide financial assistance to first-time low income home buyers for purchase of single family residences. Defines low income households as households with income at or less than 100 percent of area median income. Specifies qualifications and application process for eligible organizations, authority or local government including demonstration of capacity to administer grant funds. Requires grant program recipient to report to OHCS annually regarding the status and use of grant funds. Establishes the Homeownership Down Payment Assistance Program Fund and continuously appropriates money to fund program at OHCS. Appropriates \$5,000,000 from the General Fund to establish and implement fund. Becomes operative January 1, 2018. Declares emergency, effective July 1, 2017.

ISSUES DISCUSSED:

- Difficulties saving money for down payment
- Barriers to homeownership for low-income families
- Affordability of mortgages

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

House Bill 3192 establishes the Homeownership Down Payment Assistance Program within Housing and Community Services Department (OHCS). The purpose of the programs is to provide grants to eligible nonprofit organizations, housing authorities, and local governments to provide financial assistance to first-time low income home buyers for purchase of single family residences. Low income households is defined as households with an income at or less than 100 percent of the area median income. The measure specifies qualifications and application process for eligible organizations, authority or local government including demonstration of capacity to administer grant funds. Grant program recipients are required to report to OHCS annually regarding the status and use of grant funds, list of first-time home buyers, administrative expenses and aggregate demographic data.

House Bill 3192 also establishes the Homeownership Down Payment Assistance Program Fund and continuously appropriates money to fund program at OHCS. \$5,000,000 is appropriated from the General Fund on July 1, 2017 to establish and implement the fund.