

## HB 3192 STAFF MEASURE SUMMARY

### House Committee On Human Services and Housing

---

**Action Date:** 03/30/17

**Action:** Do pass and be referred to Revenue and then to Ways and Means both by prior reference.

**Vote:** 8-1-0-0

**Yeas:** 8 - Gorsek, Keny-Guyer, Meek, Noble, Olson, Piluso, Sanchez, Stark

**Nays:** 1 - Nearman

**Fiscal:** Fiscal impact issued

**Revenue:** Has minimal revenue impact

**Prepared By:** Cassandra Soucy, LPRO Analyst

---

#### WHAT THE MEASURE DOES:

Requires Housing and Community Services Department (OHCS) to provide funds to assist first-time home buyers from low-income households through programs administered by OHCS including the Home Ownership Assistance Account. Requires OHCS to make grants to eligible nonprofit organizations, housing authorities and local governments to provide financial assistance to eligible first-time home buyers purchasing a single-family residence. Limits financial assistance to a first-time home buyer to a maximum of \$20,000. Specifies provisions to receive grants within the agreement between OHCS and eligible nonprofit including repayment provisions. Requires grant recipient to report to OHCS regarding the status and use of grant funds. Becomes operative January 1, 2018.

Establishes the Home Ownership Down Payment Assistance Fund and continuously appropriates money from fund to OHCS. Appropriates \$5,000,000 from the General Fund on July 1, 2017 to implement and administer grants.

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:

Replaces measure.

#### BACKGROUND:

According to the U.S. Census Bureau - Housing Vacancy Survey, homeownership rates in Oregon have been declining since 2004. The Housing and Community Services Department (OHCS) offers programs to Oregonians interested in becoming homeowners through homeownership education, homeownership counseling and a residential loan program to help increase home purchasing power and maintain affordable house payments. The Legislative Assembly in 2009 established the Home Ownership Assistance Account to expand the state's supply of homeownership housing to low and very low income families and individuals. Funds are granted to organizations sponsoring and managing low-income homeownership programs.

House Bill 3192 A requires OHCS to provide funds to assist first-time home buyers from low-income households through programs administered by OHCS including the Home Ownership Assistance Account. The measure requires OHCS to make grants to eligible nonprofit organizations, housing authorities and local governments to provide financial assistance to eligible first-time home buyers purchasing a single-family residence. Financial assistance is limited to a first-time home buyer to a maximum of \$20,000. The measure specifies provisions to receive grants

**HB 3192 STAFF MEASURE SUMMARY**

within the agreement between OHCS and eligible nonprofit including repayment provisions. Grant recipients are required to report to OHCS regarding the status and use of grant funds as well as aggregate demographic data on first-time home buyers.

House Bill 3192 A establishes the Home Ownership Down Payment Assistance Fund and appropriates \$5,000,000 from General Fund on July 1, 2017 to implement and administer grants.