

House Bill 2520

Sponsored by Representative BUEHLER (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Housing and Community Services Department to take into account counties from which document recording or filing fees are charged and collected in making distributions from General Housing Account, Emergency Housing Account and Home Ownership Assistance Account.

Provides that certain moneys in accounts that are not used or committed for use within two years after effective date of Act shall be paid over to county treasurer of county from which fees were charged and collected and credited to general fund of county for purposes of affordable housing.

A BILL FOR AN ACT

1
2 Relating to use of fees charged by counties for certain housing programs; creating new provisions;
3 and amending ORS 458.620, 458.650, 458.655 and 458.665.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 458.665 is amended to read:

6 458.665. (1) The Housing and Community Services Department shall administer the General
7 Housing Account.

8 (2)(a) The department shall [*disburse*] **distribute** moneys credited to the account to accomplish
9 the purposes described in ORS 456.515 to 456.725, except that **an amount equal to 25 percent** of
10 moneys deposited in the account pursuant to ORS 294.187 (2)(b) is dedicated for expenditure to meet
11 the critical housing needs of veterans in this state.

12 **(b) In making the distributions under paragraph (a) of this subsection, the department**
13 **shall take into account the counties from which the fees deposited in the account were**
14 **charged and collected.**

15 (3) The department may [*disburse*] **distribute** moneys in the account by contract, grant, loan or
16 otherwise as the department determines necessary.

17 (4) The department may set interest rates on loans made with moneys in the account.

18 (5) The department shall establish guidelines for the types of loans financed with moneys in the
19 account by rule.

20 (6) The department may use moneys in the account to pay allowable administrative expenses
21 incurred under ORS 456.515 to 456.725.

22 (7) The department may, in the director's discretion, return moneys received for deposit in the
23 account to the original source of the moneys.

24 (8) The department may accept moneys for deposit in the account pursuant to ORS 458.620 (4)
25 and enter into agreements regarding the use of moneys deposited with the original source of the
26 moneys.

27 (9) The department shall adopt rules that:

28 (a) Subject to subsection (2) of this section, govern the allocation of moneys deposited in the

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 account to best meet critical housing needs and build organizational capacity of partners throughout
 2 this state; and

3 (b) Consistent with subsection (10) of this section, require equitable distribution of resources
 4 over time based on objective measures of need, including the number and percentage of low and very
 5 low income households in an area.

6 (10) The Oregon Housing Stability Council shall adopt a policy that provides for distribution by
 7 the department of account moneys and account investment revenue statewide while concentrating
 8 account moneys and account investment revenue in those areas of this state with the greatest need,
 9 as determined by the council, for housing for persons with a low or very low income.

10 **SECTION 2.** ORS 458.650 is amended to read:

11 458.650. (1)(a) The Emergency Housing Account shall be administered by the Housing and
 12 Community Services Department to assist homeless persons and those persons who are at risk of
 13 becoming homeless[.], **except that** an amount equal to 25 percent of moneys deposited in the ac-
 14 count pursuant to ORS 294.187 (2)(b) is dedicated for expenditure for assistance to veterans who
 15 are homeless or at risk of becoming homeless. [*For purposes of this section, "account" means the*
 16 *Emergency Housing Account.*]

17 **(b) In administering the account and making distributions pursuant to paragraph (a) of**
 18 **this subsection, the department shall take into account the counties from which the fees**
 19 **deposited in the account were charged and collected.**

20 (2) The Oregon Housing Stability Council shall develop policy for awarding grants to organiza-
 21 tions that shall use the funds to provide to low and very low income persons, including but not
 22 limited to, persons more than 65 years of age, persons with disabilities, farmworkers and Native
 23 Americans:

24 (a) Emergency shelters and attendant services;

25 (b) Transitional housing services designed to assist persons to make the transition from
 26 homelessness to permanent housing and economic independence;

27 (c) Supportive housing services to enable persons to continue living in their own homes or to
 28 provide in-home services for such persons for whom suitable programs do not exist in their ge-
 29 ographic area;

30 (d) Programs that provide emergency payment of home payments, rents or utilities; or

31 (e) Some or all of the needs described in paragraphs (a) to (d) of this subsection.

32 (3)(a) The council shall require as a condition of awarding a grant that the organization dem-
 33 onstrate to the satisfaction of the council that the organization has the capacity to deliver any
 34 service proposed by the organization.

35 (b) Any funds granted under this section shall not be used to replace existing funds. Funds
 36 granted under this section may be used to supplement existing funds. An organization may use funds
 37 to support existing programs or to establish new programs.

38 (c) The council, by policy, shall give preference in granting funds to those organizations that
 39 coordinate services with those programs established under ORS 458.625.

40 (4) The department may expend funds from the account for administration of the account as
 41 provided for in the legislatively approved budget, as that term is defined in ORS 291.002, for the
 42 department.

43 **SECTION 3.** ORS 458.655 is amended to read:

44 458.655. (1)(a) The Home Ownership Assistance Account shall be administered by the Housing
 45 and Community Services Department to expand this state's supply of homeownership housing for low

1 and very low income families and individuals, including, but not limited to, persons over 65 years
 2 of age, persons with disabilities, minorities, veterans and farmworkers[.], **except that** an amount
 3 equal to 25 percent of moneys deposited in the account pursuant to ORS 294.187 (2)(b) is dedicated
 4 for expenditure to expand this state's supply of homeownership housing for low and very low income
 5 veterans and families of veterans. *[The Oregon Housing Stability Council shall have a policy of dis-*
 6 *tributing funds statewide while concentrating funds in those areas of this state with the greatest need,*
 7 *as determined by the council, for low and very low income homeownership housing. However, the*
 8 *council's policy of distributing funds may differ from the distribution policy for the Housing Develop-*
 9 *ment and Guarantee Account.]*

10 **(b) In administering the account and making distributions pursuant to paragraph (a) of**
 11 **this subsection, the department shall take into account the counties from which the fees**
 12 **deposited in the account were charged and collected.**

13 (2) Funds in the Home Ownership Assistance Account shall be granted to organizations that
 14 both sponsor and manage low income homeownership programs, including lease-to-own programs, for
 15 the construction of new homeownership housing or for the acquisition or rehabilitation of existing
 16 structures for homeownership housing for persons of low or very low income, or both.

17 (3) The [council] **Oregon Housing Stability Council** shall develop a policy for [disbursing] **dis-**
 18 **tributing** grants for any or all of the following purposes:

19 (a) To aid low income homeownership programs, including program administration, in purchas-
 20 ing land, providing assistance with down payment costs, or providing homeownership training and
 21 qualification services or any combination thereof. Funds in the Home Ownership Assistance Account
 22 may not be used by an organization to pay for its general operations or to pay for more than 25
 23 percent of construction or rehabilitation costs.

24 (b) To match public and private moneys available from other sources for purposes of the pro-
 25 vision of low or very low income homeownership housing.

26 (c) To administer the Home Ownership Assistance Account as provided for in the legislatively
 27 approved budget, as that term is defined in ORS 291.002, for the department.

28 (4) The council, in developing policy under subsection (3) of this section, shall give preference
 29 in making grants to those entities that propose to:

30 (a) Provide the greatest number of low and very low income homeownership housing units con-
 31 structed, acquired or rehabilitated for the amount of account money expended by matching account
 32 funds with other grant, loan or eligible in-kind contributions;

33 (b) Ensure the longest use for the units as low or very low income homeownership housing units,
 34 such as by including some form of equity recapture, land trust or shared equity provisions, as de-
 35 termined by the council;

36 (c) Include social services for occupants and proposed occupants of the proposed housing, in-
 37 cluding but not limited to, programs that address home health care, mental health care, alcohol and
 38 drug treatment and post-treatment care, child care, homeownership training, mortgage qualification
 39 service, credit repair and case management; and

40 (d) Support a comprehensive strategy to reverse the decreasing rates of homeownership among
 41 minorities, giving priority to activities that support adopted comprehensive community plans that
 42 incorporate recognized best practices or demonstrate proven success in increasing homeownership
 43 for minorities.

44 **SECTION 4. (1) Any moneys in the General Housing Account on the effective date of this**
 45 **2017 Act that were deposited pursuant to ORS 294.187 (2)(b), that are not used or committed**

1 for use as provided in ORS 458.665 (2)(a), as amended by section 1 of this 2017 Act, within two
 2 years after the effective date of this 2017 Act, shall be paid over to the county treasurer of
 3 the county from which the fees were charged and collected, and shall be credited to the
 4 general fund of the county for purposes of affordable housing.

5 (2) Any moneys in the Emergency Housing Account on the effective date of this 2017 Act
 6 that were deposited pursuant to ORS 294.187 (2)(b), that are not used or committed for use
 7 as provided in ORS 458.650 (1)(a), as amended by section 2 of this 2017 Act, within two years
 8 after the effective date of this 2017 Act, shall be paid over to the county treasurer of the
 9 county from which the fees were charged and collected, and shall be credited to the general
 10 fund of the county for purposes of affordable housing.

11 (3) Any moneys in the Home Ownership Assistance Account on the effective date of this
 12 2017 Act that were deposited pursuant to ORS 294.187 (2)(b), that are not used or committed
 13 for use as provided in ORS 458.655 (1)(a), as amended by section 3 of this 2017 Act, within two
 14 years after the effective date of this 2017 Act, shall be paid over to the county treasurer of
 15 the county from which the fees were charged and collected, and shall be credited to the
 16 general fund of the county for purposes of affordable housing.

17 **SECTION 5.** ORS 458.620 is amended to read:

18 458.620. (1) There is created, separate and distinct from the General Fund of the State Treasury,
 19 the Oregon Housing Fund, which consists of six separate revolving accounts:

- 20 (a) The Housing Development and Guarantee Account;
- 21 (b) The Emergency Housing Account;
- 22 (c) The Home Ownership Assistance Account;
- 23 (d) The Farmworker Housing Development Account;
- 24 (e) The General Housing Account; and
- 25 (f) The Wildfire Damage Housing Relief Account.

26 (2) Earnings on investment of moneys in:

- 27 (a) The Housing Development and Guarantee Account accrue to that account.
- 28 (b) The Emergency Housing Account accrue to that account.
- 29 (c) The Home Ownership Assistance Account accrue to that account.
- 30 (d) The Farmworker Housing Development Account accrue to that account.
- 31 (e) The General Housing Account accrue to that account.
- 32 (f) The Wildfire Damage Housing Relief Account accrue to that account.

33 (3)(a) Moneys in the Housing Development and Guarantee Account are continuously appropri-
 34 ated to the Housing and Community Services Department to carry out the provisions of ORS 458.625
 35 and 458.630.

36 (b) Moneys in the Emergency Housing Account are continuously appropriated to the department
 37 to carry out the provisions of ORS 458.650.

38 (c) Moneys in the Home Ownership Assistance Account are continuously appropriated to the
 39 department to carry out the provisions of ORS 458.655.

40 (d) Moneys in the Farmworker Housing Development Account are continuously appropriated to
 41 the department to carry out the provisions of ORS 458.660.

42 (e) Moneys in the General Housing Account are continuously appropriated to the department
 43 to carry out the provisions of ORS [456.515 to 456.725] **458.665**.

44 (f) Moneys in the Wildfire Damage Housing Relief Account are continuously appropriated to the
 45 department to carry out the provisions of ORS 458.667.

1 (4) Individuals and corporations, both for profit or nonprofit, may make monetary contributions
2 to be credited to:

3 (a) The Housing Development and Guarantee Account; or

4 (b) The General Housing Account.

5 **SECTION 6. Section 4 of this 2017 Act and the amendments to ORS 458.620, 458.650,**
6 **458.655 and 458.665 by sections 1 to 3 and 5 of this 2017 Act apply to moneys deposited in the**
7 **General Housing Account, the Emergency Housing Account and the Home Ownership As-**
8 **sistance Account on or after the effective date of this 2017 Act.**

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