

Requested by Representative MEEK

**PROPOSED AMENDMENTS TO
HOUSE BILL 3192**

1 On page 1 of the printed bill, delete lines 5 through 27 and delete pages
2 2 through 4 and insert:

3 **“SECTION 1. Sections 2 to 5 of this 2017 Act are added to and made
4 a part of ORS chapter 458.**

5 **“SECTION 2. The Housing and Community Services Department
6 shall provide funds to assist first-time home buyers from low income
7 households through programs administered by the department includ-
8 ing, but not limited to, the Home Ownership Assistance Account cre-
9 ated in ORS 458.620 and disbursed pursuant to ORS 458.655 and grants
10 made by the department in accordance with sections 3 to 5 of this 2017
11 Act.**

12 **“SECTION 3. As used in sections 2 to 5 of this 2017 Act:**

13 **“(1) ‘Allowable closing costs’ means disbursements listed in a
14 settlement statement for the purchase of a single-family residence by
15 a first-time home buyer.**

16 **“(2) ‘Eligible costs’ means the down payment and allowable closing
17 costs for the purchase of a single-family residence by a first-time home
18 buyer.**

19 **“(3) ‘First-time home buyer’ means an individual who meets all of
20 the following requirements:**

21 **“(a) Has been a resident of this state for a minimum of six consec-**

1 **utive months.**

2 **“(b) Is a member of a low income household.**

3 **“(c) Has not owned or purchased, either individually or jointly, a**
4 **single-family residence during a period of three years immediately**
5 **prior to the date of the purchase of a single-family residence. However,**
6 **this three-year period shall not apply to displaced homemakers, indi-**
7 **viduals who have lost home ownership as a result of divorce or owners**
8 **of manufactured homes.**

9 **“(4) ‘Grant recipient’ means a nonprofit organization, housing au-**
10 **thority or local government that has been awarded a grant from the**
11 **Housing and Community Services Department under section 4 of this**
12 **2017 Act.**

13 **“(5) ‘Housing authority’ means any housing authority established**
14 **pursuant to ORS 456.055 to 456.235.**

15 **“(6) ‘Local government’ has the meaning given that term in ORS**
16 **174.116.**

17 **“(7) ‘Low income household’ means a household having an income**
18 **equal to or less than 100 percent of the median household income for**
19 **the county in which the household is located, adjusted for family size,**
20 **as determined by the Housing and Community Services Department.**
21 **In making the determination, the department shall give consideration**
22 **to any data on area household income published by the United States**
23 **Department of Housing and Urban Development.**

24 **“(8) ‘Nonprofit organization’ means an organization or group of**
25 **organizations that is described in section 501(c)(3) of the Internal**
26 **Revenue Code and is exempt from income tax under section 501(a) of**
27 **the Internal Revenue Code.**

28 **“(9)(a) ‘Single-family residence’ means a dwelling that is intended**
29 **for occupation by a single family unit and that is owned and occupied**
30 **by an individual who is a first-time home buyer as the individual’s**

1 principal residence.

2 “(b) ‘Single-family residence’ includes a manufactured dwelling, as
3 defined in ORS 446.003, or condominium unit, as defined in ORS 100.005
4 (34).

5 **“SECTION 4. (1) The Housing and Community Services Department**
6 **shall make grants to eligible nonprofit organizations, housing author-**
7 **ities and local governments to provide financial assistance to eligible**
8 **first-time home buyers for the purchase of a single-family residence.**
9 **Grants shall be made in a geographically diverse manner throughout**
10 **this state.**

11 **“(2) A nonprofit organization, housing authority or local govern-**
12 **ment is eligible to receive a grant upon establishing that the nonprofit**
13 **organization, housing authority or local government is operating, or**
14 **will be operating, a first-time home buyer home ownership program**
15 **that provides financial assistance to first-time home buyers to pay for**
16 **eligible costs.**

17 **“(3) In addition to the requirements of subsection (2) of this section,**
18 **the department shall specify by rule other qualifications that a**
19 **nonprofit organization, housing authority or local government must**
20 **demonstrate to be eligible to receive a grant under this section. At a**
21 **minimum, the nonprofit organization, housing authority or local gov-**
22 **ernment must demonstrate the capacity to administer grant funds**
23 **received under this section and the ability to comply with the re-**
24 **quirements of all state and federal laws, rules and regulations.**

25 **“(4) The department shall specify an application process that may**
26 **include a request for proposals. Upon being awarded a grant under this**
27 **section, the grant recipient shall enter into an agreement with the**
28 **department that, at a minimum, contains provisions that:**

29 **“(a) Indicate the purposes for which the grant funds may be used;**

30 **“(b) Limit the amount of financial assistance provided by the grant**

1 recipient to a first-time home buyer to a maximum of \$20,000;

2 “(c) Require the grant recipient to require the first-time home
3 buyer to whom financial assistance is provided to complete a home
4 buyer education class from a counseling agency that meets industry
5 standards;

6 “(d) Include the repayment provisions set forth in subsection (5) of
7 this section;

8 “(e) Include the provisions set forth in subsection (7) of this section;

9 “(f) Permit the department to conduct audits and investigations of
10 the nonprofit organization, housing authority or local government re-
11 garding the purposes for which grant moneys have been used; and

12 “(g) Require annual reports by the nonprofit organization, housing
13 authority or local government to the department as set forth in sub-
14 section (6) of this section.

15 “(5) A grant recipient will be required to repay to the department,
16 in whole or in part, grant moneys received under this section if and
17 to the extent that:

18 “(a) The grant recipient does not use the grant funds in accordance
19 with the provisions of the grant agreement executed between the de-
20 partment and the grant recipient under subsection (4) of this section;
21 or

22 “(b) The Director of the Housing and Community Services Depart-
23 ment determines that the grant recipient must repay all or part of the
24 grant funds on grounds of defalcation, fraud or similar reasons after
25 auditing or investigating the grant recipient’s operations and con-
26 ducting an administrative proceeding under ORS 183.413 to 183.470.

27 “(6)(a) A grant recipient must report annually to the department
28 concerning the status and use of grant funds received under this sec-
29 tion. The department, by rule, shall specify the information that the
30 report must contain. At a minimum, the report must include:

1 **“(A) A detailed description of the grant recipient’s activities as the**
2 **activities relate to the use of awarded grant funds;**

3 **“(B) A list of each grant, loan or other financial assistance that the**
4 **grant recipient has provided and, where applicable, a full accounting**
5 **of the repayment status of the loans;**

6 **“(C) A list of the first-time home buyers to whom the grant recipi-**
7 **ent has provided financial assistance for the purchase of single-family**
8 **residences;**

9 **“(D) The nature and amounts of the administrative expenses the**
10 **grant recipient incurred with respect to providing the first-time home**
11 **buyer assistance under this section; and**

12 **“(E) Aggregated data concerning the income, racial or ethnic**
13 **background, family size and related demographic information of first-**
14 **time home buyers who received assistance with eligible costs for the**
15 **purchase of single-family residences, excluding any personal informa-**
16 **tion about an individual.**

17 **“(b) The grant recipient must provide the report described in this**
18 **subsection to the department not later than December 31 of each year.**

19 **“(7)(a) Amounts of loans purchased, leveraged or made by a grant**
20 **recipient under this section shall not constitute a debt of the state or**
21 **a lending of the credit of the state within the meaning of any consti-**
22 **tutional or statutory limitation, although nothing in this subsection**
23 **or in the terms of an agreement between the department and a grant**
24 **recipient is intended to impair the rights of the grant recipient to ex-**
25 **ercise any rights granted to the grant recipient against the security**
26 **for the loan.**

27 **“(b) The department may not pay amounts for financial assistance**
28 **under this section from any source other than available funds in the**
29 **Home Ownership Down Payment Assistance Fund established in sec-**
30 **tion 5 of this 2017 Act.**

1 **“SECTION 5. (1) The Home Ownership Down Payment Assistance**
2 **Fund is established in the State Treasury, separate and distinct from**
3 **the General Fund. Interest earned by the Home Ownership Down**
4 **Payment Assistance Fund shall be credited to the fund. All moneys in**
5 **the fund are continuously appropriated to the Housing and Community**
6 **Services Department to award grants to eligible nonprofit organiza-**
7 **tions, housing authorities and local governments under section 4 of**
8 **this 2017 Act.**

9 **“(2) Moneys in the Home Ownership Down Payment Assistance**
10 **Fund may be used by the department to pay for the administrative**
11 **expenses of the department in implementing and administering the**
12 **provisions of sections 2 to 5 of this 2017 Act.**

13 **“(3) The Home Ownership Down Payment Assistance Fund consists**
14 **of:**

15 **“(a) Moneys appropriated to the fund by the Legislative Assembly;**

16 **“(b) Grant funds repaid under section 4 (5) of this 2017 Act;**

17 **“(c) Moneys transferred to the fund from the federal or state gov-**
18 **ernment;**

19 **“(d) Application fees, if any;**

20 **“(e) Interest and other earnings on moneys in the fund; and**

21 **“(f) Gifts, grants and donations received from any source.**

22 **“SECTION 6. In addition to and not in lieu of any other appropri-**
23 **ation, there is appropriated to the Housing and Community Services**
24 **Department, for the biennium beginning July 1, 2017, out of the Gen-**
25 **eral Fund, the amount of \$5,000,000, which may be expended to imple-**
26 **ment and administer grants made under sections 2 to 5 of this 2017**
27 **Act.**

28 **“SECTION 7. (1) Sections 2 to 5 of this 2017 Act become operative**
29 **on January 1, 2018.**

30 **“(2) The Director of the Housing and Community Services Depart-**

1 **ment may take any action before the operative date specified in sub-**
2 **section (1) of this section that is necessary to enable the director to**
3 **exercise, on and after the operative date specified in subsection (1) of**
4 **this section, all of the duties, functions and powers conferred on the**
5 **director by sections 2 to 5 of this 2017 Act.**

6 **“SECTION 8. This 2017 Act being necessary for the immediate**
7 **preservation of the public peace, health and safety, an emergency is**
8 **declared to exist, and this 2017 Act takes effect July 1, 2017.”.**

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