

Joint Task Force on Addressing Racial Disparities in Homeownership Policy Crosswalk with 2021/2022 Legislation

Prepared by the Legislative Policy and Research Office (updated April 27, 2022)

Phase I Recommendations*	Related Policy Measures and Budget Appropriations (2021, except where noted)
<p>1. Homeownership outreach</p> <p>Provide funding to culturally specific organizations to increase visibility and access by communities of color to homebuyer education and counseling, down payment assistance, savings credits and individual development accounts, loans, and technical assistance to individuals for down payments.</p>	<p>SB 79 directs Oregon Housing and Community Services (OHCS), when using Homeownership Assistance Program (HOAP) dollars for grants and technical assistance, to prioritize organizations that offer culturally specific counseling, provide down payment assistance, and maintain partnerships with financial institutions, among other considerations.</p> <p>OHCS 2021-2023 budget: \$2 million in General Fund moneys to OHCS (2021-2023 biennium) for outreach to potential homebuyers and technical assistance to organizations specifically working to address racial disparities in homeownership</p> <p>OHCS 2021-2023 budget: Funding for two new positions (2.0 FTE) providing technical assistance and outreach to culturally specific organizations and expanding language access through updated program materials</p> <p>OHCS 2022 budget: Allocated \$14 million for disbursement to homeowner service providers. Funding categories include operation support and capacity, technology and software needs, pandemic-related needs and expenses, and expansion to unserved or underserved populations.</p> <p>\$90.9 million in federal American Rescue Plan Act (ARPA) funds allocated in the 2021-23 biennium to the OHCS Homeowner Assistance Fund (HAF), providing mortgage payment assistance to households at risk of foreclosure. Anticipated impact is 2,000 households.</p>
<p>2. Education and Training for Mortgage and Real Estate Professionals</p> <p>Improve continuing education requirements to include racial bias training; explore attaching requirement to licensure requirements.</p>	<p>HB 2703 requires a three-hour course on federal and state fair housing laws prior to real estate license application or renewal every two years.</p> <p>HB 2007, in addition to creating new Joint Task Force on Addressing Racial Disparities in Home Ownership, the bill allows the Department of Consumer and Business</p>

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	Services (DCBS) to require implicit bias training for mortgage loan originators.
<p>3. Financial support and technical assistance for culturally specific homeownership</p> <p>Direct OHCS to provide financial support and technical assistance to culturally specific organizations for the delivery of financial literacy courses, homebuyer assistance, education, and counseling.</p>	<p>SB 79 directs OHCS to focus grants and technical assistance efforts in its Home Ownership Assistance Program (HOAP) to specifically serve Black, Indigenous, and People of Color.</p> <p>OHCS 2021-2023 budget: \$569,445 for a permanent director and executive assistant position in the new Homeownership Programs division</p>
<p>4. Down payment assistance</p> <p>Increase funding for down payment assistance and Individual Development Accounts (IDAs) to support homeownership by people of color.</p>	<p>OHCS 2021-2023 budget: \$20 million in down payment assistance funds (2021-2023 biennium); \$10 million to be paired with existing OHCS lending products and \$10 million to be distributed through culturally responsive organizations</p> <p>OHCS 2021-2023 budget: \$7 million in funding for IDAs, matched by Neighborhood Partnerships. Outside of this one-time funding allocation, IDA program will continue to be funded by tax credits.</p> <p>HB 2433 extended the tax credit sunset for individual development account contributions to January 1, 2028.</p>
<p>5. State program goals and standards</p> <p>Set goals, reporting requirements, and program standards for OHCS specific to homeownership by people of color.</p>	<p>OHCS 2021-2023 Key Performance Measure #9: Homeownership Services to People of Color - Percentage of people served by all OHCS homeownership programs who identify as people of color. The target for 2022 is 30 percent.</p>
<p>6. Tribal homeownership needs</p> <p>Convene a work group with Oregon’s nine federally recognized tribes to identify homeownership needs and develop recommendations for state programs and investments to increase homeownership among tribal members.</p>	<p>SB 79 “Organization” expanded to include federally recognized Indian tribes. Allows OHCS to define “persons of color” in rulemaking.</p> <p>(Note: no work group has been established)</p>

*Phase I (preliminary) recommendations were intended to be immediately addressed by the Legislative Assembly. The Phase II recommendations were intended to be taken up when the Task Force was extended.