

HB 2140 STAFF MEASURE SUMMARY

House Committee On Veterans and Emergency Management

Prepared By: Cassie Passon, Counsel

Meeting Dates: 1/26, 2/23

WHAT THE MEASURE DOES:

Expands Oregon Department of Veterans' Affairs home loan program by reinstating home improvements and refinancing as permissible uses of loan, along with authorizing subordinate loans under certain circumstances.

REVENUE: *No revenue impact*

FISCAL: *No fiscal impact*

ISSUES DISCUSSED:

- Housekeeping bill
- Reinserting explicit statutory authority for certain lending options
- Bill going to Veterans' work group

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Since 1945, Oregon has been one of only five states in the nation to offer a state home loan to veterans, which is distinct from the federal VA Home Loan Guaranty and operated by the Oregon Department of Veterans Affairs (ODVA). The ODVA home loan program has lent Oregonians approximately \$8 billion in low-interest home loans to more than 334,000 veterans. ODVA conducted a comprehensive review of statutes governing home and farm loans to veterans in 2019, and refined its authority consistent with current practices via Senate Bill 36. House Bill 2140 reinstates some language that was removed in 2019 to allow loans for home improvements and refinancing, and authorizes ODVA to make subordinate loans if certain criteria are met.