

FISCAL IMPACT OF PROPOSED LEGISLATION

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

Measure: HB 2007 - A2

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Establishes the Joint Task Force on Addressing Racial Disparities in Home Ownership and adds educational requirements for mortgage loan originators.

Government Unit(s) Affected:

Legislative Policy and Research Office (LPRO), Legislative Assembly, Housing and Community Services Department (HCSD), Department of Consumer and Business Services (DCBS)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

HB 2007 with the -A2 amendment adds completion of additional education requirements, including topics of implicit bias and racial bias to the list of requirements for a mortgage loan originator license and renewal. In addition, the measure establishes the 16-member Joint Task Force on Addressing Racial Disparities in Home Ownership charged with reviewing the reports and continuing the work of the Task Force on Addressing Racial Disparities in Home Ownership and recommending legislative solutions to eliminating barriers for homeownership for people of color in Oregon. Members of the Joint Task Force are entitled to compensation through the Legislative Policy and Research Office (LPRO). The Joint Task Force is required to report to an interim committee of the Legislative Assembly by September 15, 2022. The Joint Task Force sunsets on December 31, 2022.

Legislative Policy and Research Office (LPRO)

LPRO estimates the cost of per diem and reimbursement for members of the Joint Task Force to be \$16,068 General Fund. Members of the Joint Task Force are entitled to compensation through LPRO. The 2021-23 Legislative Branch budget should contain funds allocated for LPRO staffing support of interim committees and task forces.

Legislative Assembly

Four members of the Joint Task Force will be legislative members who are entitled to per diem and travel reimbursement. Assuming thirteen meetings, the estimated per diem and travel reimbursement cost for the four legislative members is expected to be approximately \$11,900 General Fund. Although the 2021- 23 Legislative Assembly budget contains funds allocated for interim committee and task force, if the work required by this Joint Task Force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2021-23 budget, additional General Fund resources may be required.

Housing and Community Services Department (HCSD), Department of Consumer and Business Services (DCBS)

Passage of this measure is anticipated to have a minimal fiscal impact on HCSD and DCBS. This fiscal impact analysis assumes HCSD will reprioritize responsibilities of existing staff to allow participation on the Joint Task Force. DCBS will use existing staff and resources to conduct rulemaking to define the new education requirements for licensed mortgage loan originators and to ensure compliance.