

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2465 - 2

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Expands purposes for which qualified borrower may use loan proceeds, in connection with tax credits allowed for affordable housing lenders, to include limited equity cooperatives, with certain conditions.

Government Unit(s) Affected:

Housing and Community Services Department, State Treasurer, Department of Consumer and Business Services

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Oregon Housing and Community Services		
General Fund		
Personal Services	\$189,623	\$223,508
Services and Supplies	\$20,160	\$20,780
Total General Fund	\$209,783	\$244,288
<i>Positions</i>	1	1
<i>FTE</i>	0.88	1.00

Analysis: The measure allows eligible borrowers to utilize affordable housing tax credits to use loan proceeds to finance the construction, development, acquisition, or rehabilitation of limited equity cooperative housing. The measure clarifies that the limited equity co-op ownership interest sales price may include a return on the original sales price plus the cost of improvements.

Oregon Housing and Community Services (OHCS) will require one Program Analyst 3 (0.875 FTE) to manage the program, write rules, and data collection. Currently, the tax credit program requires the borrower to pass the savings from the credit to the tenants of the rental housing constructed with the loan. The Program Analyst 3 would create a method for collecting, tracking, and ensuring compliance with the requirements of the tax credit and ensure that the credit is passed on to the homeowner.

There is no fiscal impact on the State Treasurer or the Department of Consumer and Business Services.

The measure has a subsequent referral to the Joint Committee on Tax Expenditures and will require a subsequent referral to the Joint Committee on Ways and Means to analyze its impact on the General Fund.