

SB 892 A STAFF MEASURE SUMMARY

Carrier: Rep. Wright

House Committee On Housing and Homelessness**Action Date:** 05/18/23**Action:** Do Pass the A-Eng bill.**Vote:** 11-0-0-0**Yeas:** 11 - Boice, Cate, Dexter, Fahey, Gamba, Hartman, Helfrich, Helm, Javadi, Levy E, Wright**Fiscal:** No fiscal impact**Revenue:** No revenue impact**Prepared By:** Claire Adamsick, LPRO Analyst**Meeting Dates:** 5/11, 5/18**WHAT THE MEASURE DOES:**

Tribal Access to Housing Funds: Adds federally recognized tribes to definition of “community development corporation” for the purpose of allowing tribes to receive funds and administer housing programs. **Rulemaking:** Removes Oregon Housing Stability Council (Council) rulemaking authority over Oregon Housing and Community Services (OHCS). Clarifies that Council, at OHCS director’s request, advises and assists OHCS with rules, policies, and programs, and directs Council, in its advisement, to consider input from entities specified under ORS 456.555. Clarifies Council continues to approve and deny loans, grants, and other funding proposals. **Public Contracting Code:** Expands OHCS authority to procure or supervise procurement of goods and services unrelated to department duties prescribed in ORS chapters 456 and 458 or otherwise not provided for in statute, including procurement of information technology products. Allows OHCS to conduct sole-source and special procurements under Public Contracting Code, and provides OHCS Director same authorization as Director of Department of Administrative Services (DAS) to act on procurements. **Down Payment Assistance:** Allows OHCS to provide loans directly to individuals to provide assistance with down payment or closing costs. Removes definition of “federally insured security” in relation to OHCS mortgage loans. Adds, to definition of "residential loan" loans for down payment or closing cost assistance to allow low and moderate income households to qualify for a primary mortgage loan. **Fund and Accounts:** Renames the Housing and Community Services Department Revolving Account to Housing and Community Services Department Fund. Repeals Self-Sufficiency Housing Fund (ORS 456.576) and Elderly Rental Assistance Fund (ORS 458.377), and reverts unexpended funds from these accounts to the General Fund on effective date of Act. **Oregon Affordable Housing Tax Credit:** Clarifies language specifying loans are made for housing that will be occupied by households with income levels of 80 percent or less of area median income. **Miscellaneous Corrections and Conforming Amendments:** Clarifies definition of “affordable housing covenant” applies to housing for low and moderate income households instead of individuals. Repeals statute covering veterans’ housing by local agencies (ORS 456.505). Removes reference to Local Innovation and Fast Track Housing Program from ORS chapter 270 related to the sale or transfer of real property. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Need for statutory clarity to align with current agency practices
- Accounts proposed for repeal do not remove any active programming
- Language related to funding allocations to tribes would align with current legal interpretation

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

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The mission of Oregon Housing and Community Services (OHCS) is to provide leadership in, and review and set policy for, the development and financing of affordable housing in the state of Oregon. OHCS provides resources to reduce poverty and increase access to stable housing and lays out their approach through the Statewide Housing Plan. Through the COVID-19 pandemic, natural disasters such as the 2020 Labor Day fires, economic changes, and constraints of limited affordable housing supply, OHCS encountered challenges related to how its operations are described in statute.

Senate Bill 892 A allows tribal access to housing funds, adjusts OHCS' rulemaking authority and other provisions to match existing practice and address inconsistencies in statute and expands the agency's procurement authority. The measure allows OHCS to provide loans directly to individuals for down payment and closing cost assistance, clarifies loan and funding approval for OHCS, and repeals the Self-Sufficiency Housing Fund and Elderly Rental Assistance Fund.