

HB 4036 A STAFF MEASURE SUMMARY

House Committee On Housing and Homelessness

Action Date: 02/10/26

Action: Do pass with amendments and be referred to Ways and Means by prior reference.
(Printed A-Eng.)

Vote: 12-0-1-0

Yeas: 12 - Andersen, Boice, Breese-Iverson, Edwards, Fragala, Gamba, Helfrich, Levy E, Mannix, Marsh, Ruiz, Wise

Exc: 1 - Wright

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Prepared By: Iva Sokolovska, LPRO Analyst

Meeting Dates: 2/3, 2/10

WHAT THE MEASURE DOES:

The measure establishes the Housing Opportunity, Longevity and Durability (HOLD) Fund to support the preservation of affordable housing and authorizes \$100 million in Article XI-Q general obligation bonds for deposit into the fund. It continuously appropriates HOLD money to the Oregon Housing and Community Services (OHCS) department for acquiring, constructing, remodeling, repairing, equipping, or furnishing affordable housing that is at risk of loss and that is or will be owned or operated by the state. The measure requires OHCS to submit a report to the legislature by December 1, 2026, evaluating state laws, departmental policies, and practices that negatively affect the efficiency, effectiveness, or cost of operating affordable housing, as well as opportunities to streamline, reduce, or eliminate reporting requirements. The measure declares an emergency and takes effect upon passage.

ISSUES DISCUSSED:

- Current affordable housing stock statewide
- Renovation and rehabilitation costs and funding sources for affordable housing

EFFECT OF AMENDMENT:

The amendment renames the fund to the HOLD Fund in the State Treasury. It expands the scope of the report OHCS needs to submit to the legislature to include evaluation of state laws, policies, practices, and rules that affect the efficiency, effectiveness, and cost of operating affordable housing, as well as opportunities to streamline or eliminate state and federal reporting requirements administered by the department. The amendment revises the definition of affordable housing in distress to clarify that physical distress includes building systems, components, or materials that have exceeded or are reasonably expected to exceed their effective useful lives. The amendment appropriates \$100 million for the HOLD Fund. The amendment increases the total amount of authorized general obligation bonds accordingly.

BACKGROUND:

Preserving existing affordable housing is a key component of Oregon's housing strategy because, as affordable housing properties age, they may face physical deterioration, financial stress, or the expiration of affordability restrictions tied to federal or state programs. Without timely reinvestment, these properties are at risk of being converted to market-rate housing or falling into disrepair, thereby reducing the supply of affordable units and destabilizing housing for low-income residents. OHCS supports affordable housing preservation by investing in the rehabilitation, stabilization, and long-term affordability of existing multifamily housing, particularly properties with expiring federal rental assistance or affordability covenants.