

HB 2315 STAFF MEASURE SUMMARY

Senate Committee On Human Services

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Meeting Dates: 5/1, 5/22

WHAT THE MEASURE DOES:

Permits lender financing affordable housing to receive tenant housing vouchers when claiming the Oregon Affordable Housing Tax Credit. Applies to tax years beginning on or after January 1, 2018. Takes effect 91st day following sine die.

FISCAL: No Expenditure Impact

REVENUE: No Revenue Impact

ISSUES DISCUSSED:

- Affordable Housing Tax Credit as one of only two dedicated state resources for affordable housing
- Current operation of tax credit
- Current administrative rules on Affordable Housing Tax Credit
- Provisions of measure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Affordable Housing Tax Credit (OAHTC) allows lending institutions to claim the OAHTC with respect to the loans for construction or acquisition, and rehabilitation of multi-family rental housing development projects. The full amount of savings from the tax credit is required to be passed on to tenants through reduced rents. In 2015, Oregon Housing and Community Services adopted a new administrative rule allowing limited dollar amounts for tenant-based vouchers. The Oregon Housing and Community Services Department (OHCS) reports that the tax credit program is currently capped at \$17 million, which has mostly passes to tenants through reduced rents.

House Bill 2315 permits lenders financing affordable housing to receive tenant housing vouchers when claiming the OAHTC beginning January 1, 2018.