

Senate Bill 1532

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes Homeownership Repair and Rehabilitation Pilot Program within Housing and Community Services Department to provide grants to entities for providing financial assistance to persons in low income households for repair and rehabilitation of residences.

Requires department to report on pilot program to interim committee of Legislative Assembly no later than September 15, 2021.

Appropriates moneys from General Fund to department for pilot program.

Sunsets pilot program on January 2, 2022.

Takes effect July 1, 2020.

A BILL FOR AN ACT

1 Relating to supporting homeownership for low income individuals; and prescribing an effective date.

2 **Be It Enacted by the People of the State of Oregon:**

3 **SECTION 1. Section 2 of this 2020 Act is added to and made a part of ORS chapter 458.**

4 **SECTION 2. (1) As used in this section:**

5 (a) **"Eligible entity" means a local government, local housing authority, nonprofit organization, federally recognized Indian tribe in this state, regional or statewide nonprofit housing assistance organization or community action agency.**

6 (b) **"Grant program recipient" means an eligible entity that has been awarded a grant from the Housing and Community Services Department under this section.**

7 (c) **"Homeownership assistance program" means a program established, implemented and operated by an eligible entity whereby the entity provides housing-related assistance to persons in low income households.**

8 (d) **"Low income household" means a household having an income equal to or below 80 percent of the area median family income as determined by the Housing and Community Services Department.**

9 (e) **"Nonprofit organization" means an organization or group of organizations that is described in section 501(c)(3) of the Internal Revenue Code and is exempt from income tax under section 501(a) of the Internal Revenue Code.**

10 (f) **"Repair and rehabilitation" includes actions that:**

11 (A) **Maximize energy efficiency of residences;**

12 (B) **Extend the usable life of the residences; or**

13 (C) **Improve the health and safety of the occupants of the residences.**

14 (g)(A) **"Residence" means a single family residence that is intended for occupation by a single family unit and is occupied by an individual who is a member of a low income household as the individual's principal residence.**

15 (B) **"Residence" includes a site-built home, manufactured home, residential trailer, mo-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **bile home or condominium unit.**

2 **(2) The Homeownership Repair and Rehabilitation Pilot Program is established within the**
 3 **Housing and Community Services Department. The purpose of the program is to provide**
 4 **grants to eligible entities with homeownership assistance programs that provide financial**
 5 **assistance to persons in low income households for the repair and rehabilitation of their**
 6 **residences.**

7 **(3) To be eligible to receive grants from the pilot program, an eligible entity must es-**
 8 **tablish that it:**

- 9 **(a) Is operating, or will operate, a homeownership assistance program;**
- 10 **(b) Has the capacity to administer grant funds received under this section; and**
- 11 **(c) Is able to comply with the requirements of all state and federal laws, rules and reg-**
 12 **ulations.**

13 **(4)(a) The department shall provide grants to eligible entities to provide loans, grants or**
 14 **other financial assistance to eligible low income households for the repair and rehabilitation**
 15 **of their residences.**

16 **(b) The department may establish by rule the nature and extent of the repair and reha-**
 17 **ilitation that may be funded by eligible entities under the program.**

18 **(c) The department may give preference to eligible entities whose service recipients are**
 19 **largely minorities, as defined in ORS 458.610, or that market services to minority communi-**
 20 **ties.**

21 **(5) The department shall establish by rule processes for eligible entities to apply to re-**
 22 **ceive grants from the program. The processes may include a request for proposals.**

23 **(6) Upon being awarded a grant under this section, the grant program recipient shall**
 24 **enter into an agreement with the department that contains provisions that:**

- 25 **(a) Indicate the purposes for which the grant funds may be used;**
- 26 **(b) Include the repayment provisions set forth in subsection (7) of this section;**
- 27 **(c) Permit the department to conduct audits and investigations of the grant program**
 28 **recipient regarding the purposes for which grant funds have been used; and**
- 29 **(d) Require the grant program recipient to report on the use of funds to the department.**

30 **(7)(a) A grant program recipient must repay to the department, in whole or in part, grant**
 31 **funds received under this section to the extent that:**

32 **(A) The grant program recipient does not use the grant funds in accordance with the**
 33 **provisions of the grant agreement executed between the department and the grant program**
 34 **recipient under subsection (6) of this section; or**

35 **(B) The Director of the Housing and Community Services Department determines that**
 36 **the grant program recipient must repay all or part of the grant funds on grounds of misap-**
 37 **propriation, fraud or similar reasons after auditing or investigating the grant program**
 38 **recipient's operations and conducting an administrative hearing under ORS 183.413 to 183.470.**

39 **(b) Funds received by the department under this subsection are paid to the State Treas-**
 40 **urer and credited to the General Housing Account created under ORS 458.620.**

41 **SECTION 3. Section 2 of this 2020 Act is repealed on January 2, 2022.**

42 **SECTION 4. No later than September 15, 2021, the Housing and Community Services**
 43 **Department shall provide a report to an appropriate interim committee of the Legislative**
 44 **Assembly in the manner provided under ORS 192.245 on the Homeownership Repair and Re-**
 45 **habilitation Pilot Program established under section 2 of this 2020 Act, including the amounts**

1 expended and information reported by grant recipients.

2 **SECTION 5.** In addition to and not in lieu of any other appropriation, there is appropri-
3 ated to the Housing and Community Services Department, for the biennium ending June 30,
4 2021, out of the General Fund:

5 (1) \$2,000,000, for administering and awarding grants under the Homeownership Repair
6 and Rehabilitation Pilot Program under section 2 of this 2020 Act; and

7 (2) \$2,000,000 to be distributed to community action agencies in proportion to the dis-
8 tribution by the department of funds received from the federal weatherization program under
9 42 U.S.C. 6863 for their use as an eligible recipient under a Homeownership Repair and Re-
10 habilitation Pilot Program contract.

11 **SECTION 6.** This 2020 Act takes effect on July 1, 2020.
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