

SB 892 -3 STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Prepared By: Kevin Rancik, LPRO Analyst

Meeting Dates: 3/20, 3/22

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 responsibility over OHCS. Clarifies that Council advises and assists OHCS at the OHCS director’s request with rules, policies, and programs, and removes the specific requirement it do so in conjunction with the Community Action Partnership of Oregon. Clarifies Council continues to approve and disapprove loans, grants, and other funding proposals.

Public Contracting Code: Provides OHCS authority under Public Contracting Code 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. Subjects the administration of such duties to procurement of information technology, and sole-source and special procurements. 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 payments or closing costs. Removes definitions of “federally insured security” and “revolving account” from OHCS-specific statutes. Clarifies the list of entities required to approve a “qualified housing sponsor.” Adds loans made for acquiring a residential structure, and solely to provide down payment or closing cost assistance to allow low and moderate income households to qualify for a first position purchase loan on the structure, to list of definitions covered by “residential loan.”

Fund and Accounts: Renames the Housing and Community Department Revolving Account to Housing and Community Services Department Fund; modifies other statutes to align with the change. Repeals Self-Sufficiency Housing Fund (ORS 456.576) and Elderly Rental Assistance Fund (ORS 458.377); reverts money remaining in Funds to General Fund on effective date of Act.

Oregon Affordable Housing Tax Credit: Clarifies language specifying loans are made to those with income levels at 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 Local Innovation and Fast Track Housing Program exception from various provisions covering OHCS acquisition or sale of real property.

Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-3 Clarifies language relating to procurement of information technology products and systems.

BACKGROUND:

The mission of the 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

SB 892 -3 STAFF MEASURE SUMMARY

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 allows tribal access to housing funds, adjusts rulemaking authority and other provisions to match existing practice and address inconsistencies in statute, expands procurement authority of OHCS, allows OHCS to provide direct to individual loans 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.