

HB 3488 A STAFF MEASURE SUMMARY

House Committee On Housing and Homelessness

Action Date: 03/30/23

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

Vote: 6-4-1-0

Yeas: 6 - Fahey, Gamba, Hartman, Helfrich, Helm, Levy E

Nays: 4 - Boice, Cate, Javadi, Wright

Exc: 1 - Dexter

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Claire Adamsick, LPRO Analyst

Meeting Dates: 3/16, 3/30

WHAT THE MEASURE DOES:

Appropriates, to Oregon Housing and Community Services (OHCS) for the biennium beginning July 1, 2023: \$10 million in General Fund moneys to the OHCS Revolving Account to provide down payment assistance grants to culturally responsive, culturally specific, or tribal organizations; \$25 million in General Fund moneys to the Housing Finance Fund to provide flexible loans for home purchasers; \$4 million in General Fund moneys for grants to each of the nine federally recognized Oregon tribes to support the needs of low-income home purchasers and home owners; and \$4.8 million in General Fund moneys for grants to up to 24 culturally responsive or culturally specific organizations to expand homeownership services. Appropriates, to the Bureau of Labor and Industries (BOLI) for the biennium beginning July 1, 2023: \$2.4 million in General Fund moneys for a grant to the Fair Housing Council of Oregon to support fair housing; and \$2.3 million in General Fund moneys to support BOLI's fair housing investigations, education, and outreach efforts. Appropriates, to the Department of Justice for the biennium beginning July 1, 2023, \$500,000 in General Fund moneys to enforce fair housing laws. Declares emergency, effective July 1, 2023.

ISSUES DISCUSSED:

- Amendment provides allocations intended in introduced version of the measure
- Allocations align with policy recommendations from Joint Task Force on Addressing Racial Disparities in Home Ownership

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

According to the U.S. Census Bureau's American Community Survey five-year estimates from 2016-2020, homeownership rates are significantly lower for communities of color in Oregon than for white people. Among Oregonians of color, the homeownership rate is 33 percent for Black or African American households, 48 percent for American Indian/Alaskan Native households, and 43 percent for Hispanic or Latino households, compared to the white household homeownership rate of 66 percent.

In 2018, the Legislative Assembly enacted House Bill 4010, which established the Joint Task Force on Addressing Racial Disparities in Home Ownership (Task Force). The Task Force was directed to compile data, identify barriers, investigate mortgage practices, and recommend solutions regarding homeownership among people of color in Oregon. In a report to the Legislative Assembly in September 2019, the Task Force provided policy

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recommendations, with topic areas including: addressing educational, occupational, or income disparity barriers; addressing the housing system, lending, land use, or supply; and homeownership barriers controlled or regulated by the federal government.

House Bill 2007 (2021) reestablished the Joint Task Force on Addressing Racial Disparities in Home Ownership, directing the body to assess the work and reports of the previous Task Force and propose solutions to ameliorate conditions reducing or preventing home ownership among people of color in Oregon. In its October 2022 report to the Legislative Assembly, the Task Force recommended sustained or increased funding for individual development accounts, down payment assistance, and fair housing enforcement and awareness. It also recommended funding and capacity building support for culturally responsive and tribal homeownership organizations, and development of a state-led inventory and distribution of financial literacy materials for first-time home buyers and homeowners of color.

House Bill 3488 A appropriates to Oregon Housing and Community Services (OHCS): \$10 million to OHCS to provide down payment assistance grants to culturally responsive, culturally specific, or tribal organizations; \$25 million to provide flexible loans for home purchasers; \$4 million for grants to each of the nine federally recognized Oregon tribes to support the needs of low-income home purchasers and home owners; and \$4.8 million for grants to up to 24 culturally responsive or culturally specific organizations to expand homeownership services. The measure appropriates to the Bureau of Labor and Industries (BOLI): \$2.4 million for a grant to the Fair Housing Council of Oregon to support fair housing; and \$2.3 million to support BOLI's fair housing investigations, education, and outreach efforts. Finally, the measure appropriates to the Department of Justice \$500,000 for efforts to enforce fair housing laws.