

HB 4036 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Reviewed By: Michelle Deister, Legislative Fiscal Office

**Housing and Community Services Department
2025-27**

Budget Summary*

	2025-27 Legislatively Approved Budget ⁽¹⁾	2026 Committee Recommendation	Committee Change from 2025-27 Leg. Approved	
			\$ Change	% Change
General Fund	\$ -	\$ 150,000	\$ 150,000	100.0%
Other Funds Limited	\$ -	\$ 145,175	\$ 145,175	100.0%
Total	\$ -	\$ 295,175	\$ 295,175	100.0%

Position Summary

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.50	0.50

⁽¹⁾ Includes adjustments through January 2026

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 4036 increases Other Funds expenditure limitation by \$145,175 and makes a one-time appropriation of \$150,000 General Fund to the Housing and Community Services Department (HCSD) to establish the Housing, Opportunity, Longevity and Durability (HOLD) Fund. Resources from the Fund will be used to preserve affordable housing projects.

Summary of Capital Construction Subcommittee Action

House Bill 4036 establishes the HOLD Fund in HCSD. The measure authorizes the use of bond proceeds, including general obligation bonds, to support affordable housing preservation, and allows HCSD to cover administrative and bond-related expenses. The HOLD Fund will support preservation of affordable housing projects at risk of loss due to expiring federal or local affordability restrictions, financial distress, and physical rehabilitation needs. Manufactured housing park preservation is also eligible.

HCSD is required to report on or before December 1, 2026, to the legislative committees related to housing with recommendations and feedback from housing partners on possible changes to state laws, agency policies, practices, and rules that improve the operation of affordable housing.

The Subcommittee recommended:

- A one-time General Fund appropriation of \$150,000 to support costs related to standing up the new program. This includes a legal review associated with making changes to contract language, bond covenants, and program rules necessary to utilizing Article XI-Q bonds for affordable housing preservation.
- An increase in Other Funds expenditure limitation of \$145,175 to support one permanent, full-time Program Analyst 3 position (0.50 FTE), which will manage housing preservation transactions financed with Article XI-Q Bond proceeds. The new position will be supported with program fees charged to entities applying for funding in the HOLD Fund.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Housing and Community Services Department
Jason Trombley – 971-719-3903

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SUBCOMMITTEE ADJUSTMENTS									
SCR 030 - Multifamily Rental Housing Programs									
Personal Services	\$ -	\$ -	\$ 128,115	\$ -	\$ -	\$ -	\$ 128,115	1	0.50
Services and Supplies	\$ 150,000	\$ -	\$ 17,060	\$ -	\$ -	\$ -	\$ 167,060		
SUBCOMMITTEE RECOMMENDATION *	\$ 150,000	\$ -	\$ 145,175	\$ -	\$ -	\$ -	\$ 295,175	1	0.50
% Change from 2025-27 Leg Approved Budget	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%

*Excludes Capital Construction Expenditures