

SENATE BILL REPORT

SB 6216

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, JANUARY 24, 1994

Brief Description: Modifying the emergency mortgage and rental assistance program for dislocated forest products workers.

SPONSORS: Senators Snyder, Anderson, Fraser and Sellar; by request of Department of Community Development

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: That Substitute Senate Bill No. 6216 be substituted therefor, and the substitute bill do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Amondson, Deccio, Fraser, McAuliffe, Newhouse, Pelz, Prince, Sellar, Vognild and Wojahn.

Staff: Traci Ratzliff (786-7452)

Hearing Dates: January 17, 1994; January 24, 1994

SENATE COMMITTEE ON WAYS & MEANS

Staff: Martin Chaw (786-7711)

Hearing Dates: February 7, 1994

BACKGROUND:

The Emergency Mortgage and Rental Assistance Program for Dislocated Timber Workers was established by the Legislature in 1991. This program, administered by the Department of Community, Trade, and Economic Development, provides funds to designated, eligible organizations in timber impacted communities. These organizations provide individuals at significant risk of eviction with up to 24 months of emergency mortgage or rental assistance. Assistance is provided in the form of grants or loans. Funds received as loan repayments are returned to the state, and not the organization providing the loans. The deadline for submitting an application for assistance under this program is June 30, 1996.

Since 1991, over 1,900 individuals have received assistance through the Mortgage and Rental Assistance Program.

SUMMARY:

The original bill was not considered.

EFFECT OF PROPOSED SUBSTITUTE:

Local organizations implementing the Mortgage and Rental Assistance Program for dislocated timber workers must create a revolving grant and loan fund if program funds are disbursed as loans. Funds received as loan repayments must be deposited in the revolving fund. Organizations must use these funds to provide additional loans and grants to eligible individuals.

The program goals are expanded to include the provision of assistance to eligible individuals who are unable to make property tax payments.

The June 30, 1996 application deadline is changed to June 30, 1999.

In the event a local organization implementing the Mortgage, Property Tax and Rental Assistance Program dissolves or becomes ineligible to participate in the program, it must assign their program funds, rights to loan repayments and loan security instruments to the government of the county in which the organization is located or to the Department of Community, Trade, and Economic Development.

Appropriation: none

Revenue: none

Fiscal Note: requested January 14, 1994

TESTIMONY FOR (Labor & Commerce):

The Rental and Mortgage Association program is one of the most important and successful programs for preventing homelessness.

TESTIMONY AGAINST (Labor & Commerce): None

TESTIFIED (Labor & Commerce): PRO: Corinne Foster, Department of Community Development; Mike Ryherd, Low Income Housing Congress

TESTIMONY FOR (Ways & Means):

This measure clarifies the intent of the program as originally designed. This program is a very cost-effective housing program and is critical to stabilizing the lives of those impacted by the downturn in the timber industry.

TESTIMONY AGAINST (Ways & Means): None

TESTIFIED (Ways & Means): PRO: Corrine Foster, Program Manager, Dept. of Community Development; Mike Ryherd, Low Income Housing Congress