

SSB 6711 - H COMM AMD  
By Committee on Appropriations

ADOPTED 03/04/2008

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 43.320  
4 RCW to read as follows:

5 (1) The smart homeownership choices program is created in the  
6 department to assist low-income and moderate-income households, as  
7 defined in RCW 84.14.010, facing foreclosure.

8 (2) The department shall enter into an interagency agreement with  
9 the Washington state housing finance commission to implement and  
10 administer this program with moneys from the account created in section  
11 2 of this act. The Washington state housing finance commission will  
12 request funds from the department as needed to implement and operate  
13 the program.

14 (3) The commission shall, under terms and conditions to be  
15 determined by the commission, assist homeowners who are delinquent on  
16 their mortgage payments to bring their mortgage payments current in  
17 order to refinance into a different loan product. Financial assistance  
18 received by homeowners under this chapter shall be repaid at the time  
19 of refinancing into a different loan product. Homeowners receiving  
20 financial assistance shall also agree to partake in a residential  
21 mortgage counseling program. Moneys may also be used for outreach  
22 activities to raise awareness of this program. Not more than four  
23 percent of the total appropriation for this program may be used for  
24 administrative expenses of the department and the commission.

25 (4) The commission must provide an annual report to the legislature  
26 at the end of each fiscal year of program operation. The report must  
27 include information including the total number of households seeking  
28 help to resolve mortgage delinquency, the number of program  
29 participants that successfully avoided foreclosure, and the number of  
30 program participants who refinanced a home, including information on

1 the terms of both the new loan product and the product out of which the  
2 homeowner refinanced. The commission shall establish and report upon  
3 performance measures, including measures to gauge program efficiency  
4 and effectiveness and customer satisfaction.

5 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.320 RCW  
6 to read as follows:

7 The smart homeownership choices program account is created in the  
8 custody of the state treasurer. All receipts from the appropriation in  
9 section 4 of this act as well as receipts from private contributions  
10 and all other sources that are specifically designated for the smart  
11 homeownership choices program must be deposited into the account.  
12 Expenditures from the account may be used solely for the purpose of  
13 preventing foreclosures through the smart homeownership choices program  
14 as described in section 1 of this act. Only the director of the  
15 department or the director's designee may authorize expenditures from  
16 the account. The account is subject to allotment procedures under  
17 chapter 43.88 RCW, but an appropriation is not required for  
18 expenditures.

19 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.320 RCW  
20 to read as follows:

21 The Washington state housing finance commission shall only serve  
22 low-income households, as defined in RCW 84.14.010, through the smart  
23 homeownership choices program described in section 1 of this act using  
24 state appropriated general funds in the smart homeownership choices  
25 program account created in section 2 of this act. Contributions from  
26 private and other sources to the account may be used to serve both low-  
27 income and moderate-income households, as defined in RCW 84.14.010,  
28 through the smart homeownership choices program.

29 NEW SECTION. **Sec. 4.** If specific funding for the purposes of this  
30 act, referencing this act by bill or chapter number, is not provided by  
31 June 30, 2008, in the omnibus appropriations act, this act is null and  
32 void."

33 Correct the title.

--- END ---