

# SENATE BILL REPORT

## SB 6442

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As of February 3, 2010

**Title:** An act relating to eliminating the prevent or reduce owner-occupied foreclosure program account.

**Brief Description:** Eliminating the prevent or reduce owner-occupied foreclosure program account.

**Sponsors:** Senators Berkey, Franklin and Hobbs.

**Brief History:**

**Committee Activity:** Financial Institutions, Housing & Insurance: 1/27/10, 2/02/10.

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### SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & INSURANCE

**Staff:** Diane Smith (786-7410)

**Background:** The monies appropriated in 2009 for the Prevent or Reduce Owner-Occupied Foreclosure Program (PROOF) remain largely unspent. The program's purpose is to provide a pool of unpaid volunteers from relevant professions, such as accountants, bankers, and attorneys, who provide advice to borrowers in the work-out process. The Housing Finance Commission implements the program by which volunteers and borrowers are paired in the most productive manner. The Department of Financial Institutions administers the program's funds.

The Washington financial education public-private partnership (FEPPP) account funds FEPPP's efforts to provide financial education for students in the public school system. It is a continuation of The Financial Literacy Public Private Partnership (FLPPP) Committee which was formed originally in 2004. The FLPPP brought together individuals from both the public and private sector to identify financial literacy standards for Washington students and to provide professional development opportunities for teachers. The task of FLPPP was to seek out and determine the best methods for equipping students with the knowledge and skills they need to make critical decisions regarding their personal finances, before they become self-supporting.

**Summary of Bill:** Monies left unexpended in the PROOF account are transferred to the FEPPP account no later than December 31, 2010.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The FEPPP program provides tools for teachers working with the Office of Superintendent of Public Instruction to develop curriculum and accelerate the learning process for financial literacy. This support will go a long way toward providing children with the ability to make personal financial decisions that will support their life goals.

**Persons Testifying:** PRO: Amy O'Donnell, Washington Society of Certified Public Accountants.