

FINAL BILL REPORT

HB 1738

C 70 L 22

Synopsis as Enacted

Brief Description: Changing the total amount of outstanding indebtedness of the Washington state housing finance commission.

Sponsors: Representatives Peterson, Bateman, Macri, Wylie, Tharinger and Ormsby; by request of Housing Finance Commission.

House Committee on Housing, Human Services & Veterans

House Committee on Capital Budget

Senate Committee on Housing & Local Government

Background:

The Housing Finance Commission (Commission) is a public body created in 1983 to act as a financial conduit that, without using public funds or lending the credit of the state or local government, may issue nonrecourse revenue bonds and participate in federal, state, and local housing programs. The Commission issues both tax-exempt and taxable bonds to provide below market-rate financing to nonprofit and for-profit housing developers who set aside a certain percentage of their units for low-income individuals and families. In addition, the Commission issues tax exempt bonds to provide below market-rate financing for sustainable energy projects, nonprofit facilities, and beginning farmers and ranchers.

The Commission's statutory debt limit is \$8 billion, which is the total amount of debt the Commission is authorized to have outstanding at any one time. The Commission's debt limit was last raised in 2018 from \$6 billion to \$8 billion.

The Commission is not a state agency, it does not receive or lend state funds, and its debt is not backed by the full faith and credit of the state.

Summary:

The Commission's debt limit is increased from \$8 billion to \$14 billion.

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

Votes on Final Passage:

House 66 32

Senate 27 21

Effective: June 9, 2022