
HOUSE BILL 2846

State of Washington

55th Legislature

1998 Regular Session

By Representatives McDonald, Ballasiotes, Radcliff and O'Brien

Read first time 01/21/98. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to home equity financing for seniors; adding a new
2 section to chapter 43.330 RCW; creating a new section; and making an
3 appropriation.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

6 (a) Untapped home equity could provide a valuable source of funding
7 to pay for needed home repairs, health care, and other services elderly
8 homeowners require;

9 (b) High fees and complexities have discouraged elderly homeowners
10 from using existing reverse mortgage programs that are currently
11 available;

12 (c) By linking financial counseling services with reverse mortgage
13 programs, costs and complexity could be significantly reduced; and

14 (d) Financial counseling, integrated with social and health
15 services, would allow elderly homeowners to make informed and confident
16 choices regarding this option.

17 (2) It is the purpose of this act to create a pilot program to
18 leverage untapped home equity to pay for needed home, health, or social
19 service care for persons who are elderly.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330 RCW
2 to read as follows:

3 (1) The department, in cooperation with the Washington state
4 housing finance commission, shall solicit proposals from state-wide
5 nonprofit organizations for the purpose of developing a pilot home
6 equity program. The program shall be designed to leverage untapped
7 home equity to help pay for needed home, health, or social service care
8 for persons who are elderly.

9 (2) The department, in cooperation with the Washington state
10 housing finance commission, shall develop criteria for the evaluation
11 of proposals submitted under this section. In reviewing proposals
12 under this section, an emphasis should be made on the ability of the
13 state-wide nonprofit organizations to work with private lending
14 institutions and social service agencies to develop and implement the
15 proposal on a state-wide basis.

16 NEW SECTION. **Sec. 3.** The sum of three hundred thousand dollars,
17 or as much thereof as may be necessary, is appropriated for the fiscal
18 year ending June 30, 1999, from the general fund to the department of
19 community, trade, and economic development for the purposes of this
20 act.

--- END ---