
HOUSE BILL 1819

State of Washington

57th Legislature

2001 Regular Session

By Representatives Kirby, Dunn, O'Brien, Wood, Jarrett, Dickerson and Conway

Read first time 02/06/2001. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to housing finance; amending RCW 43.33A.080 and
2 43.180.240; and adding a new section to chapter 43.180 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.180
5 RCW to read as follows:

6 (1) The commission, in cooperation with the state investment
7 board, shall develop and implement a housing finance program that:

8 (a) Provides subsidized or unsubsidized mortgage financing for
9 single-family home ownership, including a single condominium unit,
10 located in the state of Washington;

11 (b) Requests the state investment board to make investments,
12 within its policies and investment guidelines, in mortgage-backed
13 securities that are collateralized by loans made within the state
14 of Washington; and

15 (c) Provides flexible loan underwriting guidelines, including,
16 but not limited to, provisions that will allow reduced downpayment
17 requirements for the purchaser.

18 (2) The housing finance program developed under subsection (1)
19 of this section shall:

1 (a) Be limited to active participants of the Washington state
2 teachers' retirement system under chapter 41.32 RCW;

3 (b) Be limited to borrowers with incomes that do not exceed one
4 hundred fifteen percent of the state or county median family
5 income, whichever is higher, adjusted for family size; and

6 (c) Be limited to first-time home buyers as defined in RCW
7 43.185A.010.

8 (3) The commission, to the extent funds are available, may
9 provide either down payment or closing costs' assistance to
10 households eligible for assistance under this chapter.

11 (4) The commission, in cooperation with the department of
12 retirement systems, shall notify active participants of the
13 Washington state teachers' retirement system of the availability of
14 mortgage financing through this section.

15 (5) This section may be known and cited as the Washington state
16 teachers' mortgage loan program.

17 **Sec. 2.** RCW 43.33A.080 and 1987 c 29 s 2 are each amended to read
18 as follows:

19 The state investment board may invest those funds which are not
20 under constitutional prohibition in: (1) Farm ownership and soil
21 and water conservation loans fully guaranteed as to principal and
22 interest under the Bankhead-Jones farm tenant act administered by
23 the United States department of agriculture; and (2) ~~((the~~
24 ~~Washington land bank established by chapter 31.30 RCW))~~ subsidized
25 and unsubsidized mortgage loans made under section 1 of this act
26 that are secured by residential mortgage-backed securities
27 administered by the federal national mortgage association, the
28 government national mortgage association, or the federal home loan
29 mortgage corporation.

30 **Sec. 3.** RCW 43.180.240 and 1994 c 235 s 3 are each amended to read
31 as follows:

32 (1) The commission shall submit to the legislature in its
33 annual report a summary of the progress of the housing finance
34 programs developed under RCW 43.180.220 and section 1 of this act.

35 The report shall include, but not be limited to the number of

1 loans made and location of property financed under RCW 43.180.220
2 and (~~43.180.230~~) section 1 of this act.

3 (2) The commission shall take such steps as are necessary to
4 ensure that RCW 43.180.220 and 43.180.230 are implemented on June
5 9, 1994.

6 (3) The commission shall take necessary steps to ensure that
7 section 1 of this act is implemented by September 1, 2001.

8 NEW SECTION. **Sec. 4.** If any provision of this act or its
9 application to any person or circumstance is held invalid, the
10 remainder of the act or the application of the provision to other
11 persons or circumstances is not affected.

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