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SENATE BILL 6216

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State of Washington

53rd Legislature

1994 Regular Session

By Senators Snyder, Anderson, Fraser and Sellar; by request of Department of Community Development

Read first time 01/17/94. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to mortgage and rental assistance for dislocated  
2 forest products workers; amending RCW 43.63A.600, 43.63A.610,  
3 43.63A.620, 43.63A.630, and 43.63A.640; and providing an effective  
4 date.

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

6 **Sec. 1.** RCW 43.63A.600 and 1993 c 280 s 77 are each amended to  
7 read as follows:

8 (1) The department of community, trade, and economic development,  
9 as a member of the agency timber task force and in consultation with  
10 the economic recovery coordination board, shall establish and  
11 administer the emergency mortgage and rental assistance program. The  
12 department shall identify the communities most adversely affected by  
13 reductions in timber harvest levels and shall prioritize assistance  
14 under this program to these communities. The department shall work  
15 with the department of social and health services and the timber  
16 recovery coordinator to develop the program in timber impact areas.  
17 Organizations eligible to receive grant funds for distribution under  
18 the program are those organizations that are eligible to receive  
19 assistance through the Washington housing trust fund. The department

1 shall disburse the funds to eligible local organizations as grants.  
2 The local organizations shall use the funds to make grants or loans as  
3 specified in RCW 43.63A.600 through 43.63A.640. If funds are disbursed  
4 as loans, the local organization shall establish a revolving grant and  
5 loan fund with funds received as loan repayments and shall continue to  
6 make grants or loans or both grants and loans from funds received as  
7 loan repayments to dislocated forest products workers eligible under  
8 the provisions of RCW 43.63A.600 through 43.63A.640 and to other  
9 persons residing in timber impact areas who meet the requirements of  
10 RCW 43.63A.600 through 43.63A.640.

11 (2) The goals of the program are to:

12 (a) Provide temporary emergency mortgage or rental assistance  
13 grants or loans on behalf of dislocated forest products workers in  
14 timber impact areas who are unable to make ((current)) mortgage,  
15 property tax, or rental payments on their permanent residences and are  
16 subject to immediate eviction for nonpayment of mortgage installments,  
17 property taxes, or nonpayment of rent;

18 (b) Prevent the dislocation of individuals and families from their  
19 permanent residences and their communities; and

20 (c) Maintain economic and social stability in timber impact areas.

21 **Sec. 2.** RCW 43.63A.610 and 1991 c 315 s 24 are each amended to  
22 read as follows:

23 Emergency mortgage assistance shall be provided under the following  
24 general guidelines:

25 (1) Loans provided under the program shall not exceed an amount  
26 equal to twenty-four months of mortgage payments.

27 (2) The maximum loan amount allowed under the program shall not  
28 exceed twenty thousand dollars.

29 (3) Loans shall be made to applicants who meet specific income  
30 guidelines established by the department.

31 (4) Loan payments shall be made directly to the mortgage lender.

32 (5) Loans shall be granted on a first-come, first-served basis.

33 (6) Repayment of loans provided under the program shall be made to  
34 eligible local organizations, and must not take more than twenty years.  
35 Funds repaid to the program shall be used as grants or loans under the  
36 provisions of RCW 43.63A.600 through 43.63A.640.

37 (~~(7) The department may provide for emergency short-term loans.~~)

1       **Sec. 3.** RCW 43.63A.620 and 1991 c 315 s 25 are each amended to  
2 read as follows:

3       Emergency rental assistance shall be provided under the following  
4 general guidelines:

5       (1) Rental assistance provided under the program may be in the form  
6 of loans or grants and shall not exceed an amount equal to twenty-four  
7 months of ((mortgage)) rental payments.

8       (2) Rental assistance shall be made to applicants who meet specific  
9 income guidelines established by the department.

10       (3) Rental payments shall be made directly to the landlord.

11       (4) Rental assistance shall be granted on a first-come, first-  
12 served basis.

13       **Sec. 4.** RCW 43.63A.630 and 1991 c 315 s 26 are each amended to  
14 read as follows:

15       To be eligible for assistance under the program, an applicant must:

16       (1) Be unable to keep mortgage or rental payments current, due to  
17 a loss of employment, and shall be at significant risk of eviction;

18       (2) Have his or her permanent residence located in an eligible  
19 community;

20       (3) If requesting emergency mortgage assistance, be the owner of an  
21 equitable interest in the permanent residence and intend to reside in  
22 the home being financed;

23       (4) Be actively seeking new employment or be enrolled in a training  
24 program approved by the director; and

25       (5) Submit an application for assistance to an organization  
26 eligible to receive funds under RCW 43.63A.600 ((by June 30, 1996)).

27       **Sec. 5.** RCW 43.63A.640 and 1991 c 315 s 27 are each amended to  
28 read as follows:

29       The department shall carry out the following duties:

30       (1) Administer the program;

31       (2) Identify organizations eligible to receive funds to implement  
32 the program;

33       (3) Develop and adopt the necessary rules and procedures for  
34 implementation of the program and for dispersal of program funds to  
35 eligible organizations;

36       (4) Establish the interest rate for repayment of loans at two  
37 percent below the market rate;

1 (5) Work with lending institutions and social service providers in  
2 the eligible communities to assure that all eligible persons are  
3 informed about the program;

4 (6) Utilize federal and state programs that complement or  
5 facilitate carrying out the program;

6 (7) (~~Submit a report to the senate commerce and labor committee~~  
7 ~~and the house of representatives housing committee by January 31,~~  
8 ~~1992)) Ensure that local eligible organizations that dissolve or  
9 become ineligible assign their program funds, rights to loan  
10 repayments, and loan security instruments, to the government of the  
11 county in which the local organization is located. If the county  
12 government accepts the program assets described in this subsection, it  
13 shall act as a local eligible organization under the provisions of RCW  
14 43.63A.600 through 43.63A.640. If the county government declines to  
15 participate, the program assets shall revert to the department.~~

16 NEW SECTION. Sec. 6. This act shall take effect July 1, 1994.

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