

FINAL BILL REPORT

2SHB 3070

C 262 L 06

Synopsis as Enacted

Brief Description: Increasing housing development capacity.

Sponsors: By House Committee on Capital Budget (originally sponsored by Representatives Miloscia, Hasegawa, Chase and Santos).

House Committee on Housing

House Committee on Capital Budget

Senate Committee on Financial Institutions, Housing & Consumer Protection

Background:

The Housing Finance Commission (HFC) was created by the Legislature in 1983. The HFC is not, however, a state agency. The HFC does not receive state funds, it does not lend state funds, and the state is not liable for any of the HFC's debt. The HFC acts as a financial conduit of federal funds and has the authority to issue bonds for the development of affordable housing and non-profit facilities. To date, the HFC has financed more than 112,000 affordable housing units and elderly beds across the state and 103 nonprofit facilities.

When created in 1983, the HFC's statutory debt limit was \$1 billion. The debt limit was raised to \$2 billion in 1985 and to \$3 billion in 1999. The debt limit is the total amount of debt HFC is authorized to have outstanding at any one time. As of January 2006, the HFC's outstanding debt reached \$2.7 billion. Once the HFC reaches the \$3 billion limit, it must stop issuing debt to finance additional affordable housing and nonprofit facilities.

Summary:

The HFC's debt limit is increased to \$4.5 billion.

Votes on Final Passage:

House	56	42	
Senate	36	8	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	38	9	(Senate amended)
House	82	16	(House concurred)

Effective: June 7, 2006