

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6711

Chapter 322, Laws of 2008

60th Legislature
2008 Regular Session

SMART HOMEOWNERSHIP CHOICES PROGRAM

EFFECTIVE DATE: 06/12/08

Passed by the Senate March 10, 2008
YEAS 47 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House March 4, 2008
YEAS 58 NAYS 36

FRANK CHOPP

Speaker of the House of Representatives

Approved April 1, 2008, 4:14 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6711** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

April 2, 2008

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6711

AS AMENDED BY THE HOUSE

Passed Legislature - 2008 Regular Session

State of Washington 60th Legislature 2008 Regular Session

By Senate Consumer Protection & Housing (originally sponsored by Senators Kauffman, Kilmer, Kohl-Welles, Keiser, and Kline)

READ FIRST TIME 02/06/08.

1 AN ACT Relating to preventing foreclosures by creating the smart
2 homeownership choices program; adding new sections to chapter 43.320
3 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.320 RCW
6 to read as follows:

7 (1) The smart homeownership choices program is created in the
8 department to assist low-income and moderate-income households, as
9 defined in RCW 84.14.010, facing foreclosure.

10 (2) The department shall enter into an interagency agreement with
11 the Washington state housing finance commission to implement and
12 administer this program with moneys from the account created in section
13 2 of this act. The Washington state housing finance commission will
14 request funds from the department as needed to implement and operate
15 the program.

16 (3) The commission shall, under terms and conditions to be
17 determined by the commission, assist homeowners who are delinquent on
18 their mortgage payments to bring their mortgage payments current in
19 order to refinance into a different loan product. Financial assistance

1 received by homeowners under this chapter shall be repaid at the time
2 of refinancing into a different loan product. Homeowners receiving
3 financial assistance shall also agree to partake in a residential
4 mortgage counseling program. Moneys may also be used for outreach
5 activities to raise awareness of this program. Not more than four
6 percent of the total appropriation for this program may be used for
7 administrative expenses of the department and the commission.

8 (4) The commission must provide an annual report to the legislature
9 at the end of each fiscal year of program operation. The report must
10 include information including the total number of households seeking
11 help to resolve mortgage delinquency, the number of program
12 participants that successfully avoided foreclosure, and the number of
13 program participants who refinanced a home, including information on
14 the terms of both the new loan product and the product out of which the
15 homeowner refinanced. The commission shall establish and report upon
16 performance measures, including measures to gauge program efficiency
17 and effectiveness and customer satisfaction.

18 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.320 RCW
19 to read as follows:

20 The smart homeownership choices program account is created in the
21 custody of the state treasurer. All receipts from the appropriation in
22 section 4 of this act as well as receipts from private contributions
23 and all other sources that are specifically designated for the smart
24 homeownership choices program must be deposited into the account.
25 Expenditures from the account may be used solely for the purpose of
26 preventing foreclosures through the smart homeownership choices program
27 as described in section 1 of this act. Only the director of the
28 department or the director's designee may authorize expenditures from
29 the account. The account is subject to allotment procedures under
30 chapter 43.88 RCW, but an appropriation is not required for
31 expenditures.

32 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.320 RCW
33 to read as follows:

34 The Washington state housing finance commission shall only serve
35 low-income households, as defined in RCW 84.14.010, through the smart
36 homeownership choices program described in section 1 of this act using

1 state appropriated general funds in the smart homeownership choices
2 program account created in section 2 of this act. Contributions from
3 private and other sources to the account may be used to serve both low-
4 income and moderate-income households, as defined in RCW 84.14.010,
5 through the smart homeownership choices program.

6 NEW SECTION. **Sec. 4.** If specific funding for the purposes of this
7 act, referencing this act by bill or chapter number, is not provided by
8 June 30, 2008, in the omnibus appropriations act, this act is null and
9 void.

Passed by the Senate March 10, 2008.

Passed by the House March 4, 2008.

Approved by the Governor April 1, 2008.

Filed in Office of Secretary of State April 2, 2008.