

AMENDED IN ASSEMBLY APRIL 23, 2014

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2161

Introduced by Assembly Member Chau

February 20, 2014

An act to add Section 50406.8 to the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2161, as amended, Chau. Affordable housing.

Existing law authorizes the Department of Housing and Community Development to provide technical assistance to groups and persons with various housing needs and to administer various housing loan programs. Existing law authorizes the department to extend the term of existing multifamily housing loans made under specified programs upon the request of any borrower, subject to certain conditions, as provided.

This bill would authorize the department, upon request of the borrower of any loan issued by the department that has reached maturity, either to reloan the original amount of the matured loan, plus accrued interest, on the same terms and conditions as the original loan, or to restructure the loan, ~~if the loan was issued under specified programs in which event specified provisions relating to the approval of an extension of a department loan, the subordination of a department loan to new debt, or an investment of tax credit equity under specified rental housing finance programs, shall apply.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 50406.8 is added to the Health and Safety
2 Code, to read:

3 50406.8. Notwithstanding any other law, the department, upon
4 the request of the borrower of any loan issued by the department
5 that has reached maturity, may do either of the following, at the
6 option of the borrower:

7 (a) Reloan the original amount of the matured loan, plus accrued
8 interest, on the same terms and conditions as the original loan.

9 (b) Restructure the loan, ~~if the original loan was issued pursuant~~
10 ~~to Section 50515.2 or 50517.7 in which event the provisions of~~
11 *Chapter 3.9 (commencing with Section 50560) shall apply.*