

COVENANT HOMEOWNERSHIP OVERSIGHT COMMITTEE CHARTER

This Charter was adopted by the members of the Covenant Homeownership Oversight Committee, an oversight committee established under Second Substitute House Bill 1474, on April 23, 2024.

Purpose

Pursuant to Section 7 of 2SHB 1474, the purpose of the Covenant Homeownership Program Oversight Committee (Committee) is to oversee and review the activities and performance of the Washington State Housing Finance Commission (Commission) related to the covenant homeownership program study commissioned by the bill, and related policy and programmatic recommendations made in the study, such as the creation and operation of one or more special purpose credit programs by:

- Reviewing and evaluating the initial covenant homeownership program study and all subsequent studies produced by the Commission.
- Reviewing and evaluating the quarterly reports from the Commission and the Department of Commerce regarding the state of the Covenant Homeownership Account created by the bill and information regarding the funding mechanism of the program.
- Making recommendations to the appropriate committees of the legislature regarding the activities and operation of the program

Powers of the Covenant Homeownership Oversight Committee

The Legislature created the Committee to provide oversight and review of the Covenant Homeownership Program and has delegated certain powers necessary to discharge its duties, including the right to:

- Request any information that the Committee deems necessary from the Department of Commerce and the Commission.
- Direct the Department of Financial Institutions to hire outside experts and other professionals necessary to fulfill the Committee's responsibilities.
- From time to time, make recommendations to the appropriate committees of the Legislature regarding the Covenant Homeownership Program
 - Recommendations to the appropriate committees of the Legislature shall be made by majority vote.
 - Dissenting opinions may also be captured in memo form and included with recommendations to the appropriate committees of the Legislature at the discretion of the Chair.

Composition and Selection

The membership of the committee shall be as set forth in accordance with 2SHB 1474. The committee shall be comprised of eleven members.

- The committee members shall be appointed by the Governor, except for the legislative members who must be appointed by the president of the Senate or the Speaker of the House as described in Section 7 of SSHB 1474.
- Non legislative members shall each serve a three-year term, subject to renewal for no more than one additional three-year term. The oversight committee shall develop rules that provide for the staggering of terms so that, after the first two years of the committee's existence, the terms of one-third of the non-legislator members expire each year.
- Legislator members shall each serve a two-year term, subject to renewal for no more than one additional two-year term.
- On the expiration of the term of each member, the governor, president of the senate, or the speaker of the house of representatives shall appoint a successor to serve for a term of two years if the successor is a legislative member, or three years if the successor is a non-legislative member.
- The governor may remove a non-legislative member of the oversight committee for cause. The president of the senate may remove a senator serving as a legislative member of the oversight committee for cause, and the speaker of the house of representatives may remove a member of the house of representatives serving as a legislative member of the oversight committee for cause.
- Vacancies on the oversight committee for any reason must be filled by appointment for the duration of the unexpired term.

Committee Structure and Meetings

- The Committee shall elect a member to serve as its Chair.
- The Covenant Homeownership Program Oversight Committee will meet quarterly and may hold additional meetings at the call of the chair or by a majority vote of the members of the Committee.
- All committee members are expected to attend each meeting, in person or via telephone or videoconference, or similar technology that enables all persons participating in the meeting to hear each other at the same time.
- Meeting agendas will be prepared for every meeting and provided to the oversight committee members at least five days in advance of the scheduled meeting, along with the appropriate materials needed to make informed decisions.
- Minutes of these meetings are to be recorded and distributed to members prior to the ensuing meeting, at which time they will be subject to approval by the committee.