

CS FOR HOUSE BILL NO. 324(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 2/8/08

Referred: Finance

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the Alaska housing trust fund and to the Alaska Council on the
2 Homeless; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 18.56 is amended by adding new sections to read:

5 **Article 6A. Alaska Housing Trust Fund; Alaska Council on the Homeless.**

6 **Sec. 18.56.875. Alaska housing trust fund.** (a) There is created in the
7 corporation an Alaska housing trust fund. Subject to the receipt of appropriations,
8 gifts, bequests, grants, and contributions of money or other assets from an individual,
9 foundation, governmental entity, or other person, the corporation shall make money
10 available to reduce the incidence of homelessness in the state. The corporation shall
11 use the assets of the fund to assist in the creation and retention of an adequate supply
12 of affordable housing in the state for individuals at or below 80 percent of the median
13 income of the economic or geographic area in which they reside. The corporation shall
14 provide a preference for individuals and families at or below 30 percent of the median

1 income for the economic or geographic area in which they reside. The corporation
 2 shall use median income adjusted for household size as reported annually by the
 3 United States Department of Housing and Urban Development.

4 (b) In addition to other powers granted in AS 18.56.090 and 18.56.875 -
 5 18.56.890, the corporation may

6 (1) participate in the development of buildings or units that, by their
 7 use, address the purpose of the fund but that, by their operation, appear nonresidential
 8 in nature;

9 (2) provide financial assistance to prevent homelessness, including
 10 prevention of foreclosures and evictions;

11 (3) provide financial assistance to support housing retention services or
 12 facilitate transition from dependency on low-cost housing; and

13 (4) participate with appropriate sponsoring agencies or groups in
 14 demonstration housing projects that address the purpose of the fund.

15 (c) Costs of administration of the fund may be paid from the fund.

16 (d) Development projects financed, in whole or in part, by the fund must have
 17 affordability periods during which the rent and sale price of the buildings or units
 18 within buildings and the income of the occupants are restricted in a manner that
 19 maintains the affordability of the development project over time.

20 (e) To receive financial assistance from the corporation for the purpose set out
 21 in (b) of this section, a building or unit must be operated by a public or private
 22 nonprofit corporation designated as tax exempt under 26 U.S.C. 501(c)(3) or (4)
 23 (Internal Revenue Code) or by a municipal or governmental organization that is tax
 24 exempt under other provisions of 26 U.S.C. (Internal Revenue Code).

25 (f) The corporation may adopt regulations in accordance with AS 18.56.088 to
 26 implement AS 18.56.875 - 18.56.890.

27 **Sec. 18.56.880. Advisory council created.** (a) The Alaska Council on the
 28 Homeless is created in the corporation for the purpose of advising the corporation
 29 concerning the administration of the fund. The council is composed of 13 members, as
 30 follows:

31 (1) the executive director of the corporation or the executive director's

1 designee;

2 (2) the chief executive officer of the Alaska Mental Health Trust
3 Authority established by AS 47.30.011 or the chief executive officer's designee;

4 (3) the commissioner of corrections or the commissioner's designee;

5 (4) the commissioner of health and social services or the
6 commissioner's designee;

7 (5) the commissioner of public safety or the commissioner's designee;

8 (6) the commissioner of education and early development or the
9 commissioner's designee;

10 (7) the commissioner of military and veterans' affairs or the
11 commissioner's designee;

12 (8) six public members appointed by the governor, as follows:

13 (A) a representative of regional Native housing authorities
14 created under AS 18.55.996;

15 (B) a representative of municipal government;

16 (C) four members who collectively have experience or
17 expertise working with housing development, financing, and consumers of
18 affordable housing.

19 (b) The members of the council described in (a)(8) of this section serve
20 staggered three-year terms.

21 (c) If a vacancy of a member of the council described in (a)(8) of this section
22 occurs, the governor shall make an appointment for the unexpired part of the term.
23 The appointment under this subsection takes effect immediately.

24 (d) The members described in (a)(8) of this section do not receive
25 compensation but are entitled to per diem and travel expenses authorized for boards
26 and commissions under AS 39.20.180.

27 (e) The governor shall appoint the members under (a)(8) of this section to give
28 the council a reasonable geographic balance among regions of the state.

29 (f) The council shall elect a chair from the membership of the council. A
30 majority of the council constitutes a quorum to transact business.

31 (g) The council shall make recommendations to the corporation regarding

- 1 (1) the budget for expenditures from the fund;
- 2 (2) housing needs and priorities, and an action plan for expenditures
- 3 from the fund to address those needs and priorities;
- 4 (3) policies and procedures for expenditures from the fund;
- 5 (4) methods to evaluate and monitor activities financed by the fund;
- 6 (5) methods for reporting to the public and elected or other officials
- 7 regarding the activities financed by the fund;
- 8 (6) methods to coordinate the expenditure of money from the fund
- 9 with other available sources of financing for housing; and
- 10 (7) the availability of additional sources of money to support housing
- 11 activities financed by the fund.

12 **Sec. 18.56.885. Reporting requirements.** (a) The corporation shall prepare
 13 and file an annual report with the governor and the legislature. The report must include

- 14 (1) the activities of the fund;
- 15 (2) the effect of the fund on homelessness in the state; and
- 16 (3) recommendations on how state resources, in addition to the fund,
- 17 may be used to reduce homelessness.

18 (b) The report shall be filed not later than the 10th day after the convening of
 19 each regular session of the legislature.

20 **Sec. 18.56.890. Definitions.** In AS 18.56.875 - 18.56.890, unless the context
 21 requires otherwise,

- 22 (1) "affordability period" means the period during which housing must
- 23 be sold or rented at no more than affordable prices or costs;
- 24 (2) "affordable" means the housing costs of an owner or renter do not
- 25 exceed 30 percent of the owner's or renter's household income;
- 26 (3) "council" means the Alaska Council on the Homeless created in
- 27 AS 18.56.880;
- 28 (4) "fund" means the Alaska housing trust fund established in
- 29 AS 18.56.875;
- 30 (5) "homelessness" means the state of an individual who lacks a fixed,
- 31 regular, and adequate nighttime residence, including an individual

1 (A) who is sharing the housing of other individuals due to loss
 2 of housing, economic hardship, domestic violence, or a similar reason; is living
 3 in a motel, hotel, trailer park, or camping ground due to the lack of alternative
 4 adequate accommodations; is living in an emergency or transitional shelter; is
 5 abandoned in a hospital; or is awaiting foster care placement;

6 (B) who has a primary nighttime residence that is a public or
 7 private place not designed for or ordinarily used as a regular sleeping
 8 accommodation for human beings;

9 (C) who is living in a car, a park, a public space, an abandoned
 10 building, substandard housing, a bus or train station, or similar setting;

11 (D) being evicted within a week from a private dwelling unit
 12 for whom a subsequent residence has not been identified and who lacks the
 13 resources and support networks needed to obtain housing; and

14 (E) being discharged within a week from an institution, such as
 15 a mental health or substance abuse treatment facility, a jail, or a prison, in
 16 which the individual has been a resident for more than 30 consecutive days and
 17 for whom subsequent residence has not been identified if the individual lacks
 18 the resources and support networks needed to obtain housing.

19 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
 20 read:

21 **TRANSITION.** Notwithstanding the terms established in AS 18.56.880(b), enacted in
 22 sec. 1 of this Act, the initial terms of the first six public members appointed to the Alaska
 23 Council on the Homeless are as follows:

- 24 (1) two members shall serve one-year terms;
 25 (2) two members shall serve two-year terms; and
 26 (3) two members shall serve three-year terms.

27 * **Sec. 3.** This Act takes effect July 1, 2008.