

"An Act establishing an emergency rent subsidy program in areas impacted by rapid economic development."

COMMITTEE REPORT

5/2/75

HOUSE

FINANCE

Mr. Speaker:

Date 7 May 75

The Committee on STATE AFFAIRS has had HB 475

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>Bin Pahl</u>	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Bin Pahl Chairman

AMENDMENT #1

OFFERED IN THE HOUSE:

By: HouseState Affairs

To: _____ HOUSE BILL No. 475

SENATE BIL. No. _____

PAGE: Various

LINE: Various

2

Page 1, Line 29

After "he" add is of low or moderate income and

1

Page 1, Line 21,

After "emergency" add housing

LINE 26

After "emergency" add housing

3

Page 2, Line 7:

Delete [.] add in demonstrating housing need in relation to income.

LINE 19:

After "emergency" insert housing

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_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. HB 475

Title: Emergency Rent Subsidy Program

Requested by: Hugh Malone

Date: 5-5-75

Return Date Requested: 5-8-75

Agency: Commerce

Program: Rent Control

II. FISCAL DETAIL

Budget Request Unit(s) Affected:

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	4.7	299.5	314.5			
200 TRAVEL	2.0	10.0	10.5			
300 CONTRACTUAL	6.0	56.4	59.2			
400 COMMODITIES	.5	3.0	3.2			
500 EQUIPMENT	2.0	10.8	-0-			
600 LAND & STRUCTURES	-0-	-0-	-0-			
700 GRANTS, CLAIMS, ETC.	-0-	10904.2	10904.2			
TOTAL	15.2	11283.9	11291.6			

B. FUNDING: (Thousands of dollars)

GENERAL FUND	15.2	11283.9	11291.6			
FEDERAL FUNDS	-0-	-0-	-0-			
OTHER	-0-	-0-	-0-			

C. POSITIONS:

PERMANENT/TEMPORARY	2 / 0	16 / 0	16 / 0	/	/	/
MAN MONTHS (P./T.)	3 / 0	192 / 0	192 / 0	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumptions

- 40% of population live in rental units;
- 75% will qualify for 100% of impact; 25% for 50%.
- 5% inflationary increase for FY 77 in operating expenses.
- Emergency Rent Subsidy Program will end FY 78.

Analysis

cont. on page 2

IV. ATTACHMENTS

V. DATE: May 9, 1975

PREPARED BY: *L. A. Motley*

Langhorne A. Motley

Original: Legislative Finance
cc: Budget and Management
Prin Sponsor (First Legislator Named)

HB 475

III. ANALYSIS cont.

	FY 75	FY 76
Personal Services		
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Clerk Typist R-8	1.5	12.2
Travel	2.0	10.0
Contractual		
Promulgation of Regulations	5.0	-0-
Office Space-1300 s.f.@ \$1.50		23.4
Communications @ \$1,000 per employee		13.0
Other	1.0	20.0
Commodities	.5	3.0
Equipment		
16 desks @ 200	.4	2.8
16 chairs @ 75	.2	1.0
12 calculators @ 150	.2	1.6
4 typewriters @ 700	.7	2.1
8 file cabinets @150	.3	.9
Misc @ \$100/employee	.2	1.4
Work tables & side chairs		1.0

HB 475

III. ANALYSIS cont.

Claims

Population of Anchorage, Fairbanks and Valdez	207,700 (July 74 est)	
207,707 + 3.2 (average members per household = 64,908 households		
64,908 x 40% = 25,963 eligible households (Est. of rental portion		
of all households)		
25,963 x 25% (qualify for 50% of impact) = 6,490		
25,963 x 75% (qualify for 100% of impact) = 19,472		
6,490 x \$40 per month increase x 12 months x 50%	=	\$ 1,557,600
19,472 x \$40 per month increase x 12 months x 100%	=	9,346,560
Total Claims		<u>\$10,904,160</u>

Introduced: 5/2/75
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY BRADNER AND PARR

2 HOUSE BILL NO. 475

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing an emergency rent subsidy program
7 in areas impacted by rapid economic development."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 18 is amended by adding a new chapter to read:

10 CHAPTER 57. EMERGENCY RENT SUBSIDY PROGRAM.

11 Sec. 18.57.010. CREATION OF PROGRAM. There is created in the
12 Department of Commerce an emergency rent subsidy program. The purpose
13 of the program is to moderate the impact of rapid economic development
14 on persons of fixed income within the region impacted by the rapid
15 economic development.

16 Sec. 18.57.020. DECLARATION BY GOVERNOR. If the governor finds
17 that an area of the state is impacted by rapid economic development to
18 the extent that the vacancy rate of rental housing is so low there is a
19 substantial impairment of free choice in rental housing or to the extent
20 that rentals for housing have increased substantially in excess of
21 normal increases, he may by proclamation declare the area an emergency
22 development impact area. The proclamation shall define the area to
23 which the declaration applies.

24 Sec. 18.57.030. IMPLEMENTATION OF PROGRAM. If the governor
25 declares an area an emergency development impact area, the commissioner
26 of commerce shall implement an emergency rent subsidy program for the
27 area in accordance with the provisions of this chapter.

28 Sec. 18.57.040. QUALIFICATIONS. A person is eligible for rent
29 subsidy under this chapter if he

1 (1) has been a resident of the area declared impacted for at
2 least two years;

3 (2) has a minor dependent, or is 65 years of age or older, or
4 is disabled and is receiving aid or compensation from a public agency as
5 a consequence of the disability; and

6 (3) meets the criteria established by regulations promulgated
7 under this chapter.

8 Sec. 18.57.050. SUBSIDY PAYMENTS. The department may provide for
9 rent subsidy payments of up to 100 per cent of the rental impact for
10 persons who are eligible for rent subsidies under sec. 40 of this
11 chapter and of up to 50 per cent of the rental impact for persons who
12 would otherwise be eligible but do not qualify under the provisions of
13 sec. 40(2) of this chapter.

14 Sec. 18.57.060. POWERS AND DUTIES OF THE DEPARTMENT. (a)
15 The department shall

16 (1) develop, by regulation, criteria for determining normal
17 rental rates for housing in the impact area;

18 (2) adopt, by regulation, a schedule of normal rental rates
19 for any area declared by the governor to be an emergency development
20 impact area;

21 (3) develop, by regulation, criteria for qualifications for
22 rent subsidy under this chapter, including a schedule of family income
23 in relationship to rent and to family size.

24 (b) The department may

25 (1) enter into contracts with owners of residential housing
26 in the impact area as defined in the proclamation by the governor to pay
27 a rent supplement on behalf of the eligible tenant in an amount and for
28 the period of time the department determines necessary, considering
29 the need of the tenant, the amount appropriated to the department for

1 rental assistance, and the purposes of this chapter; the department may
2 not contract with an owner of residential housing unless

3 (A) the housing which is the subject of the proposed
4 contract is certified to the department by an appropriate official,
5 if any, to be in compliance with provisions in the applicable law,
6 regulation, code, or ordinance governing minimum standards of
7 fitness for human habitation, if any; and

8 (B) the rent charged by the owner for the housing which
9 is the subject of the proposed contract is not in excess of rents
10 for similar residential rental housing in the area in which assis-
11 tance is made available;

12 (2) make rent subsidy payments to the extent authorized by
13 sec. 50 of this chapter directly to the qualified person;

14 (3) adopt regulations in addition to those required by this
15 chapter as necessary to carry out the purposes of this chapter.

16 Sec. 18.57.070. ASSISTANCE NOT CONSIDERED IN DETERMINING OTHER
17 BENEFITS. Amounts paid on behalf of tenants under this chapter may not
18 be considered in determining the amount of welfare or other public
19 assistance otherwise authorized by law.

20 Sec. 18.57.080. APPLICABILITY OF ADMINISTRATIVE PROCEDURE ACT.
21 Regulations adopted under this chapter and determinations by the commis-
22 sioner under sec. 20 of this chapter may be appealed under the Adminis-
23 trative Procedure Act (AS 44.62).

24 Sec. 18.57.090. DEFINITIONS. In this chapter

25 (1) "commissioner" means the commissioner of commerce;

26 (2) "department" means the Department of Commerce;

27 (3) "rental impact" means the difference between the normal
28 rental rate for the impact area as determined under sec. 60(a)(2) of
29 this chapter and the actual rental rate charged so long as the actual

1 rental rate charged is not in excess of rents being charged for similar
2 residential housing in the impact area.
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1243
Bill

Introduced: 5/2/75
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY BRADNER AND PARR

2 HOUSE BILL NO. 475

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4 NINTH LEGISLATURE - FIRST SESSION

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COMMITTEE COPY

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ALASKA STATE LEGISLATURE

NINTH Legislature FIRST Session

HOUSE BILL NO. 475

By BRAYNE AND PARR

"An Act establishing an emergency rent subsidy program in areas impacted by rapid economic development."

Emerg. rent subsidy

Introduced in the House ... 5/2/..., 19.75

HISTORY IN THE HOUSE

19 75	Read first time and referred to Committee on State Affairs and Finance										
May 2	Reported back with recommendation that										
	Read second time and										
	Read third time and										
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
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	Reported correctly engrossed										
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	Sent to Senate										

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Read first time and referred to Committee on										
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	Reported correctly engrossed										
	Signed by President										
	Returned to House										

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19	Received from Senate
	Reported correctly enrolled
	Sent to Governor
 By Governor
	Filed with Lt. Governor
	Chapter No.

AMENDMENT

#1

OFFERED IN THE HOUSE:

By: HouseState Affairs

To: _____ HOUSE BILL No. 475

SENATE BILL No. _____

PAGE: Various

LINE: Various

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The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

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Bill No. HB 475

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Requested by: Hugh Malone Date: 5-5-75

Return Date Requested: 5-8-75

Agency: Commerce Program: Rent Control

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cont. on page 2

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V. DATE: May 9, 1975

PREPARED BY: *J. Langhorne A. Motley*

Langhorne A. Motley

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

HB 475

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HB 475

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