

SB

223

SFIN

FILE

FISCAL NOTE

No. 1
Bill Version: SB 223
(S) Publish Date: 1-28-98

Revision Date: January 21, 1998 Dept. Affected: Revenue
Title: Senior Housing BRU: Alaska Housing Finance Corporation
Sponsor: (S) RLS Component: _____
Requestor: (S) STA COMPONENT SERIAL NO. 110

Expenditures/Revenues: (Thousands of Dollars)

	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
OPERATING EXPENDITURES						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()						

FUND SOURCE (Thousands of Dollars)

	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1001 CE:TF						
1048 University of AK receipts						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year cost \$ 0.0

POSITIONS:

	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

SB 223 would amend the current provisions for the Senior Housing loan program under AS 19.56.700-799 by lowering the age minimum from 60 to 55 years and removing requirements for the interest calculation. The affects of this legislation should have minimal impacts on the number of loan applicants for the development of senior housing. Currently, three similar provisions are already available under AHFC's Special Needs multi-family program. Making these provisions available under the Senior Housing program should enhance the availability of the program, but in most cases these loans would otherwise have applied for financing under the Special Needs program. Existing staff and resources will be able to review and monitor the changes proposed by this legislation.

Prepared by: John Bitney Phone: 907.330.8445
 Division: Alaska Housing Finance Corporation Date: January 21, 1998
 Approved by Commissioner: Wilson L. Condon Date: January 21, 1998
 Agency: Revenue

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SENATE FINANCE COMMITTEE REPORT

DATE: 2/6/98

FURTHER:

DATE TURNED 4/1/98
 IN TO OFFICE: 1 April 1998

Finance Committee considered

SENATE BILL NO. 223

"An Act lowering the age requirement from 60 years to 55 years for purposes of senior housing programs; and repealing a provision relating to the interest rate on senior housing loans made by the Alaska Housing Finance Corporation."

and recommends:

- be replaced with _____ CS SB 223 _____ (FIN)
- adopt **previous** _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR" _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Sean Hannell</i>	X		
		<i>[Signature]</i>	X		
		<i>[Signature]</i>	X		
		<i>[Signature]</i>	X		
Co-Chair:		Co-Chair: <i>[Signature]</i>			
Co-Chair: <i>[Signature]</i>		Co-Chair:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
Revenue	1/21/98	Ø	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

*Sen Adams move
no objection - adopted*

CS FOR SENATE BILL NO. 223()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the age requirement for purposes of senior housing programs;
 2 relating to the senior housing revolving fund; relating to bonds to fund senior
 3 housing loans; repealing provisions establishing the senior housing bond account
 4 of the Alaska Housing Finance Corporation; and repealing a provision relating to
 5 the interest rate on senior housing loans made by the Alaska Housing Finance
 6 Corporation."

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

8 * **Section 1. FINDINGS AND PURPOSE.** (a) The legislature finds that
 9 (1) it is necessary to ensure that decent, safe, sanitary, and affordable housing
 10 is available in the state for seniors;
 11 (2) senior housing should be made available to as many people as possible; and
 12 (3) federal law accommodates certain types of senior housing for people 55
 13 years of age or older under 42 U.S.C. 3607(b) (Fair Housing Act).

1 (b) It is the purpose of this Act to make senior housing development programs more
2 available to older Alaskans.

3 * Sec. 2. AS 18.56.710(a) is amended to read:

4 (a) The senior housing revolving fund is established. The revolving fund
5 consists of appropriations made to it by the legislature, the proceeds of bonds sold
6 under AS 18.56.790, repayments of principal and interest on loans made or
7 purchased from assets of the fund [AS THEY ARE DEPOSITED INTO IT BY THE
8 CORPORATION FOR SPECIFIC PROJECTS], and money or other assets transferred
9 to the revolving fund by the corporation. The corporation may

10 (1) pledge amounts deposited in the revolving fund for bonds issued
11 under AS 18.56.790;

12 (2) use amounts deposited in the fund [AND USED BY THE
13 CORPORATION] for making, purchasing, or participating in

14 (A) [(1)] senior housing mortgage loans;

15 (B) [(2)] loans made for building materials for senior housing;

16 (C) [(3)] loans made for renovation or improvement of or for
17 senior housing, including loans for renovation or improvement of congregate
18 or individual residences; and

19 (D) [(4)] loans made for the construction of senior housing.

20 * Sec. 3. AS 18.56.790(a) is amended to read:

21 (a) Under the procedures of this chapter, the corporation may issue bonds in
22 a total amount not exceeding \$30,000,000 to fund senior housing loans made under
23 AS 18.56.700 - 18.56.799 [THAT ARE APPROVED BY THE CORPORATION
24 UNDER (b) OF THIS SECTION].

25 * Sec. 4. AS 18.56 is amended by adding a new section to read:

26 Sec. 18.56.795. REGULATIONS. For purposes of implementing
27 AS 18.56.700 - 18.56.799, the corporation shall, under AS 18.56.088, establish by
28 regulation the age requirement for occupants of senior housing, which may not be
29 younger than 55 years of age.

30 * Sec. 5. AS 18.56.799(2) is amended to read:

31 (2) "senior housing"

1 (A) means construction or improvement undertaken primarily
2 to provide dwelling accommodations for [PERSONS 60 YEARS OF AGE OR]
3 older individuals, including conventional housing, housing for frail elderly,
4 group homes, congregate housing, residential horizontal property regimes
5 organized under AS 34.07, residential cooperatives organized under AS 10.15
6 or AS 34.08, residential condominiums organized under AS 34.08, and other
7 housing that meets special needs of the elderly;

8 (B) includes acquisition, construction, or rehabilitation of land,
9 buildings, improvements, and other nonhousing facilities that are incidental or
10 appurtenant to the housing described in (A) of this paragraph.

11 * Sec. 6. AS 18.56.800 is amended to read:

12 **Sec. 18.56.800. Declaration of purpose.** There exists in the state a serious
13 shortage of decent, safe, and sanitary residential housing available at low or moderate
14 prices or rentals to [PERSONS 60 YEARS OF AGE OR] older individuals. There
15 also exists in the state organizations whose purposes are to provide the kinds of
16 housing needed to alleviate this shortage. Development work to provide such housing
17 involves substantial expense that is often beyond the resources of the organizations.

18 * Sec. 7. All assets in the senior housing bond account (AS 18.56.790(d)) on the effective
19 date of this Act are transferred to the senior housing revolving fund (AS 18.56.710).

20 * Sec. 8. AS 18.56.720, 18.56.790(b), 18.56.790(c), and 18.56.790(d) are repealed.