

HB23-1304

Proposition 123 Affordable Housing Programs

Concerning modifications to the affordable housing programs created by the voters’ approval of proposition 123.

SESSION: 2023 Regular Session

SUBJECT: Housing

BILL SUMMARY

The act modifies the affordable housing programs (programs) created by Proposition 123, which was approved by voters at the 2022 statewide election, by:

- Allowing tribal governments to participate in the programs;
- Requiring the division of local government, rather than the division of housing, to administer the land planning capacity development program;
- Allowing the office of economic development (office) to use a portion of the money in the affordable housing financing fund (financing fund) for its administrative expenses, without increasing the total amount of money from the fund that may be used for administrative expenses;
- Modifying the calculation for determining eligibility for some of the programs;
- Clarifying the description of how money is transferred or allocated;
- Specifying certain units to be included for purposes of the 3% growth obligation that is a condition for funding for local and tribal governments;
- Establishing a process for rural resort communities to petition the division of housing to use alternative percentages of area median income for eligibility for certain affordable housing programs for a given funding cycle;
- Exempting money that was originally from the federal coronavirus state fiscal recovery fund from the appropriations for fiscal year 2022-23 used to determine the state’s maintenance of effort requirement for other affordable housing funding; and
- Requiring the office and the division of housing to provide 3 annual reports to legislative committees about the affordable housing programs.

APPROVED by Governor June 5, 2023

EFFECTIVE June 5, 2023

(Note: This summary applies to this bill as enacted.)

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