

Senate Engrossed

housing trust fund; transitional housing

State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

SENATE BILL 1129

AN ACT

AMENDING SECTION 41-3955, ARIZONA REVISED STATUTES; RELATING TO THE
ARIZONA DEPARTMENT OF HOUSING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 41-3955, Arizona Revised Statutes, is amended to
3 read:

4 41-3955. Housing trust fund; purpose; annual report

5 A. The housing trust fund is established, and the director shall
6 administer the fund. The fund consists of monies from unclaimed property
7 deposited in the fund pursuant to section 44-313, monies transferred
8 pursuant to section 35-751 and investment earnings.

9 B. On notice from the department, the state treasurer shall invest
10 and divest monies in the fund as provided by section 35-313, and monies
11 earned from investment shall be credited to the fund.

12 C. Except as provided in subsection D of this section, fund monies
13 shall be spent on approval of the department for developing projects and
14 programs connected with providing housing opportunities for low and
15 moderate income households and for housing affordability programs.
16 ~~Pursuant to section 44-313, subsection A,~~ A portion of fund monies shall
17 be used exclusively for housing in rural areas.

18 D. Fund monies may be spent on PURCHASING, constructing or
19 renovating facilities and on housing assistance, including support
20 services, for persons who have been determined to be seriously mentally
21 ill and to be chronically resistant to treatment.

22 E. THE DEPARTMENT SHALL ANNUALLY DISTRIBUTE NOT MORE THAN
23 \$1,000,000 FROM THE HOUSING TRUST FUND TO ORGANIZATIONS THAT OPERATE OR
24 SEEK TO OPERATE TRANSITIONAL HOUSING FOR THE PURPOSE OF ACQUIRING PROPERTY
25 OR RENOVATING EXISTING PROPERTY. THE ORGANIZATIONS MUST MEET ALL OF THE
26 FOLLOWING:

- 27 1. REQUIRE RESIDENTS TO SIGN A CONTRACT THAT REQUIRES THE RESIDENT
28 TO BE SOBER AS VERIFIED BY RANDOM ON-SITE DRUG TESTING, SEEK AND MAINTAIN
29 EMPLOYMENT AND ATTEND MANDATORY LIFE SKILLS CLASSES AND MEETINGS.
- 30 2. OFFER COURSES THAT PROMOTE LIFE SKILLS.
- 31 3. PROVIDE A PATHWAY TO LONG-TERM HOUSING.

32 ~~F.~~ F. For the purposes of subsection C of this section, in
33 approving the expenditure of monies, the director shall give priority to
34 funding projects that provide for operating, PURCHASING, constructing or
35 renovating facilities for housing for low-income families and that provide
36 housing and shelter to families that have children.

37 ~~F.~~ G. The director shall report annually to the legislature on the
38 status of the housing trust fund. The report shall include a summary of
39 facilities for which funding was provided during the preceding fiscal year
40 and shall show the cost and geographic location of each facility and the
41 number of individuals benefiting from the operation, construction or
42 renovation of the facility. The report shall also include the number of
43 individuals who benefit from housing assistance pursuant to subsection D
44 of this section. The report shall be submitted to the president of the
45 senate and the speaker of the house of representatives, and a copy

1 provided to the secretary of state, not later than September 1 of each
2 year.

3 ~~G.~~ H. Monies in the housing trust fund are exempt from the
4 provisions of section 35-190 relating to lapsing of appropriations.

5 ~~H.~~ I. An amount not to exceed ten percent of the housing trust
6 fund monies may be appropriated annually by the legislature to the
7 department for administrative costs in providing services relating to the
8 housing trust fund.

9 ~~I.~~ J. For any construction project financed by the department
10 pursuant to this section, the department shall notify a city, town, county
11 or tribal government that a project is planned for its jurisdiction and,
12 before proceeding, shall seek comment from the governing body of the city,
13 town, county or tribal government or an official authorized by the
14 governing body of the city, town, county or tribal government. The
15 department shall not interfere with or attempt to override the local
16 jurisdiction's planning, zoning or land use regulations.