

House Engrossed Senate Bill

~~trade or commerce; technical correction~~
~~(now: rural business development advisory council)~~
(now: housing grants; military; veteran; homeless)

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

SENATE BILL 1136

AN ACT

AMENDING SECTION 41-3955.02, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 37, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3955.03; REPEALING SECTION 41-3955.03, 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 41-3955.02, Arizona Revised Statutes, is amended
3 to read:

4 41-3955.02. Military transitional housing fund; purpose;
5 annual report; definition

6 A. The military transitional housing fund is established consisting
7 of **LEGISLATIVE APPROPRIATIONS AND** monies allocated from any federal
8 sources, including monies provided by affordable housing legislation and
9 unused or undesignated donations and undesignated federal monies for which
10 military transitional housing is eligible. The director shall administer
11 the fund. Monies in the fund are continuously appropriated. Monies shall
12 be deposited in the fund by order of the governor and shall be spent on
13 newly constructed transitional housing, in cooperation with veteran owned
14 and operated nonprofit organizations and for-profit organizations that
15 serve military members who are transitioning to veteran status. Monies in
16 the fund are exempt from the provisions of section 35-190 relating to
17 lapsing of appropriations.

18 B. Fund monies shall be spent for **THE FOLLOWING:**

19 1. Developing projects and programs to provide transitional housing
20 opportunities for military members separating from the military to be
21 housed in newly constructed housing facilities.

22 2. **CONSTRUCTING A TRANSITIONAL COMPREHENSIVE CARE FACILITY THAT**
23 **PROVIDES SUPPORTIVE HOUSING SERVICES IN THE FACILITY AND ON-SITE**
24 **OUTPATIENT MEDICAL CARE AND BEHAVIORAL HEALTH SERVICES FOR MILITARY**
25 **MEMBERS WHO ARE TRANSITIONING INTO CIVILIAN LIFE.**

26 C. Monies ~~cannot~~ **MAY NOT** be spent on unoccupied hotels and motels
27 designated for homeless veterans. Fund monies may only be spent for the
28 specific purpose of providing transitional housing for military members
29 who will be separating or who have recently separated from the military
30 and may be spent on purchasing and constructing transitional housing
31 facilities for military members who are transitioning into civilian life.

32 ~~E.~~ D. On or before September 1 of each year, the director shall
33 submit a report on the status of the military transitional housing fund,
34 including a summary of facilities for which funding was provided during
35 the preceding fiscal year, the cost and geographic location of each
36 facility and the number of individuals benefiting from the operation,
37 purchase or construction of the facility, to the president of the senate
38 and the speaker of the house of representatives and provide a copy of the
39 report to the secretary of state.

40 ~~D.~~ E. The department may use not more than ten percent of the fund
41 monies annually to administer the fund.

42 ~~E.~~ F. For any construction project financed by the department
43 pursuant to this section, the department shall notify a city, town, county
44 or tribal government that a project is planned for its jurisdiction and,
45 before proceeding, shall seek comment from the governing body of the city,

1 town, county or tribal government or an official authorized by the
2 governing body of the city, town, county or tribal government. The
3 department may not interfere with or attempt to override the local
4 jurisdiction's planning, zoning or land use regulations.

5 ~~F.~~ G. For the purposes of this section, "undesignated federal
6 monies" means federal stimulus monies and monies originating from federal
7 affordable housing legislation, the United States department of veterans
8 affairs or the United States department of housing and urban development
9 that have not been allocated or approved for a specific purpose or project
10 within three months after the applicable expenditure deadline for the
11 monies.

12 Sec. 2. Title 41, chapter 37, article 2, Arizona Revised Statutes,
13 is amended by adding section 41-3955.03, to read:

14 41-3955.03. Housing grant program; military transitional
15 housing; veteran housing; affordable housing;
16 definitions

17 A. THE HOUSING GRANT PROGRAM IS ESTABLISHED FOR THE CONSTRUCTION OF
18 MILITARY TRANSITIONAL HOUSING, VETERAN HOUSING, AFFORDABLE HOUSING OR
19 HOMELESS HOUSING IN THIS STATE. THE DEPARTMENT SHALL ADMINISTER THE GRANT
20 PROGRAM. GRANTS SHALL BE AWARDED TO FOR-PROFIT OR NONPROFIT COMPANIES AND
21 ORGANIZATIONS AND MAY BE AWARDED TO A MUNICIPALITY OR A COUNTY OR TO A
22 CONSORTIUM OF MUNICIPALITIES AND COUNTIES FOR THE CONSTRUCTION OF MILITARY
23 TRANSITIONAL HOUSING, VETERAN HOUSING, AFFORDABLE HOUSING OR HOMELESS
24 HOUSING USING RENEWABLE BUILDING MATERIALS, INNOVATIVE BUILDING MATERIALS
25 AND RENEWABLE ENERGY AND INNOVATIVE ENERGY FOR UTILITIES.

26 B. THE DEPARTMENT MAY ESTABLISH PRIORITIES FOR FUNDING GRANT
27 PROJECTS, WHICH MAY INCLUDE FUNDING INDOOR ENCAMPMENT STRUCTURES, TINY
28 HOMES OR SIMILAR LOW-COST STRUCTURES THAT CAN BE ASSEMBLED QUICKLY.

29 C. GRANT MONIES MAY ALSO BE USED BY A FOR-PROFIT OR NONPROFIT
30 COMPANY OR ORGANIZATION, A MUNICIPALITY OR A COUNTY OR A CONSORTIUM OF
31 MUNICIPALITIES AND COUNTIES FOR ANY OF THE FOLLOWING:

32 1. TO MANUFACTURE AND CONSTRUCT RENEWABLE BUILDING MATERIALS AND
33 INNOVATIVE BUILDING MATERIALS.

34 2. TO INSTALL RENEWABLE ENERGY AND INNOVATIVE ENERGY COMPONENTS,
35 MACHINERY OR EQUIPMENT.

36 D. EACH GRANT PROJECT SHALL OPTIMIZE ENERGY PERFORMANCE AND COMPLY
37 WITH THE STATE ENERGY CONSERVATION CODE AND MAY INCLUDE ANY OF THE
38 FOLLOWING FEATURES:

39 1. SOLAR MODULES.

40 2. GEOTHERMAL HEATING AND COOLING TECHNOLOGIES.

41 3. AIR-POWERED ELECTRIC GENERATORS.

42 4. SUBER CORKS.

43 5. WATER PLANTS.

44 6. SOLAR WELL AND WATER PUMPS.

- 1 7. OPTIMIZED ENERGY PERFORMANCE FOR NEW CONSTRUCTION.
- 2 8. GRAPHENE SUPERCAPACITOR BATTERIES.
- 3 9. SYNTHETIC CATALYSTS THAT ARE LEADERSHIP IN ENERGY AND
- 4 ENVIRONMENTAL DESIGN-CERTIFIED AND ENGINEERED SPECIFICALLY TO ELIMINATE
- 5 OIL FOULING THAT OCCURS IN AIR CONDITIONING AND REFRIGERATION SYSTEMS.
- 6 10. PATHOGEN DEFENSE-CERTIFIED TECHNOLOGIES THAT REDUCE VIRUSES,
- 7 BACTERIA, ODORS AND VOLATILE ORGANIC COMPOUNDS BOTH ON SURFACES AND IN THE
- 8 AIR.
- 9 11. PHYSICAL WATER ELECTROSTATIC CONDITIONERS THAT ARE INSTALLED
- 10 WITH THE PRIMARY WATER MAIN SOURCE TO PREVENT SCALING BUILDUP AND
- 11 CORROSION THROUGHOUT THE PIPE SYSTEM.
- 12 E. THE DEPARTMENT SHALL ISSUE GRANTS THAT ARE CONDITIONAL ON A
- 13 MUNICIPALITY OR A COUNTY OR A CONSORTIUM OF MUNICIPALITIES AND COUNTIES
- 14 ADOPTING BY RULE, POLICY OR MANDATE OR OTHERWISE THE REQUIREMENTS THAT THE
- 15 PROJECT BEING BUILT WITH GRANT MONIES COMPLY WITH ANY OF THE FOLLOWING
- 16 STANDARDS:
- 17 1. A VERSION OF THE BUILDING RATING SYSTEM PUBLISHED BY THE UNITED
- 18 STATES GREEN BUILDING COUNCIL.
- 19 2. ANY OTHER STANDARD AUTHORIZED BY THE UNITED STATES GREEN
- 20 BUILDING RATING SYSTEM.
- 21 F. PROJECTS PAID FOR WITH GRANT MONIES SHALL INCLUDE ANY OF THE
- 22 FOLLOWING:
- 23 1. THE INSTALLATION OR REPLACEMENT OF HEATING, VENTILATION AND AIR
- 24 CONDITIONING SYSTEMS THAT ARE DESIGNED AND CONSTRUCTED TO REDUCE ENERGY
- 25 COSTS BY A MINIMUM OF FIVE PERCENT, AS DETERMINED BY A STANDARD DESCRIBED
- 26 IN SUBSECTION E OF THIS SECTION.
- 27 2. THE INSTALLATION OR REPLACEMENT OF PLUMBING SYSTEMS, INCLUDING
- 28 PLUMBING FIXTURES THAT ARE DESIGNED AND CONSTRUCTED TO REDUCE POTABLE
- 29 WATER CONSUMPTION IN THE AGGREGATE BY A MINIMUM OF THIRTY PERCENT, AS
- 30 DETERMINED BY A STANDARD DESCRIBED IN SUBSECTION E OF THIS SECTION.
- 31 G. FOR THE PURPOSES OF THIS SECTION:
- 32 1. "AIR-POWERED ELECTRIC GENERATOR" MEANS A HYDROGEN GENERATOR THAT
- 33 PROVIDES ALTERNATIVE, SUSTAINABLE AND RENEWABLE POWER PRODUCED THROUGH
- 34 HIGH-VELOCITY AIR AND GENERATED POWER THAT IS ACCESSIBLE YEAR-ROUND.
- 35 2. "GEOTHERMAL HEATING AND COOLING TECHNOLOGY" MEANS A PUMP SYSTEM
- 36 THAT USES ONSITE GEOTHERMAL ENERGY FOR HEATING OR COOLING.
- 37 3. "GRAPHENE SUPERCAPACITOR BATTERY" MEANS A FAST-CHARGING GREEN
- 38 TECHNOLOGY SOURCE FOR CLEAN ENERGY STORAGE THAT CAN PERFORM FOR UP TO
- 39 TWENTY-FIVE YEARS WITH NO DEGRADATION, THAT IS CAPABLE OF CYCLING FOUR
- 40 TIMES A DAY AND THAT IS PROJECTED TO PROVIDE UP TO FIFTY THOUSAND LIFE
- 41 CYCLES.
- 42 4. "SOLAR MODULE" MEANS A MODULE THAT IS USED TO SUPPLY ELECTRICAL
- 43 CURRENT FROM SOLAR ENERGY TO A HOUSING UNIT DURING THE DAY WHILE STORING
- 44 WATTS AS BACKUP FOR THE NIGHT HOURS.

1 5. "SOLAR WELL AND WATER PUMP" MEANS A SOLAR-POWERED WELL AND WATER
2 PUMP THAT ARE USED TO DELIVER WATER WITH NO FOSSIL FUELS TO POWER THE
3 PUMP.

4 6. "SUBER CORK" MEANS AN EXTERIOR COATING SYSTEM CREATED BY HIGH
5 GRADE RAW CORK AND WATER-BASED ACRYLIC RESIN THAT IS USED FOR INSULATION
6 WITH A LOW LEVEL OF WATER TRANSMISSION.

7 Sec. 3. Delayed repeal

8 Section 41-3955.03, Arizona Revised Statutes, as added by this act,
9 is repealed from and after December 31, 2028.