REFERENCE TITLE: homelessness; rights; eviction; housing; appropriation.

State of Arizona House of Representatives Fifty-sixth Legislature First Regular Session 2023

### **HB 2734**

Introduced by

Representatives Hernandez L: Bravo, Contreras P, Hernandez A, Hernandez C, Hernandez M, Longdon, Quiñonez, Seaman, Stahl Hamilton, Sun, Tsosie

#### AN ACT

AMENDING TITLE 1, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 9; AMENDING TITLE 12, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 12-119.06; AMENDING TITLE 41, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-710.02; REPEALING SECTION 41-710.02, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 37, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3956; APPROPRIATING MONIES; RELATING TO HOMELESSNESS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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 Be it enacted by the Legislature of the State of Arizona: Section 1. Title 1, Arizona Revised Statutes, is amended by adding chapter 9, to read:

CHAPTER 9

#### HOMELESSNESS RIGHTS

ARTICLE 1. HOMELESS PERSONS' BILL OF RIGHTS

1-901. <u>Homeless persons' bill of rights; attorney fees and</u> costs

- A. A PERSON'S RIGHTS, PRIVILEGES OR ACCESS TO PUBLIC SERVICES MAY NOT BE DENIED OR ABRIDGED SOLELY BECAUSE THE PERSON IS HOMELESS. A HOMELESS PERSON HAS THE SAME RIGHTS AND PRIVILEGES AS ANY OTHER RESIDENT OF THIS STATE.
- B. IN ANY CIVIL ACTION THAT ALLEGES A VIOLATION OF THIS SECTION, THE COURT MAY AWARD APPROPRIATE INJUNCTIVE AND DECLARATORY RELIEF, ACTUAL DAMAGES AND REASONABLE ATTORNEY FEES AND COSTS TO A PREVAILING PLAINTIFF.
- Sec. 2. Title 12, chapter 1, article 1, Arizona Revised Statutes, is amended by adding section 12-119.06, to read:

12-119.06. Eviction diversion and prevention program

- A. THE ADMINISTRATIVE OFFICE OF THE COURTS SHALL ESTABLISH A STATEWIDE EVICTION DIVERSION AND PREVENTION PROGRAM THAT PROVIDES TENANT EDUCATION THROUGH COMMUNITY-BASED ORGANIZATIONS IN THIS STATE FOR TENANT RIGHTS AND THAT TEACHES TENANTS HOW TO DO ALL OF THE FOLLOWING:
- 1. ACCESS SOCIAL SERVICES AND LEGAL RESOURCES TO ENABLE HOUSING STABILITY.
  - 2. OBTAIN LEGAL ASSISTANCE FOR HOUSING ISSUES.
  - 3. ACCESS INFORMATION ABOUT RENTAL ASSISTANCE.
- B. THE ADMINISTRATIVE OFFICE OF THE COURTS, THROUGH COMMUNITY-BASED ORGANIZATIONS, SHALL ALSO PROVIDE LEGAL AID TO ASSIST TENANTS WITH CRIMINAL RECORD EXPUNGEMENT, UNEMPLOYMENT, DISABILITY AND SOCIAL SECURITY BENEFITS AND LANDLORD AND TENANT ASSISTANCE TO ENABLE HOUSING STABILITY.
- Sec. 3. Title 41, chapter 4, article 1, Arizona Revised Statutes, is amended by adding section 41-710.02, to read:

41-710.02. Affordable housing pilot program; report

- A. THE DEPARTMENT SHALL DEVELOP A PILOT PROGRAM THAT DOES ALL OF THE FOLLOWING:
- 1. PROVIDES AFFORDABLE HOUSING OPPORTUNITIES TO INDIVIDUALS EXPERIENCING HOMELESSNESS.
- 2. PROVIDES FUNDING FOR THE LEASING OF VACANT COMMERCIAL AND HOTEL SPACES, INCLUDING STATE BUILDINGS, FOR A PERIOD OF THIRTY-SIX TO FORTY-EIGHT MONTHS TO INDIVIDUALS EXPERIENCING HOMELESSNESS.
- 41 3. PROVIDES PROPERTY OWNERS AND PROPERTY MANAGERS IN THIS STATE 42 WITH RESOURCES TO OFFER AFFORDABLE HOUSING TO INDIVIDUALS EXPERIENCING 43 HOMELESSNESS.

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- 4. PROVIDES COMPREHENSIVE SERVICES AND COMMUNITY OUTREACH TO INDIVIDUALS EXPERIENCING HOMELESSNESS.
- 5. ESTABLISHES A STATEWIDE DEVELOPMENT PROGRAM FOR INDIVIDUALS EXPERIENCING HOMELESSNESS TO SECURE STABLE HOUSING AND JOB PLACEMENT.
- B. THE DEPARTMENT IS EXEMPT FROM THE RULEMAKING REQUIREMENTS OF TITLE 41, CHAPTER 6 AND MAY WAIVE RULES AS NECESSARY TO IMPLEMENT THE PILOT PROGRAM.
- C. ON OR BEFORE DECEMBER 31, 2027, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES DETAILING THE RESULTS OF THE PILOT PROGRAM AND ANY REVENUES AND COSTS ASSOCIATED WITH THE PROGRAM. THE DEPARTMENT SHALL PROVIDE A COPY OF THE REPORT TO THE SECRETARY OF STATE.

#### Sec. 4. <u>Delayed repeal</u>

Section 41-710.02, Arizona Revised Statutes, as added by this act, is repealed from and after December 31, 2027.

Sec. 5. Title 41, chapter 37, article 2, Arizona Revised Statutes, is amended by adding section 41-3956, to read:

41-3956. Grant program for sanctioned housing:

multidisciplinary homeless outreach teams: mental
health or substance abuse homeless shelters;
community homeless courts; annual report;
immunity; definition

- A. THE DEPARTMENT MAY AWARD GRANTS TO A MUNICIPALITY, A TRIBE, A COUNTY, A CONSORTIUM OF MUNICIPALITIES AND COUNTIES OR A NONPROFIT ORGANIZATION IN COOPERATION WITH A MUNICIPALITY OR COUNTY TO ESTABLISH OR OPERATE SANCTIONED HOUSING FOR UNSHELTERED INDIVIDUALS EXPERIENCING HOMELESSNESS.
  - B. ALL SANCTIONED HOUSING SHALL:
- 1. INCLUDE TWENTY-FOUR-HOUR DAILY ACCESS TO SANITARY FACILITIES, POTABLE WATER, APPROPRIATE WEATHER RESPITE FACILITIES, FACILITIES FOR PETS AND TWENTY-FOUR-HOUR ON-SITE SECURITY, INCLUDING LAW ENFORCEMENT OFFICERS AND FIRE RESPONSE.
- 2. BE INTEGRATED INTO THE LOCAL COORDINATED ENTRY SYSTEM FOR HOMELESS SERVICES.
- 3. SET LOW BARRIERS TO ENTRY FOR UNSHELTERED INDIVIDUALS EXPERIENCING HOMELESSNESS.
- 4. FOR SANCTIONED HOUSING, ALLOW UNSHELTERED INDIVIDUALS EXPERIENCING HOMELESSNESS TO CAMP AND STORE PERSONAL PROPERTY IN AREAS AND AMOUNTS DESIGNATED BY THE OPERATOR OF THE SANCTIONED HOUSING.
- 5. ESTABLISH RULES FOR THE SAFETY OF THE RESIDENTS AND STORED PROPERTY. AN INDIVIDUAL WHO VIOLATES A RULE MAY BE REMOVED FROM THE SANCTIONED HOUSING.
- C. ON THE EFFECTIVE DATE OF THIS SECTION, THE DEPARTMENT SHALL ESTABLISH A COMPETITIVE PROCESS FOR AWARDING GRANTS PRESCRIBED IN SUBSECTION A OF THIS SECTION. GRANT APPLICATIONS MUST BE SUBMITTED NOT

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 LATER THAN DECEMBER 31 OF EACH YEAR. THE DEPARTMENT SHALL CONSIDER THE FOLLOWING INFORMATION OR FACTORS WHEN SELECTING GRANT RECIPIENTS:

- 1. THE AMOUNT OF MONIES REQUESTED.
- 2. THE DURATION OF THE PROPOSED PROGRAM, INCLUDING AN ESTIMATE OF THE TIME NECESSARY TO COMPLETE CONSTRUCTION OR PREPARE TO MAKE THE PROGRAM OPERATIONAL.
- 3. THE NUMBER OF SANCTIONED HOUSING SITES OR OTHER SITES TO BE OPERATED.
- 4. THE APPLICANT'S PLANS TO FACILITATE AND SUPPORT A CONTINUUM OF CARE SERVICE MODEL TO ASSIST UNSHELTERED INDIVIDUALS EXPERIENCING HOMELESSNESS.
- 5. THE PLAN FOR OPERATING SITES CONSISTENT WITH THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION.
- 6. A DESCRIPTION OF OUTREACH METHODS TO FACILITATE REDUCING THE UNSHELTERED POPULATION, INCLUDING THE USE OF MULTIDISCIPLINARY HOMELESS OUTREACH TEAMS.
- D. A MUNICIPALITY MAY SUBMIT AN APPLICATION FOR SANCTIONED HOUSING TO BE PROVIDED WITHIN SPECIAL SERVICE AREAS USED FOR HOMELESS SERVICES AND DESIGNATED BY THE MUNICIPALITY. A MUNICIPALITY SHALL TAKE REASONABLE MEASURES TO MITIGATE IMPACTS ON ADJACENT PROPERTY OWNERS OR BUSINESS OWNERS.
- E. IN ADDITION TO THE GRANT APPLICATION PRESCRIBED IN SUBSECTION C OF THIS SECTION, A MUNICIPALITY SHALL PROVIDE:
  - 1. THE BOUNDARIES OF THE PROPOSED SPECIAL SERVICE AREA.
- 2. THE RELEVANT CENSUS NUMBER OF UNSHELTERED INDIVIDUALS EXPERIENCING HOMELESSNESS AS PROVIDED IN SUBSECTION F OF THIS SECTION.
- F. NOTWITHSTANDING SUBSECTION I, PARAGRAPH 1 OF THIS SECTION, GOAL ATTAINMENT FACTORS FOR A SPECIAL SERVICE AREA GRANT SHALL BE SUBTRACTED FROM A NUMBER DETERMINED BY THE MUNICIPALITY BY IDENTIFYING THE AREA OF A ONE-HALF MILE CIRCUMFERENCE IN THE MUNICIPALITY IN WHICH THE HIGHEST CONCENTRATION OF UNSHELTERED INDIVIDUALS EXPERIENCING HOMELESSNESS ARE LOCATED. THIS NUMBER SHALL BE DETERMINED BY A CENSUS COUNT ACQUIRED BY THE MUNICIPALITY WITHIN THIRTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION. ALL OTHER GOAL ATTAINMENT FACTORS PROVIDED IN SUBSECTION G OF THIS SECTION APPLY.
- G. CONTINGENT ON FULL FUNDING OF THE PROGRAM, A RECIPIENT UNDER SUBSECTION D OF THIS SECTION SHALL ESTABLISH THE FOLLOWING REDUCTION GOALS:
- 1. TWENTY PERCENT OF THE NUMBER ESTABLISHED PURSUANT TO SUBSECTION F OF THIS SECTION IN THE FIRST YEAR.
- 2. AN ADDITIONAL REDUCTION IN THE SECOND YEAR REPRESENTING A CUMULATIVE REDUCTION OF SIXTY-FIVE PERCENT IN TWO YEARS.
- H. CONTINGENT ON THE FULL FUNDING OF THE PROGRAM, A GRANT RECIPIENT FOR OTHER THAN A SPECIAL SERVICE AREA SHALL ESTABLISH A REDUCTION GOAL OF FIFTEEN PERCENT FOR UNSHELTERED HOMELESSNESS IN THE FIRST YEAR AND A

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 REDUCTION IN THE SECOND YEAR THE PROGRAM IS FUNDED AND OPERATED REPRESENTING A CUMULATIVE REDUCTION OF FORTY PERCENT IN TWO YEARS.

- I. IN DETERMINING THE REDUCTION OF UNSHELTERED HOMELESSNESS FOR GRANT PROGRAMS ALL OF THE FOLLOWING APPLY:
- 1. GOAL ATTAINMENT FACTORS SHALL INITIALLY BE SUBTRACTED FROM THE NUMBER ESTABLISHED BY THE UNSHELTERED HOMELESS CENSUS CONDUCTED IN 2023 BY COUNCILS OF GOVERNMENT CONTINUUM OF CARE OR A POLITICAL SUBDIVISION OF THIS STATE RESPONSIBLE FOR CONDUCTING THE 2023 UNSHELTERED HOMELESS CENSUS AND SUBSEQUENTLY BY ANY ADDITIONAL REDUCTIONS.
- 2. GOAL ATTAINMENT FACTORS SHALL INCLUDE ALL HOUSING SERVICES PROVIDED BY THE GRANTEE OR ANY ORGANIZATION THAT IS LOCATED OR OPERATING WITHIN THE GRANTEE'S JURISDICTION SINCE THE 2023 UNSHELTERED HOMELESS CENSUS.
- 3. THE YEARLY GOAL SHALL BE APPLIED TO THE YEAR BEGINNING SIXTY DAYS FROM THE DATE THE DIRECTOR APPROVES THE GRANT.
- J. ON OR BEFORE MARCH 1 OF EACH YEAR IN WHICH A PROGRAM IS IN OPERATION AND FUNDED, THE GRANTEE SHALL SUBMIT A REPORT TO THE DIRECTOR INDICATING THE RESULTS OF ITS REDUCTION GOALS.
- K. THE DEPARTMENT SHALL DISBURSE GRANT MONIES TO A MUNICIPALITY, A TRIBE, A COUNTY, A CONSORTIUM OF MUNICIPALITIES AND COUNTIES OR A NONPROFIT ORGANIZATION IN COOPERATION WITH A MUNICIPALITY OR COUNTY TO ESTABLISH OR SUPPORT MULTIDISCIPLINARY HOMELESS OUTREACH TEAMS. A MULTIDISCIPLINARY HOMELESS OUTREACH TEAM SHALL:
- 1. BE COMPOSED OF AT LEAST ONE FROM EACH OF THE FOLLOWING SUBDIVISIONS:
  - (a) PEER PROVIDERS OR MENTAL HEALTH PROVIDERS.
  - (b) SOCIAL SERVICE PROVIDERS OR CONTRACTED SECURITY OFFICERS.
- 2. WORK TO MOVE INDIVIDUALS WHO ARE CAMPING AND SLEEPING IN PUBLIC OR PRIVATE PLACES NOT FIT FOR HUMAN HABITATION INTO HOMELESS SERVICES, HOUSING, SHELTERS OR SANCTIONED HOUSING.
- L. THE DEPARTMENT MAY DISBURSE GRANT MONIES TO A MUNICIPALITY, A TRIBE, A COUNTY, A CONSORTIUM OF MUNICIPALITIES AND COUNTIES OR A NONPROFIT ORGANIZATION IN COOPERATION WITH A MUNICIPALITY OR COUNTY TO ESTABLISH OR SUPPORT MENTAL HEALTH OR SUBSTANCE ABUSE HOMELESS SHELTERS. A MENTAL HEALTH OR SUBSTANCE ABUSE HOMELESS SHELTER SHALL:
- 1. PROVIDE SHELTER FOR INDIVIDUALS EXPERIENCING HOMELESSNESS WHO SUFFER FROM MENTAL HEALTH OR ADDICTION ISSUES.
- 2. RETAIN THE SERVICES OF INDIVIDUALS WHO ARE QUALIFIED TO MAKE MENTAL HEALTH OR SUBSTANCE ABUSE ASSESSMENTS.
- M. THE DEPARTMENT MAY DISBURSE GRANT MONIES TO MUNICIPALITIES THAT HAVE ESTABLISHED COMMUNITY HOMELESS COURTS TO PROVIDE FUNDING FOR CASE MANAGERS, PUBLIC DEFENDERS, PROSECUTORS AND ADDICTION AND MENTAL HEALTH SERVICES NOT PROVIDED UNDER TITLE 36, CHAPTER 29, ARTICLE 1 FOR UNSHELTERED INDIVIDUALS EXPERIENCING HOMELESSNESS. A COMMUNITY HOMELESS COURT SHALL:

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- 1. BE OPERATED BY A MUNICIPALITY THAT HAS INSTRUCTED LAW ENFORCEMENT OFFICERS CITING UNSHELTERED INDIVIDUALS EXPERIENCING HOMELESSNESS FOR OFFENSES RELATED TO SITTING, CAMPING, LOITERING OR SLEEPING ON PUBLIC PROPERTY TO FIRST OFFER SHELTER AND SERVICES AND ISSUE A CITATION ONLY AFTER THE INDIVIDUAL REFUSES.
- 2. FOR CITED INDIVIDUALS, ASSIGN A COURT DATE AND OFFER ANY AVAILABLE VOLUNTARY PROGRAMS. CASE MANAGERS SHALL MONITOR PROGRAM COMPLIANCE AND ASSIST CITED INDIVIDUALS WITH FINDING ANY APPROPRIATE SERVICES, INCLUDING LONG-TERM HOUSING, MEDICAL TREATMENT AND EMPLOYMENT COUNSELING.
- 3. IF A CITED INDIVIDUAL IS COMPLIANT FOR A PERIOD OF TIME AS PRESCRIBED BY THE COURT, DISMISS THE INDIVIDUAL'S CITATION AND OUTSTANDING FINES
- N. THE MUNICIPALITY, TRIBE, COUNTY OR NONPROFIT OPERATOR OF SANCTIONED HOUSING IS NOT LIABLE IN ANY CIVIL ACTION THAT ARISES OUT OF THE OPERATION OF SANCTIONED HOUSING UNLESS THE CLAIM INVOLVES INTENTIONAL OR GROSSLY NEGLIGENT CONDUCT.
- O. THE DEPARTMENT MAY DISBURSE GRANT MONIES TO FIRST CARE RESPONDER TEAMS CONSISTING OF PARAMEDICS AND LICENSED HEALTH CARE PROFESSIONALS TO LOCATE, ADMINISTER AID TO AND PROVIDE MEDICAL SERVICES FOR INDIVIDUALS EXPERIENCING HOMELESSNESS. FIRST CARE RESPONDER TEAMS SHALL:
- 1. LOCATE AND APPROACH INDIVIDUALS EXPERIENCING HOMELESSNESS AND OFFER AID AND OTHER MEDICAL SERVICES TO THEM.
- 2. AT THE REQUEST OF AN INDIVIDUAL EXPERIENCING HOMELESSNESS, TRANSPORT THE INDIVIDUAL EXPERIENCING HOMELESSNESS TO A HOMELESS SHELTER OR OTHER AID CENTER.
- 3. ACT AS THE FIRST POINT OF CONTACT FOR INDIVIDUALS EXPERIENCING HOMELESSNESS BEFORE LAW ENFORCEMENT OFFICERS ARE CONTACTED.
- P. FOR THE PURPOSES OF THIS SECTION, "SANCTIONED HOUSING" MEANS SANCTIONED TRANSITIONAL CAMPING SITES, NONCONGREGATE SHELTERS, CONGREGATE EMERGENCY SHELTERS OR SIMILAR LOW-COST STRUCTURES THAT CAN BE ASSEMBLED OR OBTAINED QUICKLY.

#### Sec. 6. <u>Legislative intent</u>

The legislature intends to sustain a funding grant program to ensure the health and safety of the community and safely move as many unsheltered individuals experiencing homelessness off the streets and into sanctioned housing or other sites that provide security and services.

#### Sec. 7. <u>Appropriations</u>; <u>Arizona department of housing</u>; <u>homeless services</u>; <u>exemption</u>

A. The sum of \$50,000,000 is appropriated from the state general fund in fiscal year 2023-2024 to the Arizona department of housing for the affordable housing pilot program for cities, towns and counties in this state for homeless services programs designed to reduce homelessness. Eligible programs must allow homeless individuals to be compensated for daily work, offer a daily remuneration rate and help participants to

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access support services. Participating cities, towns and counties must provide a dollar-for-dollar local match for each grant dollar received. The Arizona department of housing shall prioritize awarding grants to cities, towns and counties that have an established program that meets the grant requirements.

- B. The sum of \$150,000,000 is appropriated from the state general fund in fiscal year 2023-2024 to the Arizona department of housing for the purposes of section 41-3956, Arizona Revised Statutes, as added by this act.
- C. The appropriations made in subsections A and B of this section are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

## Sec. 8. Appropriation; department of economic security; rental assistance; exemption

- A. The sum of \$290,000,000 is appropriated from the state general fund in fiscal year 2023-2024 to the department of economic security to distribute for rental assistance. The department shall allocate at least \$10,000,000 of the amount appropriated pursuant to this section to distribute for rental assistance to persons who are at least sixty-five years of age.
- B. The appropriation made in subsection A of this section is exempt from the provisions of section 35–190, Arizona Revised Statutes, relating to lapsing of appropriations.

# Sec. 9. Appropriation; administrative office of the courts; eviction diversion and prevention program; exemption

- A. The sum of \$6,000,000 is appropriated from the state general fund in fiscal year 2023-2024 to the administrative office of the courts for the eviction diversion and prevention program established pursuant to section 12-119.06, Arizona Revised Statutes, as added by this act. Monies shall be used as follows:
- 1. \$1,000,000 shall be used for the purposes of section 12-119.06, subsection A, Arizona Revised Statutes, as added by this act.
- 2. \$5,000,000 shall be used for the purposes of section 12-119.06, subsection B, Arizona Revised Statutes, as added by this act.
- B. The appropriation made in subsection A of this section is exempt from the provisions of section 35–190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 10. Emergency

This act is an emergency measure that is necessary to preserve the public peace, health or safety and is operative immediately as provided by law.

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