

House Engrossed

housing grants; military; veteran; homeless

State of Arizona  
House of Representatives  
Fifty-sixth Legislature  
Second Regular Session  
2024

# HOUSE BILL 2552

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; 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 **PROJECT AND CONSTRUCTION PLANNING AND** newly constructed transitional  
14 housing, in cooperation with veteran owned and operated nonprofit  
15 organizations and for-profit organizations that serve military members who  
16 are transitioning to veteran status. Monies in the fund are exempt from  
17 the provisions of section 35-190 relating to 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, "undesigned 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 THE HOUSING GRANT PROGRAM IS ESTABLISHED TO CONSTRUCT MILITARY  
17 TRANSITIONAL HOUSING, VETERAN HOUSING, AFFORDABLE HOUSING OR HOMELESS  
18 HOUSING IN THIS STATE. THE DEPARTMENT SHALL ADMINISTER THE GRANT  
19 PROGRAM. GRANTS MAY BE AWARDED TO A VETERAN-OWNED AND OPERATED NONPROFIT  
20 ORGANIZATION OR A VETERAN-OWNED AND OPERATED FOR-PROFIT COMPANY TO  
21 CONSTRUCT MILITARY TRANSITIONAL HOUSING, VETERAN HOUSING, AFFORDABLE  
22 HOUSING OR HOMELESS HOUSING.