

House Engrossed

~~technical correction; seller; disclosure~~
(now: housing trust fund; municipalities; report)

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

HOUSE BILL 2714

AN ACT

AMENDING TITLE 9, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, BY
ADDING SECTION 9-461.18; AMENDING SECTION 41-3955, ARIZONA REVISED
STATUTES; RELATING TO MUNICIPAL HOUSING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 9, chapter 4, article 6, Arizona Revised Statutes,
3 is amended by adding section 9-461.18, to read:

4 9-461.18. Municipal housing; annual report

5 BEGINNING JANUARY 1, 2026 AND EVERY YEAR THEREAFTER, EACH
6 MUNICIPALITY SHALL SUBMIT AN ANNUAL REPORT ACCOUNTING FOR THE TOTAL NUMBER
7 OF PROPOSED RESIDENTIAL HOUSING UNITS SUBMITTED TO THE MUNICIPALITY, THE
8 TOTAL NUMBER OF NET NEW RESIDENTIAL HOUSING UNITS SUBMITTED TO THE
9 MUNICIPALITY AND THE TOTAL NUMBER OF NEW RESIDENTIAL HOUSING UNITS THAT
10 ARE ENTITLED, HAVE BEEN PLATTED, HAVE BEEN ISSUED A BUILDING PERMIT AND
11 HAVE RECEIVED A CERTIFICATE OF OCCUPANCY BY THE MUNICIPALITY. THE ANNUAL
12 REPORT SHALL BE SUBMITTED TO THE ARIZONA DEPARTMENT OF HOUSING AND SHALL
13 ALSO INCLUDE THE FOLLOWING:

14 1. THE NUMBER OF HOUSING DEVELOPMENT APPLICATIONS RECEIVED IN THE
15 PRIOR YEAR.

16 2. THE NUMBER OF LOTS AND MULTIFAMILY UNITS INCLUDED IN ALL
17 DEVELOPMENT APPLICATIONS IN THE PRIOR YEAR.

18 3. THE NUMBER OF LOTS AND MULTIFAMILY UNITS APPROVED AND
19 DISAPPROVED OR OTHERWISE NOT APPROVED IN THE PRIOR YEAR.

20 4. THE TOTAL AMOUNT OF VACANT AREA ZONED FOR SINGLE-FAMILY,
21 COMMERCIAL AND MULTIFAMILY RESIDENTIAL AS A PERCENTAGE OF THE
22 MUNICIPALITY'S TOTAL AREA AT THE TIME THE ANNUAL REPORT IS SUBMITTED.

23 Sec. 2. Section 41-3955, Arizona Revised Statutes, is amended to
24 read:

25 41-3955. Housing trust fund; purpose; annual report

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

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

33 C. Except as provided in ~~subsection~~ SUBSECTIONS D AND E of this
34 section, fund monies shall be spent on approval of the department for
35 developing projects and programs connected with providing housing
36 opportunities for low and moderate income households and for housing
37 affordability programs. ~~Pursuant to section 44-313, subsection A,~~ A
38 portion of fund monies shall be used exclusively for housing in rural
39 areas.

40 D. Fund monies may be spent on constructing or renovating
41 facilities and on housing assistance, including support services, for
42 persons who have been determined to be seriously mentally ill and to be
43 chronically resistant to treatment.

1 E. EACH YEAR UP TO \$100,000 OF FUND MONIES MAY BE SPENT ON THE
2 ADMINISTRATIVE COSTS OF GATHERING ANY NECESSARY INFORMATION FOR THE
3 PURPOSES OF SECTION 9-461.18.

4 ~~F.~~ F. For the purposes of subsection C of this section, in
5 approving the expenditure of monies, the director shall give priority to
6 funding projects that provide for operating, constructing or renovating
7 facilities for housing for low-income families and that provide housing
8 and shelter to families that have children.

9 ~~F.~~ G. The director shall report annually to the legislature on the
10 status of the housing trust fund. The report shall include a summary of
11 facilities for which funding was provided during the preceding fiscal year
12 and shall show the cost and geographic location of each facility and the
13 number of individuals benefiting from the operation, construction or
14 renovation of the facility. The report shall also include A SUMMARY OF
15 THE INFORMATION PROVIDED BY EACH MUNICIPALITY PURSUANT TO SECTION 9-461.18
16 AND the number of individuals who benefit from housing assistance pursuant
17 to subsection D of this section. The report shall be submitted to the
18 president of the senate and the speaker of the house of representatives,
19 and a copy provided to the secretary of state, not later than September 1
20 of each year.

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

23 ~~H.~~ I. An amount not to exceed ten percent of the housing trust
24 fund monies may be appropriated annually by the legislature to the
25 department for administrative costs in providing services relating to the
26 housing trust fund.

27 ~~I.~~ J. For any construction project financed by the department
28 pursuant to this section, the department shall notify a city, town, county
29 or tribal government that a project is planned for its jurisdiction and,
30 before proceeding, shall seek comment from the governing body of the city,
31 town, county or tribal government or an official authorized by the
32 governing body of the city, town, county or tribal government. The
33 department shall not interfere with or attempt to override the local
34 jurisdiction's planning, zoning or land use regulations.