

# FINAL BILL REPORT

## EHB 1074

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C 219 L 05

Synopsis as Enacted

**Brief Description:** Increasing the administrative cap on the housing assistance program and the affordable housing program.

**Sponsors:** By Representatives Dunshee, Jarrett, Chase and Schual-Berke; by request of Department of Community, Trade, and Economic Development.

**House Committee on Housing**

**House Committee on Capital Budget**

**Senate Committee on Financial Institutions, Housing & Consumer Protection**

**Background:**

The Department of Community, Trade and Economic Development (DCTED) administers the Housing Assistance Program and the Affordable Housing Program. Both of these programs, commonly referred to as the Housing Trust Fund, provide loan and grant monies to eligible organizations and communities to meet the basic housing needs of low-income and special needs populations. The Housing Trust Fund is available to fund acquisition, new construction, and rehabilitation of low-income housing units.

The DCTED may utilize 4 percent of the annual funds available for the Housing Trust Fund for administrative purposes. The administrative cap is calculated as a percentage of the total annual funds available for Housing Trust Fund. However, the administrative cap costs are allocated specifically from the Housing Trust Repayment Account. No administrative costs are charged to the state's capital account for new projects. For the 2003 - 05 biennium, funding for the Housing Trust Fund totaled \$107,276,100. Administrative funds to the DCTED from the Housing Trust Fund totaled \$4,291,044.

**Summary:**

The statutory administrative cap for the Housing Assistance Program and the Affordable Housing Program available for use by the Department of Community, Trade and Economic Development is raised from 4 percent to 5 percent of the annual funds available for both of the programs.

**Votes on Final Passage:**

House	95	2	
Senate	27	22	(Senate amended)
House	93	4	(House concurred)

**Effective:** July 24 2005