
Housing Committee

HB 1074

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

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

Brief Summary of Bill

- **Increases the administrative cap available for use by the Department of Community, Trade, and Economic Development for the operation of the Housing Assistance Program and the Affordable Housing Program from four to five percent of the annual funds available for both programs.**

Hearing Date: 1/25/05

Staff: Robyn Dupuis (786-7166).

Background:

The Department of Community, Trade, and Economic Development (CTED) 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 for acquisition, new construction, and rehabilitation for low-income housing units.

CTED may utilize four 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 (Dedicated Fund 532). 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 CTED from the Housing Trust Fund totaled \$4,291,044.

Summary of Bill:

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.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.