
**College & Workforce Development
Committee**

HB 2382

Brief Description: Concerning housing for community and technical college faculty and employees.

Sponsors: Representatives Leavitt, Chopp, Ryu, Thai, Senn, Slatter, Fey, Macri, Wylie, Goodman, Pollet and Appleton.

Brief Summary of Bill

- Creates a state policy supporting affordable housing for community and technical college faculty and employees, as described in the federal Low-Income Housing Tax Credit.
- Permits a community or technical college to establish, lease, operate, equip, maintain, borrow money, and issue and sell revenue bonds for capital projects related to faculty and employee housing and boarding.

Hearing Date: 1/21/20

Staff: Megan Mulvihill (786-7304).

Background:

The Low-Income Housing Tax Credit.

The Low-Income Housing Tax Credit (LIHTC) is a federal income tax program used to incentivize private investment in affordable housing development for low-income households. The Internal Revenue Service allocates credits to the Washington State Housing Finance Commission (Commission), and the Commission then awards credits to owners of qualifying low-income housing developments through a competitive application process. Qualifying projects may include single-family or multi-family units and must serve individuals at or below

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60 percent of area gross median income (AGMI) for the county in which the property is located for a 30-year period. The project must comply with the following:

- rent and utilities in a qualified low-income housing unit must not exceed 30 percent of the household income;
- at least 40 percent of the units must be rented to households earning 60 percent or less of the AMGI, or at least 20 percent of the units must be rented to households earning 50 percent or less AMGI; and
- special needs housing commitments pursuant to state laws or rules must be met.

The project must make rental units available for use to the general public in order to qualify for the LIHTC. Residential rental units are not considered general public use if the units are provided only for a social organization or provided by an employer for its employees. However, a project can be deemed a general public use requirement if it restricts occupancy or favors certain tenants, as long as those tenants either have special needs, are members of a specified group under a federal or state program or policy that supports housing for a specified group, or are involved in artistic or literary activities.

Community and Technical College Facilities Authority.

The Board of Trustees for each community and technical college has the authority to establish, lease, operate, equip, and maintain dormitories, food service facilities, bookstores, and other self-supporting facilities connected with college operations. In addition, each college has the authority, with the approval of the State Board for Community and Technical Colleges, to borrow money and issue and sell revenue bonds or other evidences of indebtedness for the construction, reconstruction, erection, equipping with permanent fixtures, demolition, and major alteration of buildings or other capital assets, and the acquisition of sites, rights-of-way, easements, improvements or appurtenances, for dormitories, food service facilities, and other self-supporting facilities connected with college operations.

Summary of Bill:

A state policy supporting affordable housing for community and technical college faculty and employees, as described in the LIHTC is created.

Faculty and employee housing and boarding is added to the community and technical colleges' Board of Trustees' list of explicit self-supporting facilities in which it has capital authority.

Appropriation: None.

Fiscal Note: Requested on January 14, 2020.

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