SENATE BILL REPORT
HB 1046

As of January 31, 2023

Title: An act relating to expanding housing supply by supporting the ability of public housing authorities to finance affordable housing developments by rebenchmarking area median income limits.

Brief Description: Expanding housing supply by supporting the ability of public housing authorities to finance affordable housing developments by rebenchmarking area median income limits.

Sponsors: Representatives Walen, Leavitt, Ryu, Bateman, Peterson, Doglio, Reeves, Wylie, Bergquist, Springer, Kloba, Santos and Ormsby.

Brief History: Passed House: 1/25/23, 96-0.
Committee Activity: Housing: 2/01/23.

Brief Summary of Bill

- Increases the area median income limits on a public housing authority financed, low-income housing development to 80 percent.

SENATE COMMITTEE ON HOUSING

Staff: Melissa Van Gorkom (786-7491)

Background: Public housing authorities (PHA) are public bodies established to provide safe and affordable rental housing for low-income individuals and families. A PHA must be activated by a resolution of the governing body of a city or county, and a PHA's boundaries are coextensive with the creating city or county, unless established as a joint housing authority comprised of two or more jurisdictions. With some exceptions, PHAs are governed by a five-member commission appointed by a city's mayor or a county's commissioners.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

PHAs primarily serve as a conduit for federally funded housing programs, such as tenant-based vouchers and publicly owned housing. PHAs also own and operate other rental housing, such as emergency and transitional housing, senior housing, and properties funded through low-income housing tax credits. PHAs have no taxing authority.

A PHA may finance a low-income housing development if certain conditions are met. In general, the development must be subject to a 20-year agreement that requires 50 percent of the dwelling units or 50 percent of the interior space of the development, whichever produces the greater number of units, to be made available to low-income households. For mobile home parks, 50 percent of the total number of mobile home lots in the park must be made available to low-income households. The low-income dwelling units or mobile home lots of a PHA financed development must be rented to persons whose income does not exceed:

- 50 percent of the area median income, if owned by a for-profit entity; and
- 60 percent of the area median income, if owned by a governmental entity or a nonprofit organization.

Summary of Bill: The low-income dwelling units or mobile home lots of a PHA financed development owned by a for profit entity, government entity, or a nonprofit organization must be rented to persons whose income does not exceed 80 percent of the area median income.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.