

JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE

CONCERNING THE EXPANSION OF THE ALLOWABLE USES OF THE HOUSING DEVELOPMENT GRANT FUND, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Gonzales and Pettersen JBC Analyst: Andrea Uhl
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Appropriation Items of Note

Appropriation Not Required, Amendments in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/25/21.

Table with 2 columns: XXX, Description. Rows include: No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill; Update: Fiscal impact has changed due to new information or technical issues; Update: Fiscal impact has changed due to amendment adopted after LCS Fiscal Note was prepared; Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Transportation & Local Government Committee Report (05/26/21) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Table with 2 columns: Amendment, Description. Rows include: L.005 Bill Sponsor amendment - does not change fiscal impact; L.007 Bill Sponsor amendment - changes fiscal impact; L.008 Bill Sponsor amendment - changes fiscal impact

Current Appropriations Clause in Bill

Because the Housing Development Grant Fund is continuously appropriated, the bill neither requires nor contains an appropriation clause for FY 2021-22.

Description of Amendments in This Packet

- L.005** Bill Sponsor amendment **L.005** (attached) adds a Legislative declaration to the reengrossed bill, including identification of eligible uses of funds received from the federal Coronavirus State Fiscal Recovery Fund.
- L.007** Bill Sponsor amendment **L.007** (attached) adds a provision requiring the State Treasurer to transfer \$15.0 million from the General Fund to the Housing Development Grant Fund for direct assistance to individuals who are not eligible for other types of assistance, such as unemployment insurance, the federal Supplemental Nutrition Assistance Program, or federal stimulus payments.
- L.008** Bill Sponsor amendment **L.008** (attached) changes the \$15.0 million transfer from the General Fund to the Housing Development Grant Fund in the reengrossed bill to a \$30.0 million transfer from the Affordable Housing and Home Ownership Cash Fund to the Housing Development Grant Fund. Amendment **L.008** also transfers \$15.0 million from the General Fund to the Affordable Housing and Home Ownership Cash Fund.

Points to Consider*General Fund Impact*

The Joint Budget Committee (JBC) has proposed a budget package for FY 2021-22 based on the March 2021 Legislative Council Staff revenue forecast. The JBC has included as part of its FY 2021-22 budget package the \$15.0 million General Fund revenue decrease that would result from the passage of this bill. Specifically, the JBC package includes a place holder of \$800.0 million General Fund for those bills that are part of the "State Stimulus Package", and this bill is part of that package.

The FY 2021-22 budget package includes a set aside of \$48.0 million General Fund for bills that require General Fund appropriations for FY 2021-22. Amendment **L.007** adds a provision that transfers \$15.0 million General Fund to the Housing Development Grant Fund. Amendment **L.008** makes changes that result in a net transfer of \$15.0 million from the General Fund. If both amendments pass, the General Fund revenue decrease will be \$30.0 million, which exceeds the \$15.0 million identified as a place holder, reducing the amount available for appropriation by \$15.0 million.