

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 592

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

1 RELATING TO THE IDAHO WORKFORCE HOUSING FUND; AMENDING CHAPTER 62, TITLE  
2 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-6227, IDAHO CODE, TO  
3 PROVIDE LEGISLATIVE PURPOSE; AMENDING CHAPTER 62, TITLE 67, IDAHO CODE,  
4 BY THE ADDITION OF A NEW SECTION 67-6228, IDAHO CODE, TO ESTABLISH THE  
5 IDAHO WORKFORCE HOUSING FUND AND TO PROVIDE FOR ALLOCATION OF FUNDS;  
6 AMENDING CHAPTER 62, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW  
7 SECTION 67-6229, IDAHO CODE, TO ESTABLISH THE IDAHO WORKFORCE HOUSING  
8 ADVISORY COMMISSION, TO PROVIDE FOR MEMBERSHIP OF THE COMMISSION, AND  
9 TO PROVIDE FOR CERTAIN POWERS AND DUTIES OF THE COMMISSION; AND DECLAR-  
10 ING AN EMERGENCY.  
11

12 Be It Enacted by the Legislature of the State of Idaho:

13 SECTION 1. That Chapter 62, Title 67, Idaho Code, be, and the same is  
14 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
15 ignated as Section 67-6227, Idaho Code, and to read as follows:

16 67-6227. LEGISLATIVE PURPOSE. (1) The legislature finds that housing  
17 affordability for members of the workforce has become a significant chal-  
18 lenge in communities across Idaho due to the state's rapid growth. These  
19 challenges are impacting the ability of employers to recruit and maintain  
20 employees.

21 (2) The legislature further finds that economic feasibility is one of  
22 the biggest challenges facing developers interested in building affordable  
23 workforce housing. Today, workforce housing developments are typically fi-  
24 nanced through a combination of federal tax credits, private financing, and  
25 community support. Through these avenues alone, there often exists a sig-  
26 nificant funding gap that makes completing these developments financially  
27 unfeasible.

28 (3) The legislature declares that it is, therefore, in the state's in-  
29 terest to make targeted investments in workforce housing by providing a fi-  
30 nancing option that fills this funding gap in an effort to increase the in-  
31 ventory of housing that is available and affordable for low to moderate in-  
32 come members of Idaho's workforce.

33 (4) The legislature declares that, consistent with section 67-3533,  
34 Idaho Code, and to the extent that workforce housing grants are utilized,  
35 such workforce housing grants are an appropriate use of onetime discre-  
36 tionary American rescue plan act dollars. To the extent practical, it shall  
37 be the state of Idaho's preference to provide such gap financing for work-  
38 force housing in the form of revolving loans or equity investments that can  
39 be recaptured and redeployed in accordance with regional workforce housing  
40 needs.

1 SECTION 2. That Chapter 62, Title 67, Idaho Code, be, and the same is  
2 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
3 ignated as Section 67-6228, Idaho Code, and to read as follows:

4 67-6228. IDAHO WORKFORCE HOUSING FUND. (1) There is hereby created  
5 within the state treasury the workforce housing fund that will consist of  
6 such sums as may be appropriated by the legislature for the purpose of pro-  
7 viding financial assistance in workforce housing development. Expenditures  
8 from the fund will be prioritized based on an allocation plan developed by  
9 the Idaho workforce housing advisory commission established pursuant to  
10 section 67-6229, Idaho Code, and must be approved by the commission. In-  
11 terest earnings from the investment of moneys in this fund by the state  
12 treasurer shall be returned to the fund.

13 (2) The association is hereby appointed as the administrative entity  
14 for the workforce housing fund and will be responsible for implementing  
15 the allocation plan approved by the workforce housing advisory commission.  
16 Consistent with the allocation plan and availability of funding, the associ-  
17 ation will request funding from the state treasurer at such times and in such  
18 amounts necessary to investment in the development of workforce housing.  
19 Preference for funding shall be given to:

20 (a) Developments that include a commitment on the part of a local gov-  
21 ernment to match, in whole or in part, the funds allocated by the associ-  
22 ation. A local match may include but shall not be limited to money, fee  
23 waivers, in-kind services, donation of assets, the provision of infra-  
24 structure, or a combination thereof; and

25 (b) Developments structured in the form of revolving loans in accor-  
26 dance with any applicable guidelines of the United States treasury.

27 SECTION 3. That Chapter 62, Title 67, Idaho Code, be, and the same is  
28 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
29 ignated as Section 67-6229, Idaho Code, and to read as follows:

30 67-6229. IDAHO WORKFORCE HOUSING ADVISORY COMMISSION. (1) There is  
31 hereby created the Idaho workforce housing advisory commission. The advi-  
32 sory commission shall consist of three (3) members of the house of represen-  
33 tatives appointed by the speaker of the house of representatives, three (3)  
34 members of the senate appointed by the president pro tempore of the senate,  
35 and three (3) members of the public appointed by the governor. Members shall  
36 serve at the pleasure of the appointing authority. Legislative appointees  
37 shall serve a term of two (2) years. Gubernatorial appointees shall serve a  
38 term of four (4) years. Legislative appointees shall include at least one  
39 (1) minority party representative and one (1) minority party senator. The  
40 president of the Idaho housing and finance association shall serve as an ex  
41 officio member.

42 (2) Members of the advisory commission shall not be entitled to compen-  
43 sation but shall receive reimbursement for actual and reasonable expenses  
44 incurred in the performance of their duties.

45 (3) The advisory commission shall be responsible for creating a  
46 statewide workforce housing plan that will determine the manner of struc-  
47 turing, prioritizing, and dispersing grants, loans, or equity investments  
48 from the Idaho workforce housing fund and in accordance with any applica-

1 ble guidelines of the United States treasury. The plan shall identify and  
2 address areas of the state most in need. It is intended that funding will  
3 facilitate workforce housing affordability and, if necessary, such funding  
4 will be recovered from developments that fall out of compliance with af-  
5 fordability requirements or applicable United States treasury guidelines.  
6 In preparation, adoption, and implementation of the statewide workforce  
7 housing plan, the advisory commission shall solicit the participation and  
8 assistance of state agencies, local government entities, nonprofit or-  
9 ganizations, and other private industries with pertinent expertise. All  
10 agencies of the state of Idaho shall cooperate with the advisory commission  
11 by providing requested research, information, and studies pertaining in any  
12 manner to the statewide workforce housing plan. In creating the statewide  
13 workforce housing plan, the advisory commission shall adhere to the follow-  
14 ing guiding principles:

15 (a) Funding allocated from the Idaho workforce housing fund shall be  
16 used for the purpose of gap financing; and

17 (b) The advisory commission shall set aside not less than twenty per-  
18 cent (20%) of all moneys allocated to the Idaho workforce housing fund  
19 for use in rural areas, as defined in section 67-9003, Idaho Code. If,  
20 after a period of two (2) years, any portion of these funds remain unused  
21 in rural areas, the balance shall become available to all communities.

22 (4) Once the statewide workforce housing plan has been adopted by a ma-  
23 jority vote of the workforce housing advisory commission, copies of the plan  
24 shall be filed in the office of the governor, posted on the website of the  
25 advisory commission or the Idaho housing and finance association, and pub-  
26 lished and distributed in any other manner determined appropriate by the ad-  
27 visory commission.

28 (5) Following adoption of the statewide workforce housing plan, the ad-  
29 visory commission shall administer the implementation of the plan and shall  
30 maintain and revise the plan as necessary.

31 (6) Any state agency may petition the commission to revise the  
32 statewide workforce housing plan. The commission shall review any petition  
33 filed pursuant to this section within three (3) months after it is filed and  
34 shall either take action to revise the workforce housing plan or set forth  
35 its reasons for denying the request in writing.

36 SECTION 4. An emergency existing therefor, which emergency is hereby  
37 declared to exist, this act shall be in full force and effect on and after its  
38 passage and approval.