

# ARIZONA STATE SENATE

## RESEARCH STAFF



**DINO HADZIAHMETOVIC**  
ASSISTANT RESEARCH ANALYST

**LIAM MAHER**  
LEGISLATIVE RESEARCH ANALYST  
APPROPRIATIONS COMMITTEE  
Telephone: (602) 926-3171

TO: MEMBERS OF THE SENATE  
APPROPRIATIONS COMMITTEE

DATE: March 26, 2021

SUBJECT: Strike everything amendment to H.B. 2565, relating to appropriation; affordable housing

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### Purpose

Appropriates \$5,000,000 from the state General Fund (state GF) in FY 2022 to the Housing Trust Fund (HTF) for outlined housing grants.

### Background

The Arizona Department of Housing (ADOH) was established to address affordable housing issues in Arizona, including availability of affordable housing for low-income and medium-income families and special needs-adapted housing. ADOH is authorized to provide Arizonans with financial assistance, training and education and advisory assistance for the development of safe and affordable housing. ADOH is responsible for setting standards on quality and safety for manufactured homes, mobile homes and factory-built buildings ([A.R.S. § 41-3953](#)).

The HTF is administered by ADOH and consists of monies from the sale of unclaimed property, monies transferred from the Arizona Industrial Development Authority and investment earnings. Monies in the HTF must be used for developing projects and programs connected with providing housing opportunities for low-income and moderate-income households and for housing affordability programs. A portion of HTF monies must be spent on housing in rural areas and the Director of ADOH must prioritize funding for projects that provide for operating, constructing or renovating facilities for housing for low-income families and that provide housing and shelter to families that have children. Monies in the HTF may be spent on constructing or renovating facilities and on housing assistance, including support services for persons who have been determined to be seriously mentally ill and chronically resistant to treatment ([A.R.S. § 41-3955](#)).

The strike-everything amendment to H.B. 2565 appropriates \$5,000,000 from the state GF in FY 2022 to the HTF.

### Provisions

1. Appropriates \$5,000,000 from the state GF in FY 2022 to the HTF.
2. Requires ADOH to use the monies to award grants for:
  - a) mortgage down payment assistance;
  - b) services for homeless youth and families; and
  - c) emergency shelter beds.
3. Requires ADOH, before awarding any grants, to submit an expenditure plan to the Joint Legislative Budget Committee.
4. Becomes effective on the general effective date.