

1 **SENATE FLOOR VERSION**

2 February 28, 2024

3 SENATE BILL NO. 1761

By: Rader of the Senate

4 and

5 West (Tammy) of the House

6
7
8 An Act relating to the Oklahoma Housing Finance
9 Agency; defining terms; authorizing creation of Rent
10 Guarantee Program; stating purpose of program;
11 establishing qualifications for eligibility for
12 program; authorizing submission of request for
13 certain assistance; imposing limitations on certain
14 assistance; specifying information to be included
15 with certain request; requiring certain report;
16 authorizing certain contract for services;
17 establishing requirements for certain providers;
18 construing provisions; authorizing promulgation of
19 rules for certain purposes; creating the Rent
20 Guarantee Program Fund; stating sources for certain
21 fund; directing expenditures from certain fund;
22 authorizing payment of certain administrative costs;
23 providing for codification; and providing an
24 effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 2905.1 of Title 74, unless there
is created a duplication in numbering, reads as follows:

As used in this act:

1 1. "Landlord" means an owner of a dwelling unit who has entered
2 into a rental or lease agreement with a tenant;

3 2. "Low-income household" means a household of one or more
4 individuals whose combined incomes are at or below sixty percent
5 (60%) of the area median income and includes, but is not limited to,
6 a household of one or more individuals who are homeless or at risk
7 of becoming homeless; and

8 3. "Tenant" means an individual or a family who has or will be
9 entering into a rental or lease agreement with a landlord.

10 SECTION 2. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 2905.2 of Title 74, unless there
12 is created a duplication in numbering, reads as follows:

13 A. The Oklahoma Housing Finance Agency shall develop and
14 implement a Rent Guarantee Program for the purpose of providing
15 incentives and financial assistance to landlords who rent or lease
16 to low-income households by guaranteeing payments to landlords for
17 unpaid rent and for eviction and property damage costs as described
18 in this section.

19 B. A tenant is eligible to participate in the program if the
20 tenant:

21 1. Resides in a low-income household; or

22 2. Experiences barriers to obtaining housing including, but not
23 limited to:

24 a. poor credit history or ratings,

1 b. a history of criminal background, or

2 c. a history of housing evictions.

3 C. A landlord may submit a request for financial assistance to
4 the Agency in accordance with rules adopted by the Agency.

5 Financial assistance to landlords under the program shall be limited
6 to:

7 1. Unpaid rent and eviction and property damage costs for
8 rental or lease agreements entered into with eligible tenants;

9 2. Unpaid rent and eviction and property damage costs incurred
10 during the first twelve (12) months of any rental or lease
11 agreement;

12 3. A maximum of Two Thousand Dollars (\$2,000.00) per eligible
13 tenant; and

14 4. A maximum of Five Thousand Dollars (\$5,000.00) per landlord.

15 D. 1. Financial assistance shall be contingent on the
16 landlord's submission of a complete and accurate reimbursement
17 request, verification of unpaid rent and eviction or property damage
18 claims by the Agency or the program provider described in subsection
19 E of this section, and cooperation with the collection of data to
20 measure program performance outcomes as described in subsection E of
21 this section.

22 2. Before financial assistance is provided to a landlord under
23 the program, the landlord shall provide to the Agency or the program
24 provider described in subsection E of this section a report

1 containing any information required by rules adopted by the Agency.

2 The report shall include but not be limited to:

- 3 a. information regarding eligible tenants with which the
4 landlord entered into tenancy agreements including,
5 but not limited to, the length of tenancy and reason
6 for termination of tenancy, if applicable, and
- 7 b. amounts of unpaid rent and eviction and property
8 damage costs not reimbursed to the landlord under the
9 program.

10 E. 1. The Agency may contract with a public or private
11 provider to administer the program within an individual county or
12 region of this state and to distribute financial assistance to
13 eligible landlords as provided in this section. The Agency shall
14 establish criteria for proposals, prepare and publish requests for
15 proposals, receive proposals, and award contracts to eligible
16 providers. Eligible providers shall:

- 17 a. have experience placing persons in low-income
18 households into permanent housing,
- 19 b. have experience working collaboratively with local
20 landlords and service providers, and
- 21 c. demonstrate the organizational capacity to administer
22 the program including, but not limited to, the ability
23 to track data and performance measure outcomes and to

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1 timely process requests for and payments of financial
2 assistance.

3 2. Program providers shall, in accordance with rules adopted by
4 the Agency:

5 a. provide reports regarding the number of landlords and
6 tenants participating in the program, demographic
7 information related to eligible tenants, identified
8 tenant risk factors, and the number and amount of
9 requests for financial assistance submitted under the
10 program,

11 b. review and verify requests for financial assistance
12 and make payments in accordance with established
13 Agency processes for distributing funds, and

14 c. collect data to measure the following program
15 performance outcomes:

16 (1) increased housing stability as measured by the
17 percentage of total program participants who
18 reside in and maintain permanent housing for a
19 minimum of twelve (12) months, and

20 (2) increased landlord participation as measured by
21 the percentage increase in the number of
22 landlords participating in the program.

1 F. Nothing in this section shall be construed to prohibit a
2 landlord from participating in the housing choice voucher program
3 under 42 U.S.C. 1437f(o).

4 G. The Oklahoma Housing Finance Agency may promulgate rules
5 necessary to implement the provisions of this act.

6 SECTION 3. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 2905.3 of Title 74, unless there
8 is created a duplication in numbering, reads as follows:

9 A. There is hereby created in the State Treasury a fund for the
10 Oklahoma Housing Finance Agency to be designated the "Rent Guarantee
11 Program Fund". The fund shall be a continuing fund, not subject to
12 fiscal year limitations, and shall consist of:

- 13 1. Amounts donated to the fund;
- 14 2. Amounts appropriated or otherwise transferred to the fund by
15 the Legislature;
- 16 3. Amounts received from state or federal sources;
- 17 4. Income and earnings derived from monies in the fund; and
- 18 5. Other amounts deposited in the fund from any source to carry
19 out the provisions of Section 2 of this act.

20 All monies accruing to the credit of the fund are hereby
21 appropriated and may be budgeted and expended by the Oklahoma
22 Housing Finance Authority for the purpose provided for in this
23 section. Expenditures from the fund shall be made upon warrants
24 issued by the State Treasurer against claims filed as prescribed by

1 law with the Director of the Office of Management and Enterprise
2 Services for approval and payment.

3 B. The Agency shall not pay financial assistance under the Rent
4 Guarantee Program from any source other than available funds in the
5 Rent Guarantee Program Fund established pursuant to this section.

6 C. The Agency may use monies in the fund to pay administrative
7 costs associated with the fund and with the implementation and
8 maintenance of the Rent Guarantee Program established under Section
9 2 of this act.

10 SECTION 4. This act shall become effective November 1, 2024.

11 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
12 February 28, 2024 - DO PASS

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