SENATE BILL NO. 363–SENATORS SPEARMAN, DALY; D. HARRIS, NEAL, OHRENSCHALL, PAZINA AND SCHEIBLE

MARCH 22, 2023

JOINT SPONSOR: ASSEMBLYMAN D'SILVA

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to affordable housing. (BDR 25-1029)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

EXPLANATION - Matter in **bolded italics** is new; matter between brackets formitted material; is material to be omitted.

AN ACT relating to affordable housing; authorizing the Housing Division of the Department of Business and Industry to prioritize funding for projects related to affordable housing that give preference to certain persons; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Account for Affordable Housing in the State General Fund and prescribes the distribution and use of money in the Account. (NRS 319.500, 319.510) Existing law also authorizes the Housing Division of the Department of Business and Industry to distribute a certain portion of money in the Account to public or private nonprofit charitable organizations for projects that meet certain criteria. (NRS 319.510) This bill authorizes the Division to give priority to projects that provide a preference for: (1) women who are veterans; (2) women who were previously incarcerated; (3) survivors of domestic violence; (4) elderly women who do not have stable or adequate living arrangements; and (5) unmarried persons with primary physical custody of a child.

WHEREAS, The shortage of affordable housing is affecting communities across the State of Nevada and the nation, and particularly impacts certain populations of women in Nevada; and

WHEREAS, Women who are veterans face many challenges when returning to civilian life, including, without limitation, raising children on their own and dealing with the psychological



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repercussions related to events such as military service or sexual trauma, which can put women who are veterans at a high risk of experiencing housing insecurity or homelessness; and

WHEREAS, Women who were formerly incarcerated experience barriers to employment as well as distrust and discrimination which create significant obstacles for formerly incarcerated women to obtain and maintain safe, stable housing for themselves and their families after release; and

WHEREAS, Survivors of domestic violence are also hampered in finding safe, affordable housing as a result of certain barriers such as a history of financial abuse, discrimination based on the violent or criminal actions of perpetrators and the unique safety and confidentiality needs of survivors of domestic violence; and

WHEREAS, Elderly women are more likely to live in poverty than men as a result of historical wage disparities and having to take time away from the workforce for caregiving; and

WHEREAS, Expansion of the inventory of affordable housing that provides a preference for these disadvantaged female populations will address many of the significant obstacles that such women face in obtaining safe, stable and affordable housing; and

WHEREAS, Federal and state funding for housing in Nevada should be prioritized for projects that provide a preference for such disadvantaged women; now, therefore,

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** NRS 319.510 is hereby amended to read as follows: 319.510 1. Except as otherwise provided in subsection 2, money deposited in the Account for Affordable Housing must be used:
- (a) For the acquisition, construction or rehabilitation of affordable housing for eligible families by public or private nonprofit charitable organizations, housing authorities or local governments through loans, grants or subsidies;
- (b) To provide technical and financial assistance to public or private nonprofit charitable organizations, housing authorities and local governments for the acquisition, construction or rehabilitation of affordable housing for eligible families;
- (c) To provide funding for projects of public or private nonprofit charitable organizations, housing authorities or local governments that provide assistance to or guarantee the payment of rent or deposits as security for rent for eligible families, including homeless persons;





- (d) To reimburse the Division for the costs of administering the Account;
- (e) To assist eligible persons by supplementing their monthly rent for the manufactured home lots, as defined by NRS 118B.016, on which their manufactured homes, as defined by NRS 118B.015, are located; and
- (f) In any other manner consistent with this section to assist eligible families in obtaining or keeping affordable housing, including use as the State's contribution to facilitate the receipt of related federal money.
- 2. Except as otherwise provided in this subsection, the Division may expend money from the Account as reimbursement for the necessary costs of efficiently administering the Account and any money received pursuant to 42 U.S.C. §§ 12701 et seq. In no case may the Division expend more than \$40,000 per year or an amount equal to 6 percent of any money made available to the State pursuant to 42 U.S.C. §§ 12701 et seq., whichever is greater. In addition, the Division may expend not more than \$175,000 per year from the Account to create and maintain the statewide low-income housing database required by NRS 319.143. The Division may expend not more than \$75,000 per year of the money deposited in the Account pursuant to NRS 375.070 for the purpose set forth in paragraph (e) of subsection 1. Of the remaining money allocated from the Account:
- (a) Except as otherwise provided in subsection 3, 15 percent must be distributed to the Division of Welfare and Supportive Services of the Department of Health and Human Services for use in its program developed pursuant to 45 C.F.R. § 233.120, as that section existed on December 4, 1997, to provide emergency assistance to needy families with children, subject to the following:
- (1) The Division of Welfare and Supportive Services shall adopt regulations governing the use of the money that are consistent with the provisions of this section.
- (2) The money must be used solely for activities relating to affordable housing that are consistent with the provisions of this section.
- (3) The money must be made available to families that have children and whose income is at or below the federally designated level signifying poverty.
- (4) All money provided by the Federal Government to match the money distributed to the Division of Welfare and Supportive Services pursuant to this section must be expended for activities consistent with the provisions of this section.
- (b) Eighty-five percent must be distributed to public or private nonprofit charitable organizations, housing authorities and local





governments for the acquisition, construction and rehabilitation of affordable housing for eligible families, subject to the following:

- (1) Priority may be given to those projects that provide a preference for:
 - (I) Women who are veterans;

- (II) Women who were previously incarcerated;
- (III) Survivors of domestic violence;
- (IV) Elderly women who do not have stable or adequate living arrangements; and
- (V) Unmarried persons with primary physical custody of a child.
- (2) Priority must be given to those projects that qualify for the federal tax credit relating to low-income housing.
- [(2)] (3) Priority must be given to those projects that anticipate receiving federal money to match the state money distributed to them.
- [(3)] (4) Priority must be given to those projects that have the commitment of a local government to provide assistance to them.
- [(4)] (5) All money must be used to benefit families whose income does not exceed 120 percent of the median income for families residing in the same county, as defined by the United States Department of Housing and Urban Development.
- [(5)] (6) Not less than 15 percent of the units acquired, constructed or rehabilitated must be affordable to persons whose income is at or below the federally designated level signifying poverty. For the purposes of this subparagraph, a unit is affordable if a family does not have to pay more than 30 percent of its gross income for housing costs, including both utility and mortgage or rental costs.
- [(6)] (7) To be eligible to receive money pursuant to this paragraph, a project must be sponsored by a local government.
- 3. The Division may, pursuant to contract and in lieu of distributing money to the Division of Welfare and Supportive Services pursuant to paragraph (a) of subsection 2, distribute any amount of that money to private or public nonprofit entities for use consistent with the provisions of this section.





