

HB 3589 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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**Housing and Community Services Department
2025-27**

Budget Summary*

	2023-25 Legislatively Approved Budget ⁽¹⁾	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 24,000,000	\$ 24,000,000	100.0%
Total	\$ -	\$ -	\$ 24,000,000	\$ 24,000,000	100.0%

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 3589 transfers \$24.0 million from the Senior Property Tax Deferral Revolving Account to the General Fund and then appropriates \$24.0 million General Fund to the Housing and Community Services Department (HCSD). Of this amount, \$23.5 million will be deposited into the General Housing Account (GHA) to fund development, rehabilitation, or preservation of housing for older adults and persons with disabilities. Annual transfers to HCSD from the Senior Property Tax Deferral Revolving Account in excess of the amount required to fund tax deferral obligations will occur between January 2027 and July 1, 2031, when the transfer provisions of the measure are repealed.

Summary of Transportation and Economic Development Subcommittee Action

House Bill 3598 directs HCSD to establish and maintain a senior housing development initiative to incentivize housing targeted to older adults and persons with disabilities. The bill requires HCSD to provide technical assistance to developers, affordable housing and service providers, planners, stakeholders, and local governments to ensure housing developments meet the needs of older adults. HCSD must also provide regular public updates that track goals and progress relating to affordable rental housing targeted towards populations of older adults and persons with disabilities.

The Subcommittee recommended a \$24.0 million General Fund appropriation, of which \$0.5 million is to be used to provide the technical assistance required in the bill. The remaining funds, \$23.5 million, are to be deposited into the GHA and will be expended as Other Funds for the development, rehabilitation, or preservation of housing for older adults and persons with disabilities.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Housing and Community Services Department
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DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 10 - Housing Stabilization Programs									
Services and Supplies	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	500,000		
Special Payments (6600 Intra-Agency GF Transfer)	\$ 23,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	23,500,000		
TOTAL ADJUSTMENTS	\$ 24,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	24,000,000	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ 24,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	24,000,000	0	0.00

*Excludes Capital Construction Expenditures