

## Department of Planning and Budget 2022 Fiscal Impact Statement

**1. Bill Number:** SB312

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

**2. Patron:** Bell

**3. Committee:** General Laws and Technology

**4. Title:** Department of Housing and Community Development; statewide housing choice voucher program.

**5. Summary:** Requires the Department of Housing and Community Development to develop and implement a statewide housing choice voucher program to assist low-income Virginians with securing safe, decent, and affordable rental housing. The bill directs the Department to develop and implement such program on or before January 1, 2023.

**6. Budget Amendment Necessary:** Yes, to Item 114 of HB30/SB30, as introduced, to capitalize the program and support administration.

**7. Fiscal Impact Estimates:** Preliminary. See item 8.

**8. Fiscal Implications:** This bill would require the Department of Housing and Community Development (DHCD) to develop and implement a statewide housing choice voucher program to assist low-income Virginians with securing safe, decent, and affordable rental housing. In developing the program, DHCD shall consider the following: (i) recent data regarding poverty, homelessness, and unemployment rates; (ii) the current number of affordable housing dwelling units in the Commonwealth and the current unmet need for affordable housing; (iii) the practical aspects of implementing such program; and, (iv) the estimated ongoing appropriation needed to fund the program. DHCD must develop and implement the program on or before January 1, 2023. Funding necessary to establish and manage a statewide housing choice voucher program will depend on the program's design, size, and scope.

Chapter 482, 2020 Acts of Assembly, required that DHCD and Virginia Housing conduct a study to identify ways to incentivize the development of affordable housing in the Commonwealth. Based on the completed study, there is a deficit of approximately 300,000 affordable housing units in Virginia, and a deficit within housing authorities of approximately 32,000 federal vouchers. Waiting lists for federal vouchers are years-long and open infrequently in many localities. Estimates in the study assume a state housing voucher program with costs in the range of \$73.0 - \$258.0 million. If the intent of this bill is for DHCD to implement and administer such a program at the low-end of the estimate of \$73.0 million, the department estimates that \$300,000 from the general fund and two positions will

be required in FY 2023, and \$600,000 from the general fund and four positions will be required in FY 2024 and thereafter.

**9. Specific Agency or Political Subdivisions Affected:** Department of Housing and Community Development.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.