

## Department of Planning and Budget 2023 Fiscal Impact Statement

**1. Bill Number:** HB2045

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Carr

**3. Committee:** Appropriations

**4. Title:** Housing; creation of the Zoning for Housing Production Act; affordable dwelling unit policy incent

**5. Summary:** Creates, within the Department of Housing and Community Development, the Zoning for Housing Production Act, which establishes a special nonreverting fund in the state treasury to be known as the Zoning for Housing Production Fund. The bill requires moneys from the Fund to be awarded as grants to localities by application to the Department for the purpose of creating and maintaining affordable housing in mixed-income communities, defined in the bill. To be eligible for a grant from the Fund, a locality is required to make a change to such locality's zoning ordinance in accordance with the requirements of the bill. The provisions of the bill expire on July 1, 2029.

**6. Budget Amendment Necessary:** Yes, to capitalize the newly established Fund.

**7. Fiscal Impact Estimates:** Preliminary.

**8. Fiscal Implications:** This bill creates a new fund in the state treasury called the Zoning for Housing Production Fund. The Department of Housing and Community Development (DHCD) is tasked with managing and administering the Fund. To capitalize the Fund, an appropriation is required. The bill does not identify a funding source. The provisions of the bill do not allow DHCD to disburse from the Fund reasonable costs and expenses incurred in administration and management of the Fund. As such, depending on the size and scope of the program, additional resources may be required by DHCD.

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

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

**11. Other Comments:** None.