Summary

This bill would require all future legislation introduced in the general assembly, except those making a direct appropriation, whose purpose is to increase or decrease the cost of constructing, purchasing, owning or selling a single family residence, either directly or indirectly, to have prepared for the legislation a housing affordability impact note that shall include a reliable estimate of the anticipated impact on the cost of housing. This bill would greatly impede the future passage of costly regulations on housing.

Model Legislation

{Title, enacting clause, etc.}

Section 1. This Act may be cited as the Housing Affordability Impact Statement Act.

Section 2. {Definitions.}

As used in this Act, "housing affordability impact note" shall mean a brief note or statement attached to a bill, regulation, rule or ordinance which has been submitted for adoption, repeal, or amendment, which explains the effect the proposed will have on the cost of housing.

Section 3. {Requisites and contents.}

All housing affordability impact notes shall be factual and in nature, as brief and concise as may be, and shall provide a reliable estimate in dollars, and, in addition, it shall include both the immediate effect and, if determinable or reasonable foreseeable, the long range effect of the measure. A housing affordability impact note shall be prepared on the basis of a median priced single family residence and may include an estimate for a larger development as an analysis of the long range effect of a measure. If, after careful investigation, it is determined that no monetary estimate is possible, the note shall contain a statement to that effect, setting forth the reasons why no monetary estimate can be given. A brief summary or work sheet of computations used in arriving at housing affordability impact note figures shall be included.

Section 4. {Commentary or opinion.}

No comment or opinion shall be included in the housing affordability impact note with regard to the merits of the measure for which the housing affordability impact note is prepared; however, technical or mechanical defects may be noted.

Section 5. {Applicability-legislature.}

Every bill introduced in the general assembly, except those making a direct appropriation, the purpose or effect which is to increase or decrease the cost of constructing, purchasing, owning or selling a single family residence, either directly or indirectly, shall have prepared for it, before second reading in the house of introduction, a housing affordability impact note that shall include a reliable estimate of the anticipated impact.

Section 6. {Preparation of housing affordability impact notes for the general assembly.}

The sponsor of each bill to which section 5 applies, shall present a copy of the bill, with the request for a housing affordability impact note to the (insert state agency responsible for housing) and submitted to the sponsor of the bill within 5 calendar days, except that whenever, because of the complexity of the measure, additional time is required for the preparation of the housing affordability impact note, the (insert state agency responsible for housing) may inform the sponsor of the bill and the sponsor may approve an extension of the time within which the note is to be submitted. The (insert state agency responsible for housing) may seek assistance from a statewide trade organization representing the real estate or home building industry in the preparation of a housing affordability impact note.
Section 7. {Vote on necessity.}

Whenever the sponsor of any bill is of the opinion that no housing affordability impact note is required, any member of either house may request that a note be obtained, and in that case the applicability of this Act shall be decided by the majority of those present and voting in the house of which the sponsor is a member.

Section 8. {Amendment of bill necessitating the addition of housing affordability impact note.}

Whenever any committee of either house reports any bill with an amendment that will substantially affect the figures stated in the housing affordability impact note attached to the measure at the time of its referral to the committee, there shall be included with the report of the committee a statement of the effect of the change proposed by the amendment reported if desired by a majority of the committee. Whenever any bill is amended on the floor of either house to substantially affect the figures as stated in the housing affordability impact note attached to the bill before amendment, any member of either house may request that a revised note be obtained and that no action shall be taken on the amendment until the sponsor of the amendment presents to the members a statement of the housing affordability impact of the proposed amendment.

Section 9. {Applicability-state agencies.}

Every rule or regulation the purpose or effect of which is to increase or decrease the cost of constructing, purchasing, owning or selling a single family residence, either directly or indirectly, shall also have prepared for it, a housing affordability impact note that shall include a reliable estimate of the anticipated impact. This housing affordability impact note shall be prepared upon the proposal for adoption, repeal or amendment of any rule or regulation by any state agency.

Section 10. {Preparation of housing affordability impact notes for state agencies.}

The state agency proposing adoption, repeal or amendment of any rule shall submit the proposal to the (insert state agency responsible for housing). The housing affordability impact notes shall be prepared by the (insert state agency responsible for housing) and submitted to the agency proposing the rule within 5 calendar days, except that whenever, because of the complexity of the housing affordability impact note, the (insert state agency responsible for housing) may inform the agency proposing the rule or regulation that the agency may approve an extension of the time within which the note is to be submitted. The (insert state agency responsible for housing) may seek assistance from a statewide trade organization representing the real estate or home building industry in the preparation of a housing affordability impact note.

Section 11. {Applicability-local governments.}

A housing affordability impact note shall be prepared upon the proposal for adoption of any ordinance that pertains to a comprehensive plan, zoning, subdivision standards, the preparation of land for residential construction or the availability or supply of land for residential development by any:

(A) City or other municipal districts;
(B) County;
(C) Water district; or
(D) Sewer district; or
(E) Metropolitan service district; or
(F) Any other special districts.

Section 12. {Preparation of housing affordability impact notes for local governments.}

For those local government entities listed in section 11, the housing affordability impact note shall be prepared and made available to the public at the time the public hearing for the proposed adoption, repeal or amendment of any ordinance is announced. The housing affordability impact note shall be prepared by the (insert local Building Department / Agency) and submitted to the local government agency within 5 calendar days, except that whenever, because of the complexity of the measure, additional time is required for the preparation of the housing affordability impact note, the (insert local Building Department/Agency) may inform the government agency and the agency may approve an extension of the time within which the note is to be submitted. The (insert local Building Department /Agency) may seek assistance from either a statewide trade association or, if one exists within the locality considering the proposal, a local trade association representing the real estate or home building industry in the preparation of a housing affordability impact note.

Section 13. {Petition for addition of housing affordability impact note.}

Any member of the governing board of the local government may request upon approval of the governing board of the local government a note be prepared and attached to that ordinance.
Section 14. {Challenges.}
If a rule or ordinance is challenged based on the failure to prepare a housing affordability impact note, the court or other reviewing authority shall remand the proposed rule or ordinance to the adopting entity if it determines that a housing cost impact statement is required.

Section 15. {Ruling of courts and review authorities.}
The court or other reviewing authority shall only determine whether a housing affordability impact note was prepared and shall not make any determination as to the sufficiency of the housing affordability impact note.

Section 16. {Severability clause.}
Section 17. {Repealer clause.}
Section 18. {Effective date.}

1995 Sourcebook of American State Legislation

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Center for Media and Democracy's quick summary
This bill is designed to impede future regulation aimed at ensuring safe and affordable housing ("this bill would greatly impede the future passage of costly regulations on housing."). Specifically, it requires that the legislature create a "housing affordability impact note" on the anticipated impact on the cost of housing, creating a new burden on passing legislation. It could affect efforts at promoting mixed-income housing (as doing so could drive down home prices) as well as building codes that could make home construction more costly.