## Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

PUBLISHED: 2/4/2025 12:04 PM ORIGINAL

Bill Number: HB2048H2 Patron: Anthony

**Bill Title:** Virginia Housing Trust Fund; Virginia housing opportunity tax credit; community investment

tax credit.

**Bill Summary:** The bill modifies the use of the Virginia Housing Trust Fund. The bill directs at least 80% of the fund to provide low-interest loans for affordable housing, down payment assistance, and homeownership support, with funding allocation based on a Geographic Equity Impact Assessment (GEIA). The fund also allows up to 20% for grants targeting homelessness reduction, including rental assistance and housing stabilization. Limits funding concentration in any one locality and mandates the inclusion of the GEIA results in annual reports to the General Assembly.

Budget Amendment Necessary: YES Items Impacted: 102 (DHCD)

**Explanation:** This bill involves DHCD and the Virginia Housing Development Authority (VHDA).

Amendments would be required to carry out the requirements of the bill. See the "Fiscal

Analysis" section, below.

**Fiscal Summary:** This fiscal impact statement is preliminary. It is anticipated that this bill will result in an expenditure impact to DHCD. The bill requires a new annual assessment by DHCD.

## **General Fund Expenditure Impact:**

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DHCD	\$0	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
TOTAL	\$0	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000

**Fiscal Analysis:** DHCD anticipates an annual fiscal impact of \$40,000 for the new assessment. The bill requires that DHCD conduct an annual geographic equity assessment. DHCD anticipates the cost of the additional data required to complete this requirement is \$40,000, including the cost of data processing. VHDA is self-supporting and does not receive state appropriation.

Amendments to HB1600/SB800 proposed by the House Appropriations Committee include language allowing DHCD to use up to \$161,000 from the Virginia Housing Trust Fund to implement the provisions of this bill.

Other: None.