



March 31, 2017

ENGROSSED SENATE BILL No. 242

DIGEST OF SB 242 (Updated March 29, 2017 9:02 am - DI 84)

Citations Affected: IC 5-20.

Synopsis: Indiana housing first program. Establishes the Indiana housing first program (program) to provide housing and support services for eligible persons that have: (1) a serious and persistent mental illness; (2) a chronic chemical addiction; or (3) serious and persistent mental illness with a co-occurring chronic chemical addiction. Requires the housing and community development authority (authority) to administer the program. Requires the authority to establish, not later than January 1, 2018, policies and procedures to implement and administer the program. Provides that the policies and procedures must ensure the program does the following along with
(Continued next page)

Effective: Upon passage.

**Merritt, Tallian, Breaux,
Randolph Lonnie M**

(HOUSE SPONSORS — FRIZZELL, CLERE, TAYLOR J, HARRIS)

January 9, 2017, read first time and referred to Committee on Local Government.
February 23, 2017, amended, reported favorably — Do Pass.
February 27, 2017, read second time, ordered engrossed. Engrossed.
February 28, 2017, read third time, passed. Yeas 47, nays 3.

HOUSE ACTION

March 6, 2017, read first time and referred to Committee on Family, Children and Human Affairs.
March 30, 2017, reported — Do Pass.

ES 242—LS 7023/DI 101



Digest Continued

other requirements: (1) Includes partnerships with private and public entities to provide support services and a continuum of care for program participants. (2) Provide for program rental assistance for use in dedicated supportive housing units and in existing market units in the community. (3) Include a plan for the: (A) initial leasing of; and (B) management of rental assistance for; supportive housing developed under the program. Provides that in establishing the required policies and procedures, the authority may collaborate with or seek guidance from: (1) other appropriate state agencies; (2) officials in other states or municipalities that have implemented housing first programs; and (3) other specified public or private entities. Establishes the Indiana housing first account within the state general fund to provide funds to provide housing and support services to eligible persons under the program. Allows the authority to adopt rules to establish the policies and procedures to implement and administer the program. Provides that the Indiana commission to combat drug abuse may award grants to the authority for the purposes of the program.



March 31, 2017

First Regular Session 120th General Assembly (2017)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 242

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-20-9 IS ADDED TO THE INDIANA CODE AS
2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
3 PASSAGE]:
4 **Chapter 9. Indiana Housing First Program**
5 **Sec. 1. As used in this chapter, "account" refers to the Indiana**
6 **housing first account established by section 7 of this chapter.**
7 **Sec. 2. As used in this chapter, "authority" refers to the Indiana**
8 **housing and community development authority created by**
9 **IC 5-20-1-3.**
10 **Sec. 3. As used in this chapter, "eligible person" means either of**
11 **the following:**
12 **(1) An individual with:**
13 **(A) a serious and persistent mental illness;**
14 **(B) a chronic chemical addiction; or**
15 **(C) a serious and persistent mental illness with a**
16 **co-occurring chronic chemical addiction;**
17 **resulting in a housing crisis for the individual.**

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1 **(2) An individual:**

2 **(A) with:**

- 3 **(i) a serious and persistent mental illness;**
 4 **(ii) a chronic chemical addiction; or**
 5 **(iii) a serious and persistent mental illness with a**
 6 **co-occurring chronic chemical addiction; and**

7 **(B) who:**

- 8 **(i) is exiting a residential treatment program or is living**
 9 **in an institution or other restrictive setting; and**
 10 **(ii) could, with stable and affordable housing, along with**
 11 **community and home based supports, live independently**
 12 **in the community.**

13 **Sec. 4. As used in this chapter, "housing crisis" means a**
 14 **situation in which an individual or a household does not have**
 15 **sufficient resources or support networks immediately available to**
 16 **maintain safe and affordable housing or to prevent the individual**
 17 **or household from requiring emergency housing.**

18 **Sec. 5. As used in this chapter, "program" refers to the Indiana**
 19 **housing first program established by section 6 of this chapter.**

20 **Sec. 6. (a) The Indiana housing first program is established to**
 21 **provide housing and support services for eligible persons. The**
 22 **program shall be administered by the authority. The Indiana**
 23 **commission to combat drug abuse established under IC 4-3-25-3**
 24 **may award grants to the authority for the purposes of the**
 25 **program. Not later than January 1, 2018, the authority shall**
 26 **establish policies and procedures to implement and administer the**
 27 **program. The policies and procedures established by the authority**
 28 **under this section must ensure that the program does the**
 29 **following:**

30 **(1) Provides eligible program participants with affordable**
 31 **and safe housing through program rental assistance to be**
 32 **used in dedicated supportive housing units and in existing**
 33 **market units in the community.**

34 **(2) Includes a plan for the:**

35 **(A) initial leasing of; and**

36 **(B) management of rental assistance through the**
 37 **affordability period for;**

38 **supportive housing developed under the program.**

39 **(3) Provides eligible program participants with support**
 40 **services, including:**

41 **(A) employment assistance and job training;**

42 **(B) substance abuse and addiction treatment;**



- 1 (C) educational assistance;
 2 (D) life skills assistance; and
 3 (E) treatment for, and the management of, mental and
 4 physical health problems;
 5 that are predicated on assertive engagement rather than
 6 coercion. Support services described in clause (B) must be
 7 predicated on a harm reduction approach to addiction, rather
 8 than mandating abstinence, while supporting a program
 9 participant's commitment to recovery.
 10 (4) Grants eligible persons who have a high degree of medical
 11 vulnerability priority as participants in the program.
 12 (5) Provides program participants with leases and tenant
 13 protections as provided by law.
 14 (6) Establishes annual goals to:
 15 (A) reduce the number of individuals cycling through
 16 chemical addiction programs;
 17 (B) provide long term supports for individuals dually
 18 diagnosed with:
 19 (i) a serious and persistent mental illness; and
 20 (ii) a chronic chemical addiction;
 21 (C) increase the housing stability of persons with mental
 22 illness or other behavioral health issues; and
 23 (D) increase positive health indicators for all program
 24 participants;
 25 in Indiana as a whole and in particular regions, communities,
 26 and metropolitan statistical areas within Indiana, through the
 27 program and support services provided under the program.
 28 The goals required by this subdivision must be based on data
 29 collected by the authority and the authority's partners.
 30 (7) Includes partnerships with public entities and private
 31 entities, including any of the following, to provide support
 32 services and a continuum of care for eligible program
 33 participants:
 34 (A) Nonprofit or faith based organizations providing
 35 services to individuals and families in the program's target
 36 population.
 37 (B) Units of local government.
 38 (C) School corporations and schools.
 39 (D) Businesses.
 40 (E) Public housing agencies.
 41 (F) Social service providers.
 42 (G) Mental health providers.



- 1 **(H) Hospitals.**
- 2 **(I) Affordable housing developers and providers.**
- 3 **(J) Law enforcement agencies and correctional facilities.**
- 4 **(K) Organizations serving homeless veterans.**
- 5 **(L) Organizations serving victims of domestic violence.**
- 6 **(M) Universities.**
- 7 **(N) Other public or private entities the authority considers**
- 8 **appropriate to partner with to accomplish the purposes of**
- 9 **the program.**
- 10 **(b) In establishing the policies and procedures required by this**
- 11 **section, the authority may collaborate with or seek guidance from:**
- 12 **(1) other appropriate state agencies, including the department**
- 13 **of correction, the state department of health, and the office of**
- 14 **the secretary of family and social services (and the**
- 15 **appropriate divisions within the office of the secretary of**
- 16 **family and social services);**
- 17 **(2) officials in other states or municipalities that have**
- 18 **implemented housing first programs or other similar**
- 19 **programs; and**
- 20 **(3) any of the entities listed in subsection (a)(7).**
- 21 **Sec. 7. (a) The Indiana housing first account is established**
- 22 **within the state general fund to provide funds to provide housing**
- 23 **and support services to eligible persons under the program. The**
- 24 **authority shall administer the account.**
- 25 **(b) The account consists of the following:**
- 26 **(1) Money appropriated to the account by the general**
- 27 **assembly.**
- 28 **(2) Investment earnings, including interest, on money in the**
- 29 **account.**
- 30 **(3) Money from any other source, including gifts, grants,**
- 31 **donations, and other funds from government programs,**
- 32 **foundations, corporations, or any other public or private**
- 33 **sources.**
- 34 **(c) The expenses of administering the account shall be paid from**
- 35 **money in the account.**
- 36 **(d) The treasurer of state shall invest the money in the account**
- 37 **not currently needed to meet the obligations of the account in the**
- 38 **same manner as other public money may be invested.**
- 39 **(e) Money that is in the account at the end of a state fiscal year**
- 40 **does not revert to the state general fund.**
- 41 **Sec. 8. (a) The authority may adopt rules under IC 4-22-2,**
- 42 **including emergency rules adopted in the manner provided by**



1 **IC 4-22-2-37.1, to establish the policies and procedures required**
2 **under section 6 of this chapter and to otherwise implement this**
3 **chapter. Rules or emergency rules adopted by the authority under**
4 **this section must take effect not later than January 1, 2018.**

5 **(b) Notwithstanding IC 4-22-2-37.1(g), an emergency rule**
6 **adopted by the authority in the manner provided by IC 4-22-2-37.1**
7 **to establish the policies and procedures required under section 6 of**
8 **this chapter and to otherwise implement this chapter expires on the**
9 **date a rule that supersedes the emergency rule is adopted by the**
10 **authority under IC 4-22-2-24 through IC 4-22-2-36.**

11 **SECTION 2. An emergency is declared for this act.**



COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 242, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 6, delete "6" and insert "7".

Page 1, line 10, delete "homeless person"" and insert "**person**" means either of the following:

(1) An individual with:

- (A) a serious and persistent mental illness;**
- (B) a chronic chemical addiction; or**
- (C) a serious and persistent mental illness with a co-occurring chronic chemical addiction; resulting in a housing crisis for the individual.**

(2) An individual:

(A) with:

- (i) a serious and persistent mental illness;**
- (ii) a chronic chemical addiction; or**
- (iii) a serious and persistent mental illness with a co-occurring chronic chemical addiction; and**

(B) who:

- (i) is exiting a residential treatment program or is living in an institution or other restrictive setting; and**
- (ii) could, with stable and affordable housing, along with community and home based supports, live independently in the community.**

Sec. 4. As used in this chapter, "housing crisis" means a situation in which an individual or a household does not have sufficient resources or support networks immediately available to maintain safe and affordable housing or to prevent the individual or household from requiring emergency housing."

Page 1, delete lines 11 through 17, begin a new paragraph and insert:

"Sec. 5. As used in this chapter, "program" refers to the Indiana housing first program established by section 6 of this chapter.

Sec. 6. (a) The Indiana housing first program is established to provide housing and support services for eligible persons. The program shall be administered by the authority. The Indiana commission to combat drug abuse established under IC 4-3-25-3 may award grants to the authority for the purposes of the program. Not later than January 1, 2018, the authority shall establish policies and procedures to implement and administer the



program. The policies and procedures established by the authority under this section must ensure that the program does the following:

(1) Provides eligible program participants with affordable and safe housing through program rental assistance to be used in dedicated supportive housing units and in existing market units in the community.

(2) Includes a plan for the:

(A) initial leasing of; and

(B) management of rental assistance through the affordability period for;

supportive housing developed under the program.

(3) Provides eligible program participants with support services, including:

(A) employment assistance and job training;

(B) substance abuse and addiction treatment;

(C) educational assistance;

(D) life skills assistance; and

(E) treatment for, and the management of, mental and physical health problems;

that are predicated on assertive engagement rather than coercion. Support services described in clause (B) must be predicated on a harm reduction approach to addiction, rather than mandating abstinence, while supporting a program participant's commitment to recovery.

(4) Grants eligible persons who have a high degree of medical vulnerability priority as participants in the program.

(5) Provides program participants with leases and tenant protections as provided by law.

(6) Establishes annual goals to:

(A) reduce the number of individuals cycling through chemical addiction programs;

(B) provide long term supports for individuals dually diagnosed with:

(i) a serious and persistent mental illness; and

(ii) a chronic chemical addiction;

(C) increase the housing stability of persons with mental illness or other behavioral health issues; and

(D) increase positive health indicators for all program participants;

in Indiana as a whole and in particular regions, communities, and metropolitan statistical areas within Indiana, through the



program and support services provided under the program. The goals required by this subdivision must be based on data collected by the authority and the authority's partners.

(7) Includes partnerships with public entities and private entities, including any of the following, to provide support services and a continuum of care for eligible program participants:

- (A) Nonprofit or faith based organizations providing services to individuals and families in the program's target population.
- (B) Units of local government.
- (C) School corporations and schools.
- (D) Businesses.
- (E) Public housing agencies.
- (F) Social service providers.
- (G) Mental health providers.
- (H) Hospitals.
- (I) Affordable housing developers and providers.
- (J) Law enforcement agencies and correctional facilities.
- (K) Organizations serving homeless veterans.
- (L) Organizations serving victims of domestic violence.
- (M) Universities.
- (N) Other public or private entities the authority considers appropriate to partner with to accomplish the purposes of the program.

(b) In establishing the policies and procedures required by this section, the authority may collaborate with or seek guidance from:

- (1) other appropriate state agencies, including the department of correction, the state department of health, and the office of the secretary of family and social services (and the appropriate divisions within the office of the secretary of family and social services);
- (2) officials in other states or municipalities that have implemented housing first programs or other similar programs; and
- (3) any of the entities listed in subsection (a)(7).

Sec. 7. (a) The Indiana housing first account is established within the state general fund to provide funds to provide housing and support services to eligible persons under the program. The authority shall administer the account.

(b) The account consists of the following:

- (1) Money appropriated to the account by the general



assembly.

(2) Investment earnings, including interest, on money in the account.

(3) Money from any other source, including gifts, grants, donations, and other funds from government programs, foundations, corporations, or any other public or private sources.

(c) The expenses of administering the account shall be paid from money in the account.

(d) The treasurer of state shall invest the money in the account not currently needed to meet the obligations of the account in the same manner as other public money may be invested.

(e) Money that is in the account at the end of a state fiscal year does not revert to the state general fund.

Sec. 8. (a) The authority may adopt rules under IC 4-22-2, including emergency rules adopted in the manner provided by IC 4-22-2-37.1, to establish the policies and procedures required under section 6 of this chapter and to otherwise implement this chapter. Rules or emergency rules adopted by the authority under this section must take effect not later than January 1, 2018.

(b) Notwithstanding IC 4-22-2-37.1(g), an emergency rule adopted by the authority in the manner provided by IC 4-22-2-37.1 to establish the policies and procedures required under section 6 of this chapter and to otherwise implement this chapter expires on the date a rule that supersedes the emergency rule is adopted by the authority under IC 4-22-2-24 through IC 4-22-2-36."

Delete pages 2 through 3.

Page 4, delete lines 1 through 26.

and when so amended that said bill do pass.

(Reference is to SB 242 as introduced.)

BUCK, Chairperson

Committee Vote: Yeas 7, Nays 0.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred Senate Bill 242, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 242 as printed February 24, 2017.)

FRIZZELL

Committee Vote: Yeas 9, Nays 0

