

- 5) Enacts the Unruh Civil Rights Act, which specifically outlaws discrimination in California based on sex, race, color, religion, ancestry, national origin, age, disability, medical condition, genetic information, marital status, or sexual orientation.
- 6) Enacts the Fair Employment and Housing Act, which prohibits the existence of a restrictive covenant that makes housing opportunities unavailable based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income or ancestry.

This bill:

- 1) Expands the Teacher Housing Act of 2016 to include nonprofit organization employees.
- 2) Defines “nonprofit organization employees” as employees of a nonprofit organization operating early childhood, prekindergarten, or school age childcare, classrooms, or programs, or expanded learning classrooms and programs on school district property with funding from the State Department of Education, the federal Head Start program, or other public funding targeted to children from families of low and moderate income.

COMMENTS:

- 1) *Author statement.* “California is in the middle of a dire housing crisis. Teachers have especially struggled to afford housing. One third of teachers are rent-burdened and only 17% of homes in California are affordable for the average teacher. In an effort to address this problem for teachers, California adopted the Teacher Housing Act in 2016 to facilitate the creation of housing that is specially set aside for teachers and public school employees. Unfortunately, current law prohibits teachers and employees at publicly funded early childhood, pre-kindergarten, transitional kindergarten, and afterschool programs from participating in teacher housing programs because they are not technically employees of the school district. AB 2967 expands the Teacher Housing Act to include these important educators if they teach on school district property with funding from the Department of Education, the Head Start program, or other public funding sources targeted to children of low and moderate-income families.”
- 2) *Teacher Housing Act background.* In 2016, SB 1413 (Leno, Chapter 732, Statutes of 2016) established the Teacher Housing Act of 2016 to facilitate the

acquisition, construction, rehabilitation, and preservation of affordable housing for teachers and school employees. School districts are authorized to establish and implement programs that address the housing needs of teachers and school district employees by leveraging funding sources including state, federal, local, public, private and resources available to housing developers, promoting public and private partnerships, and fostering innovative financing opportunities. SB 1413 also created a state policy supporting the use of federal and state Low Income Housing Tax Credits (LIHTC) to fund housing for teachers and school district employees on land owned by the school district and permitting school districts to restrict occupancy to teachers and school district employees.

The intent of SB 1413 was to provide express state statutory authority to permit school districts to construct housing on their property and limit the occupancy to teachers and school districts employees. Federal law creates an exemption to the "general use" requirement that allows the use of federal and state tax credits if a state establishes a policy or program that supports housing for such a specified group. SB 1413 established this policy by allowing school districts to restrict occupancy of affordable housing on school district land constructed with federal or state LIHTC to the teachers and school district employees.

By declaring a state policy supporting housing for teachers/school district employees, these housing projects could qualify under federal law as general public housing and therefore be eligible for both federal and state LIHTCs.

AB 3308 (Gabriel, Chapter 199, Statutes of 2020) further amended the Act to make clear that school districts could still access LIHTC if the school district restricts occupancy of housing constructed on their land to their own employees, but at their discretion offers the housing to other public employees.

- 3) *Community College Faculty and Employee Housing Act of 2022.* In 2022, AB 1719 (Ward, Chapter 640) gave community college faculty and employees the same benefits as allowed for school districts under the Teacher Housing Act, allowing a community college district and a developer to use state or local funds or LIHTC to construct affordable rental housing on land owned by the community college district and restrict occupancy to community college district employees or faculty.
- 4) *Expanding the Teacher Housing Act.* This bill expands the Teacher Housing Act to explicitly include employees of nonprofit organizations operating early childhood, prekindergarten, or school age childcare, classrooms or programs, or expanded learning classrooms and programs such as Head Start. According to the County of San Mateo, one of the co-sponsors of this bill, the Housing

Authority of San Mateo County is working with MidPen Housing to redevelop an older public housing site, for which the local school district donated land with an agreement to include a secondary housing preference for early childhood educators. By clarifying that these early childhood educators are eligible to live in teacher housing developments, it would allow the project to create a secondary preference for them.

RELATED LEGISLATION:

AB 2005 (Ward) — establishes the California State University Faculty and Employee Housing Act of 2024. *This bill is pending hearing in the Senate Housing Committee.*

AB 3308 (Gabriel, Chapter 199, Statutes of 2020) — allowed school districts to restrict occupancy of affordable housing on school district-owned land, funded with low income housing tax credits (LIHTC), to teachers and school district employees of the school district that owns the land. It further allows public employees to also occupy the housing constructed under this provision.

SB 1413 (Leno, Chapter 732, Statutes of 2016) — established the Teacher Housing Act of 2016 and provided that a school district may establish and implement programs that address the housing needs of teachers and school district employees who face challenges in securing affordable housing.

AB 1719 (Ward, Chapter 640, 2022) — established the Community College Faculty and Employee Housing Act of 2022.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, May 29, 2024.)

SUPPORT:

County of San Mateo (Co-Sponsor)
Midpen Housing Corporation (Co-Sponsor)
Peninsula Family Service (Co-Sponsor)
California State Association of Counties
First 5 San Mateo County
San Mateo County Child Care Partnership Council

OPPOSITION:

None received

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