2023 State Advocacy Agenda
The Homeless and Housing Coalition of Kentucky (HHCK) advocates for policies that will expand access to homes, increase the housing supply, and provide renter protections.

Top 3 Solutions for the General Assembly

1. **Access: IDs for People Experiencing Homelessness**
   Filed as HB 197 in the 2022 session; advanced in the House 90-0.
   Having a state-issued ID is a prerequisite for full participation in public life, and for too many Kentuckians experiencing homelessness, the lack of ID can be a barrier to applying for housing, employment, voting, and other support services. In 2017, an article in Pew Stateline described the situation in stark terms: “not having ID can make it virtually impossible to escape homelessness.”
   
   Streamlining this process through legislation will help Kentuckians access and maintain housing.

2. **Supply: AHEART**
   Since December 2021, Kentucky has been hit by two massive natural disasters: the western KY tornados and the flash flooding impacting eastern KY. Each of these events has revealed the unique challenges in how we can rebuild these devastated communities. Establishing a disaster housing fund, with the flexibility in uses needed to respond to community need; and then funding it over 2-3 years will create the infrastructure needed for future disasters, wherever they occur. Our recommendations:
   
   ➔ Establish an Affordable Housing Emergency Action Recovery Trust Fund (AHEART) using the 2023 Regular Session to seed this fund with $150M.
   ➔ In 2024 allocate an additional $150 million to AHEART to sustain rebuilding and resiliency efforts.
   ➔ In 2024 use the budget to invest in the Affordable Housing Trust Fund
     ● $40M for repair and construction of all types
     ● $75M in vacant/abandoned property mitigation
     ● Change real estate transaction fee from $6 to $12

3. **Renter Protections: Eviction Expungement**
   A household facing an eviction filing lives with the consequences of a 2-minute court decision for the rest of their lives.
   
   ➔ 41,000 evictions were filed against Kentucky households in 2019
   ➔ 41% of those filings were dismissed
   ➔ But the record still shows all of them with evictions on their record, which leads to fewer choices and more expensive housing and instability in our communities and workplaces.
   
   Legislation to solve this issue would provide that:
   
   ➔ Evictions are automatically expunged after 3 to 5 years
   ➔ Cases are shielded before a judgment is ordered
   ➔ Eviction dismissals roll off the record automatically after 60 days
   ➔ Minors living in the household could not be named in filings
   
   Record expungement has broad bipartisan support, and Indiana and Utah have already passed similar measures, while 17 other states are considering eviction expungement.
The Problem

• About 4,000 Kentuckians experience homelessness on a given night in January each year
• Kentucky is short 78,000 affordable homes to rent
• The average wage to affordably rent a 2 BR home: $15.78/hour
• 1 in 4 Kentuckians are paying more than 30% of their income toward housing, including those who have a mortgage, and 6 out of 10 extremely low income renters are paying more than 50%
• From long standing racist practices in the public and private housing sectors, Black and Brown Kentuckians continue to experience barriers to affordable homes in places of their choice, resulting in a 38.2% Black homeownership rate in the context of a 72.5% overall state homeownership rate
• Kentucky has $110 million in unmet housing needs from the 2021 tornados and flooding
• We need to respond to the unmet housing needs resulting from the Eastern Kentucky flood in 2022
• Kentucky must prepare its housing stock and infrastructure to rapidly respond to future disasters

Additional Legislative Recommendations

Access - Expand Housing Access for Low-Income Kentuckians

• IDs for People Experiencing Homelessness
  In 2011, the General Assembly adopted legislation to create a low-cost state-issued ID for persons with no fixed address. Given the changes to the ID process over the last 10 years, we ask state government to revisit this issue to implement needed reforms:
  → Streamline the process social service agencies use to obtain ID on behalf of their clients
  → Lengthen the validity of the ID from 1 to 3 years
  → Reduce the cost on providers and people experiencing homelessness from $10 to $5
  → Keep the cost of a replacement ID the same
  → Allow persons whose operators licenses expire while they are temporarily experiencing homelessness to renew
  → Allow 16-18 year olds who are experiencing homelessness to obtain this ID

Streamlining this process will help Kentuckians access and maintain housing.

• Unemployment Insurance Eligibility for People Experiencing Domestic Violence
  According to the U.S. Department of Housing and Urban Development, “Persons experiencing domestic violence, particularly women and children with limited economic resources, are at increased vulnerability to homelessness.” A critical piece of preventing homelessness at the crisis point is uninterrupted income to seek and secure a new place to call home. This is where unemployment insurance can be the difference between experiencing homelessness and having a safe home.

• Property in heirship
  From the Uniform Law Commission: The Uniform Partition of Heirs Property Act (UPHPA) helps preserve family wealth passed to the next generation in the form of real property. If a landowner dies intestate, the real estate passes to the landowner’s heirs as tenants-in-common under state law. Tenants-in-common are vulnerable
because any individual tenant can force a partition. Too often, real estate speculators acquire a small share of heirs’ property in order to file a partition action and force a sale. Using this tactic, an investor can acquire the entire parcel for a price well below its fair market value and deplete a family’s inherited wealth in the process. UPHPA provides a series of simple due process protections: notice, appraisal, right of first refusal, and if the other co-tenants choose not to exercise their right and a sale is required, a commercially reasonable sale supervised by the court to ensure all parties receive their fair share of the proceeds.

In Kentucky, this has a disproportionate impact on Black communities and our rural areas, especially in Appalachian areas. Kentucky should follow the lead of other states, like Missouri, Virginia, Mississippi, Georgia, and Florida, and enact this solution.

- **Ending Veteran Homelessness**
  When the federal government appropriately scaled funding to end homelessness among veterans, the nation saw a significant reduction in veteran homelessness, up until 2016. We support legislation that creates a new section of KRS Chapter 40 to direct the Kentucky Department of Veterans’ Affairs to avoid veteran homelessness using a Housing First approach. We also support supply side solutions that create housing and services for all populations experiencing homelessness.

**Supply - Eliminate the Housing Shortage**

- **Affordable Housing Emergency Action Recovery Trust Fund**
  Since 2021, Kentucky has been hit by two massive natural disasters: the western KY tornados and the flash flooding impacting eastern KY. Each of these events has revealed the unique challenges in how we can rebuild these devastated communities. Meanwhile, our cities face housing affordability challenges including eviction and foreclosures stemming from the pandemic against a backdrop of historical disinvestment. To fully address this, the General Assembly needs to appropriate flexible capital that allows us to meet families where they’re at, tackle immediate projects, keep folks safe, and lay the foundation for the long-term building necessary to fully recover.

  1. **Establish an Affordable Housing Emergency Action Recovery Trust Fund (AHEART) using the 2023 Regular Session to seed this fund with $150M.**

    Federal funds (i.e. CDBG Disaster Recovery, FEMA and SBA loan products) either do not provide enough assistance, are not approved or deployed fast enough, or are not designed to assist folks in unique circumstances. There is an estimated $70M funding gap between what has been received in CDBG-DR and what is still needed for housing from the 2021 disasters.

  2. **In 2024 allocate an additional $150 million to AHEART to sustain rebuilding and resiliency efforts across the Commonwealth.**

    An additional $150M in the budget session will allow housing providers to fully meet the housing needs exposed since December 2021:

    - Finish repairs and rebuilds with long-term affordability and resiliency
    - Invest in housing counseling to mitigate predatory actors
    - Expedite large redevelopment projects
Establishing a disaster housing fund, with the flexibility in uses needed to respond to community need, and then funding it over 2-3 years will create the infrastructure needed for future disasters, wherever they occur.

3. **In 2024 use the budget to invest in the Affordable Housing Trust Fund.**

Even before these weather events, we were facing a housing crisis. The dual effects of the pandemic, combined with historically low investment in rural regions and our urban centers have created a perfect storm. Families across Kentucky are struggling to find homes close to work and schools. Folks hoping to age in place are unable to repair and restore their current homes to sustain their safety and maintain their value. Vacant and abandoned properties are community blights that are being quickly bought up by out-of-state corporations without Kentuckians’ best interests in mind.

- Add ~6,000 new units over 3 years
- Revitalize previously divested census tracts
- Continue to provide Kentuckians with wealth-building tools
- Funding awarded to nonprofit developers
- Increasing the real estate fees to $12 would add ~600 new homes annually.

Kentucky’s Affordable Housing Trust Fund was established in 1992, with the last update to the legislation adopting a permanent funding source of $6 per real estate transaction in 2007. This has generated approximately $4-5M annually, with project applications exceeding the amount of funding available each year, which leave Kentuckians and communities unserved. We propose doubling the fee to $12 per real estate transaction by amending KRS 64.012, Fees of County Clerks.

- **Short Term Rental Usage Fee**
  With the growth of short-term rental market through companies like AirBnB or VRBO, HHCK is concerned about long-term impacts to the housing market and loss of permanent rental homes. To that end, we propose that short term rentals pay their fair share by being assessed equitable transient taxes, and that a portion of those taxes be remitted to fund the state AHTF to address the housing shortage.

- **Zoning Reform**
  While zoning has traditionally been a local issue, state governments can provide a role using legislation encouraging cities and counties to adopt inclusionary zoning practices to correct past practices, deconcentrate poverty, and allow residents to live in neighborhoods of their choice. Researcher Jenny Schuetz writes for the Brookings Institution: “[P]oorly functioning housing markets impose economic, social, and environmental costs that extend well beyond any one locality’s boundaries. State-level regulation could correct some of the collective action problems and perverse fiscal incentives associated with local control. State governments already have a variety of legal and fiscal tools available to encourage local housing production—in clear contrast to the federal government. Four broad goals can guide state actions:
  1) assess market conditions and needs
  2) support well-functioning housing markets
  3) provide financial support to low-income households, and
  4) reduce climate risk.”

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We support legislation that would direct cities and counties to develop local plans to consider the supply of affordable housing, similar to legislation proposed in Mississippi or passed in Nebraska.

Landlord/Tenant Legal Relationship - Provide Basic Renter Protections Across the Commonwealth

- **Eviction Expungement**
  
  An eviction record is a black mark that reduces opportunity for families to live and thrive in the communities of their choosing. From the Center for American Progress: "Eviction records keep individuals and families locked in a cycle of poverty; force people to live in unsafe housing; and cause homelessness and a host of other collateral consequences. One common sense reform to help minimize the negative effects of eviction records is to increase access to and ease of eviction record sealing or expungement and to minimize public access to these records. Eviction record sealing, in combination with additional tenant protections and reforms, would greatly improve access to safe and affordable housing, especially for the people most often forced to the margins of society."

  Legislation to solve this issue would provide that:

  → Evictions are automatically expunged after 3 to 5 years
  → Cases are shielded before a judgment is ordered
  → Eviction dismissals roll off the record automatically after 60 days
  → Minors living in the household could not be named in filings

  Record expungement has broad bipartisan support, and Indiana and Utah have already passed similar measures, while 17 other states are considering eviction expungement.

- **Source of Income Protections**

  Housing voucher discrimination prolongs homelessness and limits participants’ choice in where they want to live, undermining the purpose and promise of housing vouchers as a tool to bridge the gap between rents and monthly income. It also intersects with disability discrimination, as many voucher programs have requirements or preferences for people with disabling conditions. Since the 1980s, 20 states and countless cities have adopted legislation to ban discrimination of voucher holders, including North Dakota, Oklahoma, Utah, and Virginia, as well as Louisville.

- **RURLTA**

  The Revised Uniform Residential Landlord and Tenant Act (RURLTA) is an updated version of the act, which was first promulgated in 1972 and adopted in 21 states. The purpose of the original act was to eliminate all elements of outmoded common law from the landlord-tenant relationship and base all phases of the rental agreement on contract law. RURLTA continues this approach and adds new articles covering the disposition of tenant property, security deposits, and lease termination in case of domestic violence or sexual assault.

  Because Kentucky’s adoption of the 1972 law has only been adopted by 20 cities and counties, the rights and responsibilities of landlord and tenant remain a messy patchwork leaving three-quarters of the Commonwealth stuck with statutes based in common law with no explicit warrant of habitability for residential rental property. **HB 595** filed in the 2021 Regular Session/RURLTA seeks to remedy this inequity between rural and urban

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communities and provide Kentucky renters a statutory guarantee that the home they rent will meet basic safety standards.

- **Tenant Opportunity to Purchase Act**
  With the onset of COVID-19 and its economic repercussions, property owners in our smaller cities have looked to sell properties. In places like Frankfort and Somerset, we have become aware of issues involving insufficient notice and no option to continue renting, or, if renters are allowed by the new management to stay, they face upwards of 30% monthly rent increases. In Frankfort, the selling of a complex to an out of state property management company resulted in inadequate building maintenance, leaving it susceptible to a fire that killed two residents. This has caused significant displacement and disruption in our communities. In response, we propose that renters be allowed the right of first refusal when landlords want to sell. This has been in place in DC since 1980 and has been proposed in Massachusetts and New York.

- **Mobile Home Protections and Right to Purchase**
  According to the Housing Assistance Council, 12.6% of housing units in Kentucky are mobile homes. One in 5 Kentuckians in rural communities live in mobile homes. Some may rent the unit itself, others may own it outright but rent the lot on which it sits. As demonstrated by the sale of the North Fork Mobile Home Park and subsequent displacement of residents in Morehead in the spring of 2021, Kentucky needs protections for mobile home residents, particularly in the case of mobile home park sales. Other predominantly rural states have successfully tackled this issue, as in:
  “New Hampshire’s manufactured housing policies are often heralded as models for other states—its titling policy (which automatically titles all manufactured homes as real property) and its purchase opportunity law provide sound policy foundations to help families build wealth through their homes and achieve security of tenure in communities.” In Minnesota, legislation has been proposed that would limit the amount of rent increases to 1 per year, as well as establish a process for creating a Manufactured Home Park Cooperative Purchase Program to address the right to purchase in the case of sale.

- **Right to Counsel for Evictions**
  When facing an eviction, renters rarely have financial resources for an attorney to inform and advise them of their rights and legal defenses. When a home is at stake, it is imperative renters’ rights are upheld and defended in the courtroom - and that often takes an attorney. Other states, like Maryland, have implemented the right to counsel in eviction cases. According to the National Coalition for the Civil Right to Counsel, as few as 3% of tenants have representation in court, while landlords do around 81% of the time.

  “Right-to-counsel programs are also significant money-saving tools for states, counties, and municipalities dealing with the secondary costs of homelessness. A 2020 analysis conducted in Baltimore found that an approximately $5.7 million investment in a right-to-counsel program could reduce “the current cost of disruptive displacement caused by eviction or avoid costs related to disruptive displacement” by $17.5 million each year,” writes Shelby R. King in Shelterforce.

  We recommend legislation that would authorize and fund the right to counsel in residential evictions, and use state funds to start the program while court and filing fees are adjusted to sustainably fund the program long-term. Louisville Metro Government authorized $400,000 to start their program in 2021.
● **Curb Law**  
When a family is evicted, what happens to their belongings? Most of the time they end up on the street, leaving them exposed to weather damage and theft. Other states, including Indiana, have addressed this issue through legislation. The policy solution would provide that:
  ➔ If the property is worth more than $500 the landlord shall store property in a storage unit or in the unit itself for 14 days.
  ➔ After 14 days the property will be declared abandoned and the landlord can dispose of the property.

● **Statewide Fairness**  
Like the Fairness Campaign, we believe that Kentuckians should never face housing discrimination for their sexual orientation, gender, and/or gender identity, and that we should follow the example of HUD-funded programs which promote equal access among LGBTQ2S+ persons. The statewide fairness bill drafts proposed over several years would amend KRS 344.360, 344.370, 344.380, and 344.680, relating to prohibited discrimination in certain housing, real estate, and other financial transactions, to include sexual orientation and gender identity.

● **Truth in Renting**  
Tenant screening can often present multiple barriers to people living in places of their choice, even more so for people with a criminal record, which disproportionately affects Black and Brown Kentuckians. We need fair and transparent processes across the board, including limiting the number and amount of application fees, disclosing screening or admission criteria with a process for dispute and appeal, and landlords should only accept applications and fees if there is a reasonable expectation that units will be available to rent.

Additional reforms needed:
  ➔ Evictions that were dismissed in court, older than 5 years from the date of application, or occurred during a public health state of emergency such as COVID-19, should not be considered
  ➔ Landlords should not have blanket criminal charge and conviction screening criteria for crimes that are not likely to adversely affect the property or health and safety of others
  ➔ Nondiscrimination policies that include source of income.
Executive Branch Advocacy

- **Monitor Community Development Block Grant - Disaster Recovery (CDBG-DR) state plans**
  With the catastrophic disasters occurring in 2021 and 2022, Kentucky has the opportunity to rebuild homes and communities using CDBG-DR funds appropriated by Congress. The [2021 plan](#) has been submitted to the U.S. Department for Housing and Urban Development for ultimate approval and so far, $40M has been allocated for housing production and rehabilitation, including multifamily and single family homes. The responsibility for implementation at the state rests with the [Department for Local Government](#).

  We will monitor the federal approval process of the 2021 plan and work with partners to ensure that the 2022 plan allocates resources equitably among homeowners, renters, and people experiencing homelessness, in accordance with principles developed by the National Low Income Housing Coalition's [Disaster Housing Recovery Coalition](#).

- **Monitor RS 22 SJR 72: Respite to Residence and Severe Mental Illness Waiver**
  Thanks to the General Assembly’s passage of [Senate Joint Resolution 72](#), the Cabinet for Health and Family Services is seeking a Medicaid Waiver to address the needs of Kentuckians with Severe Mental Illness.

  The waiver should leverage Kentucky Medicaid to connect people experiencing homelessness and discharged with an acute condition to a skilled care facility, with the ultimate connection to permanent housing. Medical respite/recuperative care is acute and post-acute care for persons experiencing homelessness who are too ill or frail to recover from a physical illness or injury on the streets but are not ill enough to be in a hospital (National Institute for Medical Respite Care). In 2019, the Kentucky Interagency Council on Homelessness and the Louisville Health Advisory Board independently identified this issue as critical, resulting in a new collaboration and resulting in a data request showing 11,000 discharges from hospitals into homelessness that year, with a 33% readmission rate within 30 days. Medicaid is the payer source for 67% of this population. We recommend the General Assembly and Department for Medicaid Services include funding for medical respite and other flexible housing supports in a Medicaid waiver for Kentuckians with Severe Mental Illness (aligned with the no. 1 recommendation from the General Assembly’s [Severe Mental Illness Task Force](#)) and encourage the development of Whole Person Care pilots.

- **Monitor RS 22 HB 525: Reimburse Community Health Workers through Medicaid**
  With the passage of House Bill 525 during the last legislative session, we will be monitoring the implementation of Medicaid billing for Certified Community Health Worker services, which we expect will further integration of positive housing and health outcomes for Kentuckians.

  Community Health Workers, especially when working outside of the clinical setting, can be a critical tool in helping people obtain and retain housing by providing wraparound supports. According to the [Association for State and Territorial Health Officials](#), “CHWs are often paid for a broad range of services that are core to their work, like relationship-building and community outreach activities, that otherwise might not be reimbursed through insurance. Some states require their Medicaid managed care organizations (MCOs) to offer CHW-delivered services or employ CHWs as an administrative cost. Medicaid managed care financing mechanisms—which provide Medicaid health benefits and services through contracted arrangements between Medicaid agencies and MCOs—do not necessarily require increased payment but may shift how providers allocate capitated payments.
from the managed care plans. Indiana and South Dakota have submitted Medicaid state plan amendments to allow CHW reimbursement or other non-licensed providers for preventive services in fee-for-service settings. Alternatively, states could apply for a federal demonstration waiver to integrate CHWs into broader delivery system reform efforts.”

- **IDs for People Experiencing Homelessness**
  We continue to work with the Kentucky Transportation Cabinet to streamline the process social service agencies use to obtain ID on behalf of their clients

- **SNAP Access**
  According to the National Alliance to End Homelessness, “[f]or people experiencing homelessness, wondering where your next meal will come from is a daily challenge. While soup kitchens, churches, and food banks play an extremely important role in helping to reduce hunger, it is often not enough to ensure a basic diet. That is where the Supplemental Nutrition Assistance Program (SNAP), commonly known as food stamps, comes in. SNAP helps reduce hunger for millions of struggling Americans, including many who are homeless.” HHCK advocates for process improvements to expedite access and minimize any barriers to housing-insecure Kentuckians receiving food assistance to which they are entitled. Some of the barriers we seek to remedy include lack of in-person access to local offices, call center delays and malfunctions, and lack of clarity in documentation required, as well as monitoring the impacts of 2022’s [House Bill 7](#) on people experiencing homelessness and housing insecurity.

**Local Advocacy**

**HHCK stands ready to help local governments address the housing needs of low-income residents.**

To that end, we are participating with the Kentucky League of Cities’ ongoing initiatives to educate city mayors, commissioners, council members, and professional staff. We also oppose any local ordinances that in effect criminalize homelessness or make it more difficult for nonprofit providers to operate.

As a statewide membership organization, HHCK works with its members to lift up the concerns and policy suggestions, which includes elevating those that need state action as well as local ordinances that need to be amplified and replicated in other communities.