

HOUSE BILL REPORT

HB 1645

As Reported By House Committee On:
Economic Development, Housing & Trade

Title: An act relating to rental payments to landlords from public assistance.

Brief Description: Allowing landlords to receive direct payments of rent for people on public assistance.

Sponsors: Representatives Dunn, Miloscia, Carlson, Mielke, Esser, Van Luven, Sump, Campbell, Morris, Bush, D. Sommers, Skinner, Benson, Radcliff, Thomas and Schoesler.

Brief History:

Committee Activity:

Economic Development, Housing & Trade: 2/16/99, 3/2/99 [DP].

Brief Summary of Bill

- Requires the Department of Social and Health Services to conduct a program where a portion of the public assistance payment is made directly to the landlord for rent.
- Results of the program are to be reported to the relevant House and Senate committees prior to the convening of the 2000 regular session of the Legislature.

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT, HOUSING & TRADE

Majority Report: Do pass. Signed by 10 members: Representatives Van Luven, Republican Co-Chair; Veloria, Democratic Co-Chair; Dunn, Republican Vice Chair; Ballasiotes; Gombosky; Miloscia; Morris; Radcliff; Skinner and D. Sommers.

Minority Report: Do not pass. Signed by 1 member: Representative Eickmeyer, Democratic Vice Chair.

Staff: Jean Ann Quinn (786-7310).

Background:

People receiving public assistance are faced with a variety of problems in obtaining adequate housing. The problems range from a lack of affordable housing in communities to the household's inability to secure housing due to the source of the income. Efforts to obtain housing can be hampered because of concern by landlords about receiving timely rental payments.

In 1988, the Legislature directed the Department of Social and Health Services (DSHS) to develop a pilot program to see if the availability of housing for households receiving public assistance would improve if a portion of the public assistance payment was made directly to the landlord for rent. This program expired on June 30, 1991.

The DSHS is authorized to administer public assistance programs. The administration of the programs must conform to federal and state law. Public assistance payments may be made to third parties on behalf of recipients when the recipient is incapable of self-care.

Summary of Bill:

The DSHS is required to conduct a program designed to increase the supply of housing for people receiving public assistance by making rental payments directly to the landlord. The department must solicit between three and seven local governing bodies to participate in the program, and must give consideration to obtaining a balanced geographic distribution in selecting the participants. The department must also explore and utilize, to the maximum extent feasible, both public and private housing providers. The program must stress that participation by public assistance recipients is voluntary.

The department is required to report the results of the program, together with its recommendations, to the chairs of the House Committee on Economic Development, Housing and Trade and the Senate Committee on Labor and Workforce Development prior to the next regular session of the Legislature.

Appropriation: None.**Fiscal Note:** Available.**Effective Date:** Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill would help increase the supply and security of housing. A good percentage of people seeking assisted housing are people who have just been evicted from other housing. This bill goes along way toward addressing the problem because landlords will be much more prone to renting to people on public assistance if they do not get tied up in expensive evictions. The program appeals to landlords because the rent is guaranteed. The bill works for tenants receiving public assistance because it would increase the supply of housing available to them.

Testimony Against: The goal of helping people on public assistance obtain affordable housing is a good one, but this bill would not help achieve that goal. The program has been tried before and it was a "non-starter." In the end, there were not any landlords or tenants who wanted to be part of the program. It also does not further the goal of self-sufficiency. And tenants may have problems getting repairs completed, since they would no longer have the option of making repairs and deducting the amount from their rent payment.

Testified: (In support) Tim Seth, Olympic Rental Association; Ken Spencer, Manufactured Housing Community of Washington; Mark Gjurasic, Washington Apartment Association; and Ken Opp, Washington Apartment Association.

(Opposed) John Atherton, Department of Social and Health Services; and Majken Ryherd Keira, Washington Low-Income Housing Congress.