
SECOND SUBSTITUTE HOUSE BILL 2818

State of Washington

58th Legislature

2004 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Kagi, Boldt, Darneille, Pearson, Cooper, Linville, Hudgins, Kessler, Lantz, Conway, G. Simpson, Edwards, Sullivan, Kenney, Wood, Schual-Berke, Chase, Santos, Ormsby and Dickerson)

READ FIRST TIME 02/10/04.

1 AN ACT Relating to housing-based support services for homeless
2 families; amending RCW 43.20A.790; reenacting and amending RCW
3 43.79A.040; and adding a new chapter to Title 43 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that homeless families
6 who have access to supportive services, such as counseling, employment
7 support and job training, health care treatment and programs, parenting
8 skills education and training, child care, and transportation
9 assistance, are more likely to achieve housing stability than families
10 without access to those services. The legislature finds that linkages
11 between supportive services and transitional housing must be
12 strengthened in order to provide homeless families with the necessary
13 skills and supports to sustain stable housing as they transition out of
14 homelessness. However, the unpredictable nature of current service
15 funding limits new housing development and puts existing programs for
16 homeless families at risk.

17 The legislature finds that the sound families initiative in Pierce,
18 King, and Snohomish counties provides a successful model of combining
19 public funding and private support for services and housing for

1 homeless families. Recent outcomes of the sound families initiative
2 include increased work activity and increased income levels among
3 households eligible for the federal temporary assistance for needy
4 families program who were provided housing-based supportive services.
5 A strong partnership between private resources and public services can
6 greatly increase the successful transition of homeless families to
7 stable housing and employment.

8 The legislature further finds that in order to make the public-
9 private model work statewide, an ongoing stable source of service funds
10 is essential. State funds could provide the catalyst for significant
11 private contributions that would spur development of housing-based
12 support services statewide. Where there is a strong public-private
13 partnership to support the provision of services, as is the case with
14 the sound families initiative, the return on the investment of public
15 funds far exceeds that initial expenditure. With a one-time investment
16 in housing-based supportive services for homeless families that is
17 supplemented and sustained with ongoing private investments, the long-
18 term availability of resources for those families can be ensured.

19 Therefore, it is the intent of the legislature to create, and make
20 an initial investment of state funds in, a homeless families services
21 fund that will leverage private resources and thereby ensure the long-
22 term availability of stable housing to support homeless families
23 throughout the state.

24 NEW SECTION. **Sec. 2.** The definitions in this section apply
25 throughout this chapter unless the context clearly requires otherwise.

26 (1) "Advisory board" means the homeless families services fund
27 advisory board established under this chapter.

28 (2) "Department" means the department of community, trade, and
29 economic development.

30 (3) "Director" means the director of community, trade, and economic
31 development.

32 (4) "Fund" means the homeless families services fund established
33 under this chapter.

34 (5) "Homeless family" means a family that is eligible for services
35 funded through the emergency shelter assistance program carried out
36 within the department of community, trade, and economic development.

1 (6) "Program" means the homeless families services fund program
2 established under this chapter.

3 NEW SECTION. **Sec. 3.** There is created within the department of
4 community, trade, and economic development the homeless families
5 services fund program to carry out the purposes of this chapter.
6 Duties established by this chapter do not commence until and unless
7 sufficient moneys are appropriated or otherwise provided for this
8 specific purpose to the fund created in section 4 of this act.

9 NEW SECTION. **Sec. 4.** (1) There is created in the custody of the
10 state treasurer an account to be known as the homeless families
11 services fund. The fund shall include a one-time appropriation by the
12 legislature, private contributions, and all other sources.

13 (2) Expenditures from the fund may only be used for the purposes of
14 the program established under this chapter, including administrative
15 expenses.

16 (3) Expenditures from the fund are exempt from appropriations and
17 the allotment provisions of chapter 43.88 RCW. However, money used for
18 program administration by the department is subject to the allotment
19 and budgetary controls of chapter 43.88 RCW, and an appropriation is
20 required for these expenditures.

21 NEW SECTION. **Sec. 5.** (1) The homeless families services fund
22 advisory board is hereby established to advise the department in the
23 design and administration of the fund. The director shall provide
24 staff and administrative support to the advisory board in carrying out
25 the provisions of this chapter.

26 (2) The advisory board shall consist of ten members to be appointed
27 by the governor, as follows:

28 (a) A representative of the department of social and health
29 services;

30 (b) A representative of the regional support networks;

31 (c) A representative of a local housing authority that provides
32 federal section 8 vouchers to homeless families, and which primarily
33 serves a rural population;

34 (d) A representative of a local housing authority that provides

1 federal section 8 vouchers to homeless families, and which primarily
2 serves an urban population;

3 (e) An individual with expertise in the design or evaluation of
4 service delivery to homeless families;

5 (f) An individual with expertise in the provision of supportive
6 services to homeless families who primarily serves a rural population;

7 (g) An individual with expertise in the provision of supportive
8 services to homeless families who primarily serves an urban population;

9 (h) An individual with expertise in the development and operation
10 of low-income housing, including housing set aside for homeless
11 families; and

12 (i) Two individuals with expertise in private philanthropy.

13 (3) Members of the advisory board shall serve terms of four years
14 and may be appointed for successive terms of four years. The governor
15 may stagger the terms of the initial members of the board so that
16 approximately one-fourth of the members' terms expire each year. The
17 advisory board shall select a chair from among its members.

18 (4) Members of the advisory board shall be reimbursed for travel
19 expenses as provided in RCW 43.03.050 and 43.03.060.

20 NEW SECTION. **Sec. 6.** Duties of the advisory board shall include
21 the following:

22 (1) Recommending criteria for determination of grant allocations
23 from the fund, which shall include, but need not be limited to:

24 (a) Guidelines for the amounts of allocations of grants from the
25 fund, taking into consideration the variation in housing market and
26 services costs throughout the state;

27 (b) Guidelines for the minimum amount of matching funds that an
28 applicant to the fund must secure in order to qualify for a grant from
29 the fund;

30 (c) Criteria that an applicant to the fund must meet in order to
31 demonstrate that the proposed housing and services are financially
32 viable and meet quality standards;

33 (d) Necessary qualifications and capacity of an applicant to the
34 fund; and

35 (e) Guidelines for geographic distribution of funds from the fund
36 in order to foster development of supportive housing statewide;

1 (2) Reviewing applications to the fund and making recommendations
2 to the director on the allocation of grants from the fund;

3 (3) Recommending performance and outcome measures for recipients of
4 grants from the fund;

5 (4) Recommending an evaluation method for the homeless families
6 services fund program;

7 (5) Investigating administrative options for the fund, including
8 administration by a community foundation or other nonprofit
9 organization that would manage state funds along with private
10 contributions to the fund on behalf of the department, which could
11 include contracting with recipients of grants from the fund, dispersing
12 funds to recipients of grants from the fund, monitoring performance of
13 recipients of grants from the fund, and evaluating the overall
14 effectiveness of the program; and

15 (6) Working with housing authorities, community-based service and
16 housing providers, or other applicants to the fund to identify
17 additional sources of revenue for the fund.

18 NEW SECTION. **Sec. 7.** (1) The department shall use funds from the
19 fund and other legislative appropriations to provide state matching
20 funds for housing-based supportive services for homeless families over
21 a period of at least ten years.

22 (2) Services funded through the homeless families services fund
23 shall be coordinated with existing and available services and shall not
24 inappropriately duplicate any other state-funded services available to
25 homeless families assisted through the fund. The fund shall not be
26 used to supplant existing funding.

27 (3) Activities eligible for funding through the fund include, but
28 are not limited to, the following:

29 (a) Case management;

30 (b) Counseling;

31 (c) Referrals to employment support and job training services and
32 direct employment support and job training services;

33 (d) Domestic violence services and programs;

34 (e) Mental health treatment, services, and programs;

35 (f) Substance abuse treatment, services, and programs;

36 (g) Parenting skills education and training;

37 (h) Transportation assistance;

- 1 (i) Child care; and
- 2 (j) Other supportive services identified by the department to be an
- 3 important link for housing stability.

4 NEW SECTION. **Sec. 8.** Organizations that may receive funds from
5 the fund include local housing authorities, nonprofit community or
6 neighborhood-based organizations, public development authorities,
7 federally recognized Indian tribes in the state, and regional or
8 statewide nonprofit housing assistance organizations.

9 NEW SECTION. **Sec. 9.** The department shall collect information
10 from recipients of grants from the fund to evaluate and improve the
11 overall effectiveness of the homeless families services fund program.
12 Areas of evaluation shall include, but need not be limited to, the
13 following:

- 14 (1) Increases in housing stability for assisted homeless families;
- 15 (2) Increases in economic self-sufficiency of assisted homeless
- 16 families;
- 17 (3) Increases in independent living skills of assisted homeless
- 18 families; and
- 19 (4) Decreases in the use of state-funded services or the costs of
- 20 state-funded services and income support for assisted homeless
- 21 families.

22 NEW SECTION. **Sec. 10.** (1) The department shall report to the
23 appropriate policy and fiscal committees of the legislature by December
24 1, 2004, with a preliminary plan for implementation of this chapter.

25 (2) The department and the advisory board shall thereafter report
26 on an annual basis to the appropriate policy and fiscal committees of
27 the legislature regarding the status of applications to and grant
28 allocations from the fund and performance of the program.

29 **Sec. 11.** RCW 43.20A.790 and 1999 c 267 s 2 are each amended to
30 read as follows:

- 31 (1) The department shall collaborate with the department of
- 32 community, trade, and economic development in the development of the
- 33 coordinated and comprehensive plan for homeless families with children
- 34 required under RCW 43.63A.650, which designates the department of

1 community, trade, and economic development as the state agency with
2 primary responsibility for providing shelter and housing services to
3 homeless families with children. In fulfilling its responsibilities to
4 collaborate with the department of community, trade, and economic
5 development pursuant to RCW 43.63A.650, the department shall develop,
6 administer, supervise, and monitor its portion of the plan. The
7 department's portion of the plan shall contain at least the following
8 elements:

9 (a) Coordination or linkage of services with shelter and housing;

10 (b) Accommodation and addressing the needs of homeless families in
11 the design and administration of department programs;

12 (c) Participation of the department's local offices in the
13 identification, assistance, and referral of homeless families; and

14 (d) Ongoing monitoring of the efficiency and effectiveness of the
15 plan's design and implementation.

16 (2) The department shall include community organizations involved
17 in the delivery of services to homeless families with children, and
18 experts in the development and ongoing evaluation of the plan.

19 (3) The department shall coordinate with the department of
20 community, trade, and economic development in supporting the work of
21 the homeless families services fund program established pursuant to
22 section 3 of this act. As part of its coordination efforts, the
23 department shall work with organizations receiving grants from the
24 homeless families services fund to identify and coordinate the
25 provision of services offered by the department that meet the goals of
26 the homeless families services fund program.

27 (4) The duties under this section shall be implemented within
28 amounts appropriated for that specific purpose by the legislature in
29 the operating and capital budgets.

30 **Sec. 12.** RCW 43.79A.040 and 2003 c 403 s 9, 2003 c 313 s 10, 2003
31 c 191 s 7, 2003 c 148 s 15, 2003 c 92 s 8, and 2003 c 19 s 12 are each
32 reenacted and amended to read as follows:

33 (1) Money in the treasurer's trust fund may be deposited, invested,
34 and reinvested by the state treasurer in accordance with RCW 43.84.080
35 in the same manner and to the same extent as if the money were in the
36 state treasury.

1 (2) All income received from investment of the treasurer's trust
2 fund shall be set aside in an account in the treasury trust fund to be
3 known as the investment income account.

4 (3) The investment income account may be utilized for the payment
5 of purchased banking services on behalf of treasurer's trust funds
6 including, but not limited to, depository, safekeeping, and
7 disbursement functions for the state treasurer or affected state
8 agencies. The investment income account is subject in all respects to
9 chapter 43.88 RCW, but no appropriation is required for payments to
10 financial institutions. Payments shall occur prior to distribution of
11 earnings set forth in subsection (4) of this section.

12 (4)(a) Monthly, the state treasurer shall distribute the earnings
13 credited to the investment income account to the state general fund
14 except under (b) and (c) of this subsection.

15 (b) The following accounts and funds shall receive their
16 proportionate share of earnings based upon each account's or fund's
17 average daily balance for the period: The Washington promise
18 scholarship account, the college savings program account, the
19 Washington advanced college tuition payment program account, the
20 agricultural local fund, the American Indian scholarship endowment
21 fund, the students with dependents grant account, the basic health plan
22 self-insurance reserve account, the contract harvesting revolving
23 account, the Washington state combined fund drive account, the
24 Washington international exchange scholarship endowment fund, the
25 developmental disabilities endowment trust fund, the energy account,
26 the fair fund, the fruit and vegetable inspection account, the game
27 farm alternative account, the grain inspection revolving fund, the
28 juvenile accountability incentive account, the law enforcement
29 officers' and fire fighters' plan 2 expense fund, the local tourism
30 promotion account, the produce railcar pool account, the rural
31 rehabilitation account, the stadium and exhibition center account, the
32 youth athletic facility account, the self-insurance revolving fund, the
33 sulfur dioxide abatement account, the children's trust fund, (~~and~~)
34 the investing in innovation account, and the homeless families services
35 fund. However, the earnings to be distributed shall first be reduced
36 by the allocation to the state treasurer's service fund pursuant to RCW
37 43.08.190.

1 (c) The following accounts and funds shall receive eighty percent
2 of their proportionate share of earnings based upon each account's or
3 fund's average daily balance for the period: The advanced right of way
4 revolving fund, the advanced environmental mitigation revolving
5 account, the city and county advance right-of-way revolving fund, the
6 federal narcotics asset forfeitures account, the high occupancy vehicle
7 account, the local rail service assistance account, and the
8 miscellaneous transportation programs account.

9 (5) In conformance with Article II, section 37 of the state
10 Constitution, no trust accounts or funds shall be allocated earnings
11 without the specific affirmative directive of this section.

12 NEW SECTION. **Sec. 13.** Sections 1 through 10 of this act
13 constitute a new chapter in Title 43 RCW.

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