H-1727.2

SUBSTITUTE HOUSE BILL 1922

2007 Regular Session State of Washington 60th Legislature

(originally House Committee on Housing sponsored Representatives Pedersen, Pettigrew, Miloscia, McIntire, Walsh, Kagi, Appleton, Kenney, Hasegawa and Ormsby)

READ FIRST TIME 02/19/07.

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- AN ACT Relating to creating an independent youth housing program; 1
- 2 adding new sections to chapter 43.63A RCW; and creating new sections.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature finds that: 4
- 5 (1) Protecting the public health, safety, and welfare by providing housing resources to needy or vulnerable persons, such as young people 6 7 exiting the state dependency system, is a fundamental purpose of government;
 - (2) Providing youth exiting the state dependency system with safe and viable options for housing to avoid homelessness confers a valuable benefit on the public that constitutes consideration for financial assistance to such youth; and
- (3) The state must establish goals regarding the self-sufficiency 13 14 status of youth exiting the state dependency system, which must 15 include:
- (a) Ensuring that all youth exiting the state dependency system 16 have a decent, appropriate, and affordable home in a healthy safe 17 experiencing 18 environment to prevent such young people from 19 homelessness;

- 1 (b) Reducing each year the percentage of young people eligible for 2 state assistance upon exiting from the state dependency system.
- 3 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 43.63A RCW 4 to read as follows:
 - (1) For the purposes of this section:

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- 6 (a) "Department" means the department of community, trade, and 7 economic development;
 - (b) "Eligible youth" means an individual who:
- 9 (i) On or after September 1, 2006, is at least eighteen, was a 10 dependent of the state under chapter 13.34 RCW in the month before his 11 or her eighteenth birthday, and has not yet reached the age of twenty-12 three;
- (ii) Except as provided in subsection (3)(b)(ii) of this section, has a total income from all sources, except for temporary sources that include, but are not limited to, overtime wages, bonuses, or short-term temporary assignments, that does not exceed fifty percent of the area median income;
- 18 (iii) Is not receiving services under RCW 74.13.031(10)(b);
- 19 (iv) Complies with other eligibility requirements the department 20 may establish;
 - (c) "Independent housing" means a housing unit that is not owned by or located within the home of the eligible youth's biological parents or any of the eligible youth's former foster care families or dependency guardians. "Independent housing" may include a unit in a transitional or other supportive housing facility;
 - (d) "Fair market rent" means the fair market rent in each county of the state, as determined by the United States department of housing and urban development;
 - (e) "Individual development account" or "account" means an account established by contract between a low-income individual and a sponsoring organization for the benefit of the low-income individual and funded through periodic contributions by the low-income individual that are matched with contributions by or through the sponsoring organization; and
- 35 (f) "Subcontractor organization" means an eligible organization 36 described under RCW 43.185A.040 that contracts with the department to 37 administer the independent youth housing program.

- (2) The independent youth housing program is created in the 1 2 department to provide housing stipends to eligible youth to be used for independent housing. The department must serve the maximum number of 3 eligible youth possible within the available funding for the program. 4 5 The department shall capitalize upon existing department administrative resources by administering this program as a component of the 6 7 transitional housing operating, and rent program created in chapter 43.185C RCW by chapter . . . (House Bill No. 1921), Laws of 2007 or, if 8 chapter . . . (House Bill No. 1921), Laws of 2007 is not enacted, as a 9 10 component of any other similar department program that provides rental assistance and case management services to low-income individuals or 11 12 families who are homeless or at risk of becoming homeless. 13 department shall solicit input from a variety of stakeholders involved 14 with dependent youth, homeless youth, and homeless young adults to 15 develop a plan for the design, implementation, and operation of the 16 independent youth housing program. The department, in consultation 17 with the department of social and health services, shall:
 - (a) Develop, administer, supervise, and monitor the independent youth housing program; and

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- (b) Ensure that the independent youth housing program is integrated and aligned with other state rental assistance and case management programs, such as the transitional housing operating and rent program created in chapter 43.185C RCW by chapter . . . (House Bill No. 1921), Laws of 2007, as well as all existing services and programs designed to assist foster youth transition to independent living. possible, the program must be aligned and collaborated with the independent living program, the transitional living program, and other related programs offered by the department of social and health services to maximize resources and provide the greatest number and variety of services to eligible youth. The program must also be included in the state homeless housing strategic plan under RCW 43.185C.040 and any other state or local homeless or affordable housing The outcomes of the independent youth housing program must be included in the measurement of any performance measures described in chapter 43.185C RCW.
- 36 (3) To receive services under the independent youth housing 37 program, an eligible youth must:

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- 1 (a) Sign a program compliance agreement stating that the youth 2 agrees to:
 - (i) Timely pay his or her portion of the independent housing cost;
 - (ii) Comply with an independent living plan; and

- (iii) Comply with other program requirements and policies the department may establish;
 - (b) Maintain his or her status as an eligible youth, except that if the youth's total income exceeds fifty percent of the area median income during the course of his or her participation in the program, the department shall establish policies and procedures to allow the youth to remain in the program and continue to receive a housing stipend. The policies must require that the youth agrees to:
 - (i) Participate in the individual development account program established under RCW 43.31.460 and invest a portion, to be determined by the department, of his or her income that exceeds fifty percent of the area median income in an individual development account; or
 - (ii) If the youth is unable to participate in the individual development account program due to the program's capacity limits or eligibility requirements, participate in an alternate supervised savings program approved by the department, as long as the youth qualifies for and may participate in this savings program.
 - (4) An eligible youth may participate in the independent youth housing program for any duration of time and may apply to enroll in the program with the department at any time.
 - (5)(a) A youth may be terminated from the independent youth housing program for a violation of department policies.
 - (b) Youth who are terminated from the program may apply to the department for reenrollment in the program through a procedure to be developed by the department. The department shall establish criteria to evaluate a reenrollment application and may accept or deny a reenrollment application based on the department's evaluation.
 - (6) Under the independent youth housing program, the department of social and health services shall:
- (a) Refer a potential eligible youth to the department before the youth's eighteenth birthday, if feasible, and indicate, if known, where the youth plans to reside after exiting foster care;
- 37 (b) Collaborate with the department to provide information to all 38 youth aged fifteen or older, who are dependents of the state under

chapter 13.34 RCW, about the independent youth housing program, and encourage all dependents of the state nearing their eighteenth birthday to consider applying for enrollment in the program;

- (c) Encourage organizations participating in the independent living program and the transitional living program to collaborate with the independent youth housing program whenever possible to capitalize on resources and provide the greatest amount and variety of services to eligible youth; and
- (d) Annually, beginning by December 31, 2007, provide to the appropriate committees of the legislature recommendations of strategies that may help the state reach its goal of reducing the percentage of young people eligible for state assistance upon exiting from the state dependency system.
- 14 (7) Under the independent youth housing program, the department 15 shall:
 - (a) Adopt policies, requirements, and procedures necessary for the program;
 - (b) Contract with one or more eligible organizations described under RCW 43.185A.040 to provide services and conduct administrative activities as described in subsection (8) of this section. Moneys awarded to these subcontractor organizations may be used for housing stipends, security deposits, first and last month's rent stipends, case management program costs, and administrative costs. Administrative costs for each subcontractor organization may not exceed twelve percent of the estimated total annual grant amount to the subcontractor organization;
 - (c) Establish the eligibility criteria of youth for the independent youth housing program;
 - (d) Refer interested youth to the designated subcontractor organization administering the program in the area in which the youth intends to reside;
 - (e) Develop a method for determining the amount of the housing stipend, and first and last month's rent and security deposit where applicable, to be dedicated to participating youth. The method for determining a housing stipend must take into account a youth's age, the fair market rent for the area in which the youth lives or intends to live, and a variety of possible living situations, including when youth are custodial parents of young children or two or more youth

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- participating in the program choose to live together. The amount of housing stipends must be adjusted, by a method and formula established by the department, to promote the successful transition for youth to complete housing self-sufficiency over time. All housing stipends under this section are payable only to a landlord or housing manager of any type of independent housing; and
 - (f) Annually review and report on the performance of subcontractor organizations, as well as the performance of the program as a whole, in the state homeless housing strategic plan under RCW 43.185C.040 and any other relevant state or local homeless or affordable housing plans, beginning in 2007. The outcomes of the independent youth housing program must be included in the measurement of any performance measures described in chapter 43.185C RCW. The independent youth housing program report must include, at a minimum:
- (i) An update on the following program performance measures, as well as any other performance measures the department may establish, for enrolled youth, to be measured statewide and by county:
 - (A) Increases in housing stability;

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- (B) Increases in economic self-sufficiency;
- (C) Increases in independent living skills;
- (D) Increases in education and job training attainment;
- 22 (E) Decreases in the use of all state-funded services over time; 23 and
 - (F) Decreases in the percentage of youth exiting the state dependency system each year who are eliqible for state assistance; and
 - (ii) Recommendations to the legislature and to the interagency council on homelessness as described under RCW 43.185C.170 on program improvements and on departmental strategies to assist the state to reach its goals of:
 - (A) Ensuring that all youth exiting the state dependency system have a decent, appropriate, and affordable home in a healthy safe environment to prevent these youth from experiencing homelessness; and
 - (B) Reducing each year the percentage of young people eligible for state assistance upon exiting from the state dependency system.
 - (8) Under the independent youth housing program, subcontractor organizations shall:
- 37 (a) Enroll eligible youth who are referred by the department and 38 who choose to reside in their assigned service area;

- 1 (b) Enter eligible youth program participants into the homeless client management information system as described in RCW 43.185C.180;
 - (c) Issue housing stipends as well as security deposits and first and last month's rent, where applicable;
 - (d) Monitor participating youth's housing status;

- (e) Evaluate participating youth's eligibility and compliance with department policies and procedures at least twice a year;
 - (f) Assist participating youth to develop or update an independent living plan focused on obtaining and retaining independent housing or collaborate with a case manager with whom the youth is already involved to ensure that the youth has an independent living plan;
- (g) Educate participating youth on tenant rights and responsibilities;
- (h) Provide support to participating youth in the form of general case management and information and referral services, when necessary, or collaborate with a case manager with whom the youth is already involved to ensure that the youth is receiving the case management and information and referral services needed;
- (i) Connect participating youth, when possible, with individual development account programs, other financial literacy programs, and other programs that are designed to help young people acquire economic independence and self-sufficiency, or collaborate with a case manager with whom the youth is already involved to ensure that the youth is receiving information and referrals to these programs, when appropriate;
- (j) Submit expenditure and performance reports, including information related to the performance measures in subsection (7)(f)(i) of this section, to the department on a time schedule determined by the department; and
- (k) Provide recommendations to the department regarding program improvements and strategies to assist the state to reach its goals as described in subsection (7)(f)(ii) of this section.
 - (9) This section does not create:
 - (a) An entitlement to services;
- (b) Judicial authority to extend the jurisdiction of juvenile court in a proceeding under chapter 13.34 RCW to a youth who has reached the age of eighteen or to order the provision of services to the youth; or

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(c) A private right of action or claim on the part of any individual, entity, or agency against the department, the department of social and health services, or any contractor of the departments.

 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 43.63A RCW to read as follows:

The independent youth housing account is created in the custody of the state treasurer. All revenue directed to the independent youth housing program must be deposited into this account. Expenditures from the account may only be used for the independent youth housing program as described in this act. Only the director of the department or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

NEW SECTION. Sec. 4. Beginning in September 2008, the Washington state institute for public policy shall conduct a study measuring the outcomes for youth who are participating or who have participated in the independent youth housing program created in section 2 of this act. The institute shall issue a report containing its preliminary findings to the legislature by December 1, 2009, and a final report by December 1, 2010.

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