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## SENATE BILL 5217

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State of Washington 63rd Legislature 2013 Regular Session

By Senator Schoesler; by request of Office of Financial Management Readfirst time 01/23/13. Referred to Committee on Governmental Operations.

AN ACT Relating to eliminating the Washington state quality award

2 program; amending RCW 43.17.380, 43.185C.210, and 43.185C.240; and

3 repealing RCW 43.17.390 and 43.330.084.

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

5 **Sec. 1.** RCW 43.17.380 and 2005 c 384 s 2 are each amended to read 6 as follows:

As used in RCW 43.17.385 ((and 43.17.390)):

- (1) "State agency" or "agency" means a state agency, department, office, officer, board, commission, bureau, division, institution, or institution of higher education, and all offices of executive branch state government-elected officials, except agencies with less than one hundred full-time equivalent employees and agricultural commissions under Title 15 RCW.
- 14 (2) "Quality management, accountability, and performance system"
  15 means a nationally recognized integrated, interdisciplinary system of
  16 measures, tools, and reports used to improve the performance of a work
  17 unit or organization.

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Sec. 2. RCW 43.185C.210 and 2011 c 353 s 6 are each amended to read as follows:

- (1) The transitional housing operating and rent program is created in the department to assist individuals and families who are homeless or who are at risk of becoming homeless to secure and retain safe, decent, and affordable housing. The department shall provide grants to eligible organizations, as described in RCW 43.185.060, to provide assistance to program participants. The eligible organizations must use grant moneys for:
- (a) Rental assistance, which includes security or utility deposits, first and last month's rent assistance, and eligible moving expenses to be determined by the department;
- (b) Case management services designed to assist program participants to secure and retain immediate housing and to transition into permanent housing and greater levels of self-sufficiency;
- (c) Operating expenses of transitional housing facilities that serve homeless families with children; and
- (d) Administrative costs of the eligible organization, which must not exceed limits prescribed by the department.
- (2) Eligible to receive assistance through the transitional housing operating and rent program are:
- (a) Families with children who are homeless or who are at risk of becoming homeless and who have household incomes at or below fifty percent of the median household income for their county;
- (b) Families with children who are homeless or who are at risk of becoming homeless and who are receiving services under chapter 13.34 RCW;
- (c) Individuals or families without children who are homeless or at risk of becoming homeless and who have household incomes at or below thirty percent of the median household income for their county;
- (d) Individuals or families who are homeless or who are at risk of becoming homeless and who have a household with an adult member who has a mental health or chemical dependency disorder; and
- (e) Individuals or families who are homeless or who are at risk of becoming homeless and who have a household with an adult member who is an offender released from confinement within the past eighteen months.
  - (3) All program participants must be willing to create and actively

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participate in a housing stability plan for achieving permanent housing and greater levels of self-sufficiency.

- (4) Data on all program participants must be entered into and tracked through the Washington homeless client management information system as described in RCW 43.185C.180. For eligible organizations serving victims of domestic violence or sexual assault, compliance with this subsection must be accomplished in accordance with 42 U.S.C. Sec. 11383(a)(8).
- (5)(((a) Except as provided in (b) of this subsection, beginning in 2011, each eligible organization receiving over five hundred thousand dollars during the previous calendar year from the transitional housing operating and rent program and from sources including: (i) State housing related funding sources; (ii) the affordable housing for all surcharge in RCW 36.22.178; (iii) the home security fund surcharges in RCW 36.22.179 and 36.22.1791; and (iv) any other surcharge imposed under chapter 36.22 or 43.185C RCW to fund homelessness programs or other housing programs, shall apply to the Washington state quality award program for an independent assessment of its quality management, accountability, and performance system, once every three years.
- (b) Cities and counties are exempt from the provisions of (a) of this subsection until 2018.
- (6))) The department may develop rules, requirements, procedures, and guidelines as necessary to implement and operate the transitional housing operating and rent program.
- ((+7)) (6) The department shall produce an annual transitional housing operating and rent program report that must be included in the department's homeless housing strategic plan as described in RCW 43.185C.040. The report must include performance measures to be determined by the department that address, at a minimum, the following issue areas:
- (a) The success of the program in helping program participants transition into permanent affordable housing and achieve self-sufficiency or increase their levels of self-sufficiency, which shall be defined by the department based upon the costs of living, including housing costs, needed to support: (i) One adult individual; and (ii) two adult individuals and one preschool-aged child;

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- 1 (b) The financial performance of the program related to efficient 2 program administration by the department and program operation by 3 selected eligible organizations, including an analysis of the costs per 4 program participant served;
  - (c) The quality, completeness, and timeliness of the information on program participants provided to the Washington homeless client management information system database; and
- 8 (d) The satisfaction of program participants in the assistance 9 provided through the program.
- 10 **Sec. 3.** RCW 43.185C.240 and 2012 c 90 s 2 are each amended to read 11 as follows:
- 12 (1) As a means of efficiently and cost-effectively providing 13 housing assistance to very-low income and homeless households:
  - (a) Any local government that has the authority to issue housing vouchers, directly or through a contractor, using document recording surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 must:
- (i)(A) Maintain an interested landlord list, which at a minimum, includes information on rental properties in buildings with fewer than fifty units;
  - (B) Update the list at least once per quarter;

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- (C) Distribute the list to agencies providing services to individuals and households receiving housing vouchers;
  - (D) Ensure that a copy of the list or information for accessing the list online is provided with voucher paperwork; and
  - (E) Use reasonable best efforts to communicate and interact with landlord and tenant associations located within its jurisdiction to facilitate development, maintenance, and distribution of the list;
  - (ii) Using cost-effective methods of communication, convene, on a semiannual or more frequent basis, landlords represented on the interested landlord list and agencies providing services to individuals and households receiving housing vouchers to identify successes, barriers, and process improvements. The local government is not required to reimburse any participants for expenses related to attendance;
- 36 (iii) Produce data, limited to document recording fee uses and 37 expenditures, on a calendar year basis in consultation with landlords

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represented on the interested landlord list and agencies providing services to individuals and households receiving housing vouchers, that include the following: Total amount expended from document recording fees; amount expended on, number of households that received, and number of housing vouchers issued in each of the private, public, and nonprofit markets; amount expended on, number of households that received, and number of housing placement payments provided in each of the private, public, and nonprofit markets; amount expended on and number of eviction prevention services provided in the private market; and amount expended on and number of other tenant-based rent assistance services provided in the private market. If these data elements are not readily available, the reporting government may request the department to use the sampling methodology established pursuant to (((c))) (b)(iii) of this subsection to obtain the data; and 

- (iv) Annually submit the calendar year data to the department by October 1st, with preliminary data submitted by October 1, 2012, and full calendar year data submitted beginning October 1, 2013.
- (b) ((Any local government receiving more than three million five hundred thousand dollars during the previous calendar year from document recording surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, and 36.22.1791, must apply to the Washington state quality award program, or similar Baldrige assessment organization, for an independent assessment of its quality management, accountability, and performance system. The first assessment may be a lite assessment. After submitting an application, a local government is required to reapply at least every two years.

(c))) The department must:

- (i) Require contractors that provide housing vouchers to distribute the interested landlord list created by the appropriate local government to individuals and households receiving the housing vouchers;
- (ii) Using cost-effective methods of communication, annually convene local governments issuing housing vouchers, landlord association representatives, and agencies providing services to individuals and households receiving housing vouchers to identify successes, barriers, and process improvements. The department is not required to reimburse any participants for expenses related to attendance;

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- (iii) Develop a sampling methodology to obtain data required under this section when a local government or contractor does not have such information readily available. The process for developing the sampling methodology must include providing notification to and the opportunity for public comment by local governments issuing housing vouchers, landlord association representatives, and agencies providing services to individuals and households receiving housing vouchers;
- (iv) Develop a report, limited to document recording fee uses and expenditures, on a calendar year basis in consultation with local governments, landlord association representatives, and providing services to individuals and households receiving housing vouchers, that includes the following: Total amount expended from document recording fees; amount expended on, number of households that received, and number of housing vouchers issued in each of the private, public, and nonprofit markets; amount expended on, number of households that received, and number of housing placement payments provided in each of the private, public, and nonprofit markets; amount expended on and number of eviction prevention services provided in the private market; and amount expended on and number of other tenant-based rent assistance services provided in the private market. The information in the report must include data submitted by local governments and data on all additional document recording fee activities for which the department contracted that were not otherwise reported; and
- (v) Annually submit the calendar year report to the legislature by December 15th, with a preliminary report submitted by December 15, 2012, and full calendar year reports submitted beginning December 15,  $2013((\frac{1}{2}))$
- (vi) Work with the Washington state quality award program, local governments, and any other organizations to ensure the appropriate scheduling of assessments for all local governments meeting the criteria described in subsection (1)(b) of this section)).
  - (2) For purposes of this section:

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- (a) "Housing placement payments" means one-time payments, such as first and last month's rent and move-in costs, funded by document recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made to secure a unit on behalf of a tenant.
- (b) "Housing vouchers" means payments funded by document recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or

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- 1 36.22.1791 that are made by a local government or contractor to secure:
- 2 (i) A rental unit on behalf of an individual tenant; or (ii) a block of units on behalf of multiple tenants.
  - (c) "Interested landlord list" means a list of landlords who have indicated to a local government or contractor interest in renting to individuals or households receiving a housing voucher funded by document recording surcharges.
- 8 (3) This section expires June 30, 2017.

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- 9 ((<del>(4)</del> If section 1, chapter 90, Laws of 2012 is not enacted into 10 law by July 31, 2012, this section is null and void.))
- 11 <u>NEW SECTION.</u> **Sec. 4.** The following acts or parts of acts are each 12 repealed:
- 13 (1) RCW 43.17.390 (Quality management, accountability, and 14 performance system--Independent assessment) and 2009 c 564 s 931 & 2005 c 384 s 4; and
- 16 (2) RCW 43.330.084 (Washington state quality award--Reimbursement 17 of application fee) and 2007 c 249 s 4.

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