
SUBSTITUTE SENATE BILL 6671

State of Washington 64th Legislature 2016 Regular Session

By Senate Ways & Means (originally sponsored by Senators Hill, Miloscia, Braun, and Roach)

READ FIRST TIME 03/04/16.

1 AN ACT Relating to the review of state and local homelessness
2 prevention, assistance, and housing efforts; amending RCW
3 43.185C.030, 43.185C.040, 43.185C.160, 36.22.178, 36.22.179,
4 36.22.1791, and 43.185C.240; adding a new section to chapter 43.185C
5 RCW; and creating a new section.

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

7 NEW SECTION. **Sec. 1.** In 2005, the state created the goal of
8 reducing homelessness in Washington state by fifty percent within ten
9 years. The legislature also recognized that the provision of housing
10 and housing-related services to the homeless should be administered
11 at the local level to meet the diverse needs across the state. The
12 state's responsibility was to coordinate, support, finance, and
13 monitor efforts to address homelessness issues.

14 During the past decade, the state has experienced an overall
15 decline in homelessness with some counties meeting or exceeding its
16 reduction goal. However, some counties have not only failed to
17 achieve reductions, but have experienced an increase in the number of
18 homeless families and individuals. Additionally, the number of
19 unsheltered and chronic homeless has increased in areas of the state
20 despite significant federal, state, and local financial resources
21 that have been invested in homelessness assistance. The dichotomy

1 between the resources expended and the results achieved warrants a
2 more frequent review of state and local homelessness strategies and
3 more transparent reporting of expenditures, performance, and outcomes
4 at the local level. Therefore, the legislature intends to review
5 state and local homelessness prevention, assistance, and housing
6 efforts on a more frequent basis to improve the development of cost-
7 effective programs and identification of best practices to expand
8 housing security across the state.

9 **Sec. 2.** RCW 43.185C.030 and 2013 c 200 s 25 are each amended to
10 read as follows:

11 (1) The department shall annually conduct a Washington homeless
12 census or count consistent with the requirements of RCW 43.185C.180.
13 The census shall make every effort to count all homeless individuals
14 living outdoors, in shelters, and in transitional housing,
15 coordinated, when reasonably feasible, with already existing homeless
16 census projects including those funded in part by the United States
17 department of housing and urban development under the McKinney-Vento
18 homeless assistance program. The department shall determine, in
19 consultation with local governments, the data to be collected. Data
20 on subpopulations and other characteristics of the homeless must, at
21 a minimum, be consistent with United States department of housing and
22 urban development requirements and include the following:

23 (a) Chronically homeless individuals;

24 (b) Chronically homeless families;

25 (c) Unaccompanied homeless youth;

26 (d) Male veterans;

27 (e) Female veterans;

28 (f) Adults with severe mental illness;

29 (g) Adults with chronic substance abuse issues;

30 (h) Adults with HIV/AIDS;

31 (i) Senior citizens; and

32 (j) Victims of domestic violence.

33 (2) All personal information collected in the census is
34 confidential, and the department and each local government shall take
35 all necessary steps to protect the identity and confidentiality of
36 each person counted.

37 (3) The department and each local government are prohibited from
38 disclosing any personally identifying information about any homeless
39 individual when there is reason to believe or evidence indicating

1 that the homeless individual is an adult or minor victim of domestic
2 violence, dating violence, sexual assault, or stalking or is the
3 parent or guardian of a child victim of domestic violence, dating
4 violence, sexual assault, or stalking; or revealing other
5 confidential information regarding HIV/AIDS status, as found in RCW
6 70.02.220. The department and each local government shall not ask any
7 homeless housing provider to disclose personally identifying
8 information about any homeless individuals when the providers
9 implementing those programs have reason to believe or evidence
10 indicating that those clients are adult or minor victims of domestic
11 violence, dating violence, sexual assault, or stalking or are the
12 parents or guardians of child victims of domestic violence, dating
13 violence, sexual assault, or stalking. Summary data for the
14 provider's facility or program may be substituted.

15 (4) The Washington homeless census shall be conducted annually on
16 a schedule created by the department. The department shall make
17 summary data by county available to the public each year. This data,
18 and its analysis, shall be included in the department's annual
19 updated homeless housing program strategic plan.

20 (5) Based on the annual census and provider information from the
21 local government plans, the department shall, by the end of year
22 four, implement an online information and referral system to enable
23 local governments and providers to identify available housing for a
24 homeless person. The department shall work with local governments and
25 their providers to develop a capacity for continuous case management
26 to assist homeless persons.

27 (6) By the end of year four, the department shall implement an
28 organizational quality management system.

29 (7) Subject to the availability of amounts appropriated for this
30 specific purpose, the department, in collaboration with the
31 Washington state institute for public policy, must conduct a
32 statewide homeless study every ten years to better understand the
33 causes and characteristics of the homeless in Washington state and
34 help decision makers promote efforts toward housing stability. The
35 purpose of the study is to: Supplement the current point-in-time
36 census and homeless client management information system by
37 conducting face-to-face interviews with people who are homeless or
38 have recently received homelessness assistance to gather an in-depth
39 assessment of why the individual is among the chronically homeless,
40 unaccompanied homeless youth, and unsheltered populations; review the

1 efficacy of current programs and services; and provide
2 recommendations on the type and timing of health and human service
3 interventions needed for these populations to gain housing stability.
4 The department and the Washington state institute for public policy
5 must develop a study proposal defining the study scope, methodology,
6 and costs for the legislature to review by January 1, 2018.

7 **Sec. 3.** RCW 43.185C.040 and 2015 c 69 s 25 are each amended to
8 read as follows:

9 (1) (~~Six months after the first Washington homeless census,~~)
10 The department shall, in consultation with the interagency council on
11 homelessness and the affordable housing advisory board, prepare and
12 publish a (~~ten-year~~) five-year homeless housing strategic plan
13 which (~~shall~~) must outline statewide goals and performance measures
14 and (~~shall~~) must be coordinated with the plan for homeless families
15 with children required under RCW 43.63A.650. The state homeless
16 housing strategic plan must be submitted to the legislature by July
17 1, 2017, and every five years thereafter. The plan must include at
18 least the following information:

19 (a) Performance measures and goals to reduce homelessness,
20 including long-term and short-term goals;

21 (b) An analysis of the services and programs being offered at the
22 state and county level and an identification of those representing
23 best practices and outcomes;

24 (c) Recognition of services and programs targeted to certain
25 homeless populations or geographic areas in recognition of the
26 diverse needs across the state;

27 (d) New or innovative funding, program, or service strategies to
28 pursue;

29 (e) An analysis of current drivers of homelessness and/or
30 improvements to housing security such as increases and reductions to
31 employment opportunities, housing scarcity and affordability, health
32 and behavior health services, chemical dependency treatment, and
33 incarceration rates; and

34 (f) An implementation strategy outlining the roles and
35 responsibilities at the state and local level and timelines to
36 achieve a reduction in homelessness at the statewide level during
37 periods of the five-year homeless housing strategic plan.

38 (2) The department must coordinate its efforts on the state
39 homeless housing strategic plan with the office of homeless youth

1 prevention and protection programs advisory committee under RCW
2 43.330.705. The state homeless housing strategic plan must not
3 conflict with the strategies, planning, data collection, and
4 performance and outcome measures developed under RCW 43.330.705 and
5 43.330.706 to reduce the state's homeless youth population.

6 (3) To guide local governments in preparation of ((their first))
7 local homeless housing plans due December ((31, 2005)) 1, 2017, and
8 updated every five years thereafter, the department shall issue by
9 ((October 15, 2005)) December 1, 2016, ((temporary)) guidelines
10 consistent with this chapter and including the best available data on
11 each community's homeless population. ((Local governments' ten-year
12 homeless housing plans shall not be substantially inconsistent with
13 the goals and program recommendations of the temporary guidelines
14 and, when amended after 2005, the state strategic plan.

15 (2)) Program outcomes ((and)), performance measures, and goals
16 ((shall)) must be created by the department ((and reflected in the
17 department's homeless housing strategic plan as well as interim
18 goals)) in collaboration with local governments against which ((state
19 and)) local governments' performance ((may)) will be measured((,
20 including:

21 (a) By the end of year one, completion of the first census as
22 described in RCW 43.185C.030;

23 (b) By the end of each subsequent year, goals common to all local
24 programs which are measurable and the achievement of which would move
25 that community toward housing its homeless population; and

26 (c) By July 1, 2015, reduction of the homeless population
27 statewide and in each county by fifty percent)).

28 ((3)) (4) The department shall develop a consistent statewide
29 data gathering instrument to monitor the performance of cities and
30 counties receiving grants in order to determine compliance with the
31 terms and conditions set forth in the grant application or required
32 by the department.

33 ((The department shall, in consultation with the interagency
34 council on homelessness and the affordable housing advisory board,
35 report biennially to the governor and the appropriate committees of
36 the legislature an assessment of the state's performance in
37 furthering the goals of the state ten-year homeless housing strategic
38 plan and the performance of each participating local government in
39 creating and executing a local homeless housing plan which meets the

1 requirements of this chapter. The annual report may include
2 performance measures such as:

3 (a) The reduction in the number of homeless individuals and
4 families from the initial count of homeless persons;

5 (b) The reduction in the number of unaccompanied homeless youth.
6 "Unaccompanied homeless youth" has the same meaning as in RCW
7 43.330.702;

8 (c) The number of new units available and affordable for homeless
9 families by housing type;

10 (d) The number of homeless individuals identified who are not
11 offered suitable housing within thirty days of their request or
12 identification as homeless;

13 (e) The number of households at risk of losing housing who
14 maintain it due to a preventive intervention;

15 (f) The transition time from homelessness to permanent housing;

16 (g) The cost per person housed at each level of the housing
17 continuum;

18 (h) The ability to successfully collect data and report
19 performance;

20 (i) The extent of collaboration and coordination among public
21 bodies, as well as community stakeholders, and the level of community
22 support and participation;

23 (j) The quality and safety of housing provided; and

24 (k) The effectiveness of outreach to homeless persons, and their
25 satisfaction with the program.

26 (4)) (5) Based on the performance of local homeless housing
27 programs in meeting their ((interim)) goals, on general population
28 changes and on changes in the homeless population recorded in the
29 annual census, the department may ((revise the performance measures
30 and goals of the state homeless housing strategic plan, set goals for
31 years following the initial ten-year period, and recommend)) require
32 changes in local governments' plans to be eligible for state funding
33 appropriated to the department for homeless programs.

34 **Sec. 4.** RCW 43.185C.160 and 2005 c 485 s 1 are each amended to
35 read as follows:

36 (1) Each county shall create a homeless housing task force to
37 develop a ((ten-year)) five-year homeless housing plan addressing
38 short-term and long-term housing for homeless persons. The plan is
39 due to the department on December 1, 2017, and must be updated every

1 five years thereafter. The plan must include a local homelessness
2 reduction goal for the county and an implementation plan to achieve
3 the goal over the five-year plan period. The plan must also have a
4 specific and more aggressive goal and implementation plan to reduce
5 youth homelessness in the county that is consistent with state
6 reduction strategies developed by the office of homeless youth
7 prevention and protection programs.

8 Membership on the task force may include representatives of the
9 counties, cities, towns, housing authorities, civic and faith
10 organizations, schools, community networks, human services providers,
11 law enforcement personnel, criminal justice personnel, including
12 prosecutors, probation officers, and jail administrators, substance
13 abuse treatment providers, mental health care providers, emergency
14 health care providers, businesses, at large representatives of the
15 community, and a homeless or formerly homeless individual.

16 In lieu of creating a new task force, a local government may
17 designate an existing governmental or nonprofit body which
18 substantially conforms to this section and which includes at least
19 one homeless or formerly homeless individual to serve as its homeless
20 representative. As an alternative to a separate plan, two or more
21 local governments may work in concert to develop and execute a joint
22 homeless housing plan, or to contract with another entity to do so
23 according to the requirements of this chapter. While a local
24 government has the authority to subcontract with other entities, the
25 local government continues to maintain the ultimate responsibility
26 for the homeless housing program within its borders.

27 A county may decline to participate in the program authorized in
28 this chapter by forwarding to the department a resolution adopted by
29 the county legislative authority stating the intention not to
30 participate. A copy of the resolution shall also be transmitted to
31 the county auditor and treasurer. If a county declines to
32 participate, the department shall create and execute a local homeless
33 housing plan for the county meeting the requirements of this chapter.

34 (2) In addition to developing a (~~ten-year~~) five-year homeless
35 housing plan, each task force shall establish guidelines consistent
36 with the statewide homeless housing strategic plan, as needed, for
37 the following:

- 38 (a) Emergency shelters;
- 39 (b) Short-term housing needs;
- 40 (c) Temporary encampments;

- 1 (d) Supportive housing for chronically homeless persons; and
- 2 (e) Long-term housing.

3 Guidelines must include, when appropriate, standards for health
4 and safety and notifying the public of proposed facilities to house
5 the homeless.

6 (3) Each county, including counties exempted from creating a new
7 task force under subsection (1) of this section, shall report to the
8 department (~~(of community, trade, and economic development)~~) such
9 information as may be needed to ensure compliance with this chapter,
10 including the annual report required in section 5 of this act.

11 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.185C
12 RCW to read as follows:

13 (1) By February 1st of each year, the department must provide an
14 update on the state's homeless housing strategic plan and its
15 activities for the prior fiscal year. The report must include, but
16 not be limited to, the following information:

17 (a) An assessment of the current condition of homelessness in
18 Washington state and the state's performance in meeting the goals in
19 the state homeless housing strategic plan;

20 (b) A report on the results of the annual homeless point-in-time
21 census conducted statewide under RCW 43.185C.030;

22 (c) The amount of federal, state, local, and private funds spent
23 on homelessness assistance, categorized by funding source and the
24 following major assistance types:

25 (i) Emergency shelter;

26 (ii) Homelessness prevention and rapid rehousing;

27 (iii) Permanent housing;

28 (iv) Permanent supportive housing;

29 (v) Transitional housing;

30 (vi) Services only; and

31 (vii) Any other activity in which more than five hundred thousand
32 dollars of category funds were expended;

33 (d) A report on the expenditures, performance, and outcomes of
34 state funds distributed through the consolidated homeless grant
35 program, including the grant recipient, award amount expended, use of
36 the funds, counties served, and households served;

37 (e) A report on state and local homelessness document recording
38 fee expenditure by county, including the total amount of fee
39 spending, percentage of total spending from fees, number of people

1 served by major assistance type, and amount of expenditures for
2 private rental payments required in RCW 36.22.179;

3 (f) A report on the expenditures, performance, and outcomes of
4 the essential needs and housing support program meeting the
5 requirements of RCW 43.185C.220; and

6 (g) A report on the expenditures, performance, and outcomes of
7 the independent youth housing program meeting the requirements of RCW
8 43.63A.311.

9 (2) The report required in subsection (1) of this section must be
10 posted to the department's web site and may include links to updated
11 or revised information contained in the report.

12 (3) By February 1st of each year, any local government receiving
13 state funds for homelessness assistance or state or local
14 homelessness document recording fees under RCW 36.22.178, 36.22.179,
15 or 36.22.1791 must provide an annual report on the current condition
16 of homelessness in its jurisdiction, its performance in meeting the
17 goals in its local homeless housing plan, and any significant changes
18 made to the plan. The annual report must be posted on the
19 department's web site. Along with each local government annual
20 report, the department must produce and post information on the local
21 government's homelessness spending from all sources by project during
22 the prior state fiscal year in a format similar to the department's
23 report under subsection (1)(c) of this section. If a local government
24 fails to report or provides an inadequate or incomplete report, the
25 department must take corrective action, which may include withholding
26 state funding for homelessness assistance to the local government to
27 enable the department to use such funds to contract with other public
28 or nonprofit entities to provide homelessness assistance within the
29 jurisdiction.

30 **Sec. 6.** RCW 36.22.178 and 2011 c 110 s 1 are each amended to
31 read as follows:

32 The surcharge provided for in this section shall be named the
33 affordable housing for all surcharge.

34 (1) Except as provided in subsection (3) of this section, a
35 surcharge of ten dollars per instrument shall be charged by the
36 county auditor for each document recorded, which will be in addition
37 to any other charge authorized by law. (~~The county may retain up to~~
38 ~~five percent of these funds collected solely for the collection,~~
39 ~~administration, and local distribution of these funds. Of the~~

1 ~~remaining funds,~~) Forty percent of the revenue generated through
2 this surcharge will be transmitted monthly to the state treasurer who
3 will deposit the funds into the affordable housing for all account
4 created in RCW 43.185C.190. The department of commerce must use these
5 funds to provide housing and shelter for extremely low-income
6 households, including but not limited to housing for victims of human
7 trafficking and their families and grants for building operation and
8 maintenance costs of housing projects or units within housing
9 projects that are affordable to extremely low-income households with
10 incomes at or below thirty percent of the area median income, and
11 that require a supplement to rent income to cover ongoing operating
12 expenses.

13 (2) All of the remaining funds generated by this surcharge will
14 be retained by the county and be deposited into a fund that must be
15 used by the county and its cities and towns for eligible housing
16 activities as described in this subsection that serve very low-income
17 households with incomes at or below fifty percent of the area median
18 income. Up to six percent of the funds may be used by the county for
19 the collection and local distribution of these funds and
20 administrative costs related to its homeless housing plan. The
21 portion of the surcharge retained by a county shall be allocated to
22 eligible housing activities that serve extremely low and very low-
23 income households in the county and the cities within a county
24 according to an interlocal agreement between the county and the
25 cities within the county consistent with countywide and local housing
26 needs and policies. A priority must be given to eligible housing
27 activities that serve extremely low-income households with incomes at
28 or below thirty percent of the area median income. Eligible housing
29 activities to be funded by these county funds are limited to:

30 (a) Acquisition, construction, or rehabilitation of housing
31 projects or units within housing projects that are affordable to very
32 low-income households with incomes at or below fifty percent of the
33 area median income, including units for homeownership, rental units,
34 seasonal and permanent farmworker housing units, units reserved for
35 victims of human trafficking and their families, and single room
36 occupancy units;

37 (b) Supporting building operation and maintenance costs of
38 housing projects or units within housing projects eligible to receive
39 housing trust funds, that are affordable to very low-income
40 households with incomes at or below fifty percent of the area median

1 income, and that require a supplement to rent income to cover ongoing
2 operating expenses;

3 (c) Rental assistance vouchers for housing units that are
4 affordable to very low-income households with incomes at or below
5 fifty percent of the area median income, including rental housing
6 vouchers for victims of human trafficking and their families, to be
7 administered by a local public housing authority or other local
8 organization that has an existing rental assistance voucher program,
9 consistent with or similar to the United States department of housing
10 and urban development's section 8 rental assistance voucher program
11 standards; and

12 (d) Operating costs for emergency shelters and licensed overnight
13 youth shelters.

14 (3) The surcharge imposed in this section does not apply to
15 assignments or substitutions of previously recorded deeds of trust.

16 **Sec. 7.** RCW 36.22.179 and 2014 c 200 s 1 are each amended to
17 read as follows:

18 (1) In addition to the surcharge authorized in RCW 36.22.178, and
19 except as provided in subsection (2) of this section, an additional
20 surcharge of ten dollars shall be charged by the county auditor for
21 each document recorded, which will be in addition to any other charge
22 allowed by law. From September 1, 2012, through June 30, 2019, the
23 surcharge shall be forty dollars. The funds collected pursuant to
24 this section are to be distributed and used as follows:

25 (a) The auditor shall (~~retain two percent for collection of the~~
26 ~~fee, and of the remainder shall~~) remit sixty percent to the county
27 to be deposited into a fund that must be used by the county and its
28 cities and towns to accomplish the purposes of chapter 484, Laws of
29 2005, six percent of which may be used by the county for the
30 collection and local distribution of these funds and administrative
31 costs related to its homeless housing plan, and the remainder for
32 programs which directly accomplish the goals of the county's local
33 homeless housing plan, except that for each city in the county which
34 elects as authorized in RCW 43.185C.080 to operate its own local
35 homeless housing program, a percentage of the surcharge assessed
36 under this section equal to the percentage of the city's local
37 portion of the real estate excise tax collected by the county shall
38 be transmitted at least quarterly to the city treasurer, without any
39 deduction for county administrative costs, for use by the city for

1 program costs which directly contribute to the goals of the city's
2 local homeless housing plan; of the funds received by the city, it
3 may use six percent for administrative costs for its homeless housing
4 program.

5 (b) The auditor shall remit the remaining funds to the state
6 treasurer for deposit in the home security fund account. The
7 department may use twelve and one-half percent of this amount for
8 administration of the program established in RCW 43.185C.020,
9 including the costs of creating the statewide homeless housing
10 strategic plan, measuring performance, providing technical assistance
11 to local governments, and managing the homeless housing grant
12 program. Of the remaining eighty-seven and one-half percent, at least
13 forty-five percent must be set aside for the use of private rental
14 housing payments, and the remainder is to be used by the department
15 to:

16 (i) Provide housing and shelter for homeless people including,
17 but not limited to: Grants to operate, repair, and staff shelters;
18 grants to operate transitional housing; partial payments for rental
19 assistance; consolidated emergency assistance; overnight youth
20 shelters; grants and vouchers designated for victims of human
21 trafficking and their families; and emergency shelter assistance; and

22 (ii) Fund the homeless housing grant program.

23 (2) The surcharge imposed in this section does not apply to (a)
24 assignments or substitutions of previously recorded deeds of trust,
25 (b) documents recording a birth, marriage, divorce, or death, (c) any
26 recorded documents otherwise exempted from a recording fee or
27 additional surcharges under state law, (d) marriage licenses issued
28 by the county auditor, or (e) documents recording a state, county, or
29 city lien or satisfaction of lien.

30 **Sec. 8.** RCW 36.22.1791 and 2011 c 110 s 3 are each amended to
31 read as follows:

32 (1) In addition to the surcharges authorized in RCW 36.22.178 and
33 36.22.179, and except as provided in subsection (2) of this section,
34 the county auditor shall charge an additional surcharge of eight
35 dollars for each document recorded, which is in addition to any other
36 charge allowed by law. The funds collected under this section are to
37 be distributed and used as follows:

38 (a) The auditor shall remit ninety percent to the county to be
39 deposited into a fund six percent of which may be used by the county

1 for the collection and local distribution of these funds and
2 administrative costs related to its homeless housing plan, and the
3 remainder for programs that directly accomplish the goals of the
4 county's local homeless housing plan, except that for each city in
5 the county that elects, as authorized in RCW 43.185C.080, to operate
6 its own local homeless housing program, a percentage of the surcharge
7 assessed under this section equal to the percentage of the city's
8 local portion of the real estate excise tax collected by the county
9 must be transmitted at least quarterly to the city treasurer for use
10 by the city for program costs that directly contribute to the goals
11 of the city's local homeless housing plan.

12 (b) The auditor shall remit the remaining funds to the state
13 treasurer for deposit in the home security fund account. The
14 department may use the funds for administering the program
15 established in RCW 43.185C.020, including the costs of creating and
16 updating the statewide homeless housing strategic plan, measuring
17 performance, providing technical assistance to local governments, and
18 managing the homeless housing grant program. Remaining funds may also
19 be used to:

20 (i) Provide housing and shelter for homeless people including,
21 but not limited to: Grants to operate, repair, and staff shelters;
22 grants to operate transitional housing; partial payments for rental
23 assistance; consolidated emergency assistance; overnight youth
24 shelters; grants and vouchers designated for victims of human
25 trafficking and their families; and emergency shelter assistance; and

26 (ii) Fund the homeless housing grant program.

27 (2) The surcharge imposed in this section does not apply to
28 assignments or substitutions of previously recorded deeds of trust.

29 **Sec. 9.** RCW 43.185C.240 and 2015 c 69 s 26 are each amended to
30 read as follows:

31 (1) As a means of efficiently and cost-effectively providing
32 housing assistance to very-low income and homeless households:

33 (a) Any local government that has the authority to issue housing
34 vouchers, directly or through a contractor, using document recording
35 surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, or
36 36.22.1791 must:

37 (i)(A) Maintain an interested landlord list, which at a minimum,
38 includes information on rental properties in buildings with fewer
39 than fifty units;

1 (B) Update the list at least once per quarter;

2 (C) Distribute the list to agencies providing services to
3 individuals and households receiving housing vouchers;

4 (D) Ensure that a copy of the list or information for accessing
5 the list online is provided with voucher paperwork; and

6 (E) Communicate and interact with landlord and tenant
7 associations located within its jurisdiction to facilitate
8 development, maintenance, and distribution of the list to private
9 rental housing landlords. The department must make reasonable efforts
10 to ensure that local providers conduct outreach to private rental
11 housing landlords each calendar quarter regarding opportunities to
12 provide rental housing to the homeless and the availability of funds;

13 (ii) Using cost-effective methods of communication, convene, on a
14 semiannual or more frequent basis, landlords represented on the
15 interested landlord list and agencies providing services to
16 individuals and households receiving housing vouchers to identify
17 successes, barriers, and process improvements. The local government
18 is not required to reimburse any participants for expenses related to
19 attendance;

20 (iii) Produce data, limited to document recording fee uses and
21 expenditures, on a (~~calendar~~) fiscal year basis in consultation
22 with landlords represented on the interested landlord list and
23 agencies providing services to individuals and households receiving
24 housing vouchers, that include the following: Total amount expended
25 from document recording fees; amount expended on, number of
26 households that received, and number of housing vouchers issued in
27 each of the private, public, and nonprofit markets; amount expended
28 on, number of households that received, and number of housing
29 placement payments provided in each of the private, public, and
30 nonprofit markets; amount expended on and number of eviction
31 prevention services provided in the private market; amount expended
32 on and number of other tenant-based rent assistance services provided
33 in the private market; and amount expended on and number of services
34 provided to unaccompanied homeless youth. If these data elements are
35 not readily available, the reporting government may request the
36 department to use the sampling methodology established pursuant to
37 (c)(iii) of this subsection to obtain the data; and

38 (iv) Annually submit the (~~calendar~~) fiscal year data to the
39 department (~~by October 1st, with preliminary data submitted by~~

1 ~~October 1, 2012, and full calendar year data submitted beginning~~
2 ~~October 1, 2013~~)).

3 (b) Any local government receiving more than three million five
4 hundred thousand dollars during the previous ((~~calendar~~)) fiscal year
5 from document recording surcharge funds collected pursuant to RCW
6 36.22.178, 36.22.179, and 36.22.1791, must apply to the Washington
7 state quality award program, or similar Baldrige assessment
8 organization, for an independent assessment of its quality
9 management, accountability, and performance system. The first
10 assessment may be a lite assessment. After submitting an application,
11 a local government is required to reapply at least every two years.

12 (c) The department must:

13 (i) Require contractors that provide housing vouchers to
14 distribute the interested landlord list created by the appropriate
15 local government to individuals and households receiving the housing
16 vouchers;

17 (ii) Convene a stakeholder group by March 1, 2017, consisting of
18 landlords, homeless housing advocates, real estate industry
19 representatives, cities, counties, and the department to meet to
20 discuss long-term funding strategies for homeless housing programs
21 that do not include a surcharge on document recording fees. The
22 stakeholder group must provide a report of its findings to the
23 legislature by December 1, 2017;

24 (iii) Develop a sampling methodology to obtain data required
25 under this section when a local government or contractor does not
26 have such information readily available. The process for developing
27 the sampling methodology must include providing notification to and
28 the opportunity for public comment by local governments issuing
29 housing vouchers, landlord association representatives, and agencies
30 providing services to individuals and households receiving housing
31 vouchers;

32 (iv) Develop a report, limited to document recording fee uses and
33 expenditures, on a ((~~calendar~~)) fiscal year basis that may include
34 consultation with local governments, landlord association
35 representatives, and agencies providing services to individuals and
36 households receiving housing vouchers, that includes the following:
37 Total amount expended from document recording fees; amount expended
38 on, number of households that received, and number of housing
39 vouchers issued in each of the private, public, and nonprofit
40 markets; amount expended on, number of households that received, and

1 number of housing placement payments provided in each of the private,
2 public, and nonprofit markets; amount expended on and number of
3 eviction prevention services provided in the private market; the
4 total amount of funds set aside for private rental housing payments
5 as required in RCW 36.22.179(1)(b); and amount expended on and number
6 of other tenant-based rent assistance services provided in the
7 private market. The information in the report must include data
8 submitted by local governments and data on all additional document
9 recording fee activities for which the department contracted that
10 were not otherwise reported. The data, samples, and sampling
11 methodology used to develop the report must be made available upon
12 request and for the audits required in this section;

13 (v) Annually submit the (~~calendar~~) fiscal year report to the
14 legislature by (~~December 15th, with a preliminary report submitted~~
15 ~~by December 15, 2012, and full calendar year reports submitted~~
16 ~~beginning December 15, 2013~~) February 1st of each year; and

17 (vi) Work with the Washington state quality award program, local
18 governments, and any other organizations to ensure the appropriate
19 scheduling of assessments for all local governments meeting the
20 criteria described in subsection (1)(b) of this section.

21 (d) The office of financial management must secure an independent
22 audit of the department's data and expenditures of state funds
23 received under RCW 36.22.179(1)(b) on an annual basis. The
24 independent audit must review a random sample of local governments,
25 contractors, and housing providers that is geographically and
26 demographically diverse. The independent auditor must meet with the
27 department and a landlord representative to review the preliminary
28 audit and provide the department and the landlord representative with
29 the opportunity to include written comments regarding the findings
30 that must be included with the audit. The first audit of the
31 department's data and expenditures will be for calendar year 2014 and
32 is due July 1, 2015. Each audit thereafter will be due July 1st
33 following the department's submission of the report to the
34 legislature. If the independent audit finds that the department has
35 failed to set aside at least forty-five percent of the funds received
36 under RCW 36.22.179(1)(b) after June 12, 2014, for private rental
37 housing payments, the independent auditor must notify the department
38 and the office of financial management of its finding. In addition,
39 the independent auditor must make recommendations to the office of
40 financial management and the legislature on alternative means of

1 distributing the funds to meet the requirements of RCW
2 36.22.179(1)(b).

3 (e) The office of financial management must contract with an
4 independent auditor to conduct a performance audit of the programs
5 funded by document recording surcharge funds collected pursuant to
6 RCW 36.22.178, 36.22.179, and 36.22.1791. The audit must provide
7 findings to determine if the funds are being used effectively,
8 efficiently, and for their intended purpose. The audit must review
9 the department's performance in meeting all statutory requirements
10 related to document recording surcharge funds including, but not
11 limited to, the data the department collects, the timeliness and
12 quality of required reports, and whether the data and required
13 reports provide adequate information and accountability for the use
14 of the document recording surcharge funds. The audit must include
15 recommendations for policy and operational improvements to the use of
16 document recording surcharges by counties and the department. The
17 performance audit must be submitted to the legislature by December 1,
18 2016.

19 (2) For purposes of this section:

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

24 (b) "Housing vouchers" means payments, including private rental
25 housing payments, funded by document recording surcharges collected
26 pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made by
27 a local government or contractor to secure: (i) A rental unit on
28 behalf of an individual tenant; or (ii) a block of units on behalf of
29 multiple tenants.

30 (c) "Interested landlord list" means a list of landlords who have
31 indicated to a local government or contractor interest in renting to
32 individuals or households receiving a housing voucher funded by
33 document recording surcharges.

34 (d) "Private rental housing" means housing owned by a private
35 landlord and does not include housing owned by a nonprofit housing
36 entity or government entity.

37 (3) This section expires June 30, 2019.

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