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**Community Development, Housing &  
Tribal Affairs Committee**

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**HB 1570**

**Brief Description:** Concerning access to homeless housing and assistance.

**Sponsors:** Representatives Macri, Robinson, McBride, Kagi, Sawyer, Tharinger, Doglio, Pollet, Ortiz-Self, Chapman, Cody, Jinkins, Bergquist, Hudgins, Peterson, Senn, Stonier, Riccelli, Frame, Gregerson, Dolan, Tarleton, Ormsby, Ryu, Fey, Fitzgibbon, Goodman, Slatter, Pettigrew, Kloba, Orwall, Appleton, Clibborn, Farrell and Stanford.

**Brief Summary of Bill**

- Makes the temporary \$40 local Homeless Housing and Assistance surcharge permanent.
- Increases the local Housing and Assistance surcharge from \$40 to \$90.
- Changes the Home Security Fund from an appropriated account to a non-appropriated account.
- Creates new and updated reporting requirements and studies for certain homeless assistance programs.

**Hearing Date:** 1/26/17

**Staff:** Kirsten Lee (786-7133).

**Background:**

The State Homeless Housing Program.

The Homeless Housing and Assistance Act directs the Department of Commerce (Department) to develop a statewide homeless housing program. The Department must implement the program through a 10-year strategic plan with the goal of reducing homelessness by 50 percent in the state, and within each county by 2015. Local governments must also develop their own 10-year homeless housing plans in coordination with the statewide plan.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The Department's efforts include an annual homeless census to aid the Department and local governments in identifying homeless housing for individuals. The Department must also report biennially to the Governor and appropriate committees of the Legislature an assessment of the state's performance in furthering the goals of the state's 10-year homeless housing strategic plan, and the performance of each participating local government in creating and executing a local homeless housing plan.

The Department manages a range of homeless assistance, prevention, and housing programs. The Department programs include:

- the Consolidated Homeless Grant Program, which provides grants for county governments and other designated entities for services including temporary rent assistance for households who are homeless or at risk of being homeless;
- the Office of Homeless Youth Prevention and Protection Programs, which provides services for youth and young adults, including: (1) the Independent Youth Housing Program, which provides rental assistance and case management for eligible youth who have aged out of the state foster care system; (2) Street Youth Services, which fund outreach to street youth to connect them to shelter and services; and (3) HOPE Beds, which provide voluntary temporary residential placements for youths under age 18; and
- Crisis Residential Centers, which are short-term, semi-secure and secure facilities for runaway youth and adolescents in conflict with their families.

#### The Local Homeless Housing and Assistance Surcharge.

Both the state and local homeless housing programs receive funding from the homeless housing and assistance surcharge collected by each county auditor when a document is recorded. The surcharge is \$40 per recorded document, but is scheduled to change back to \$10 in 2019. The surcharge is applied in addition to any other authorized surcharges, as well as any administrative fees collected by the county auditor. An additional homeless housing and assistance surcharge of \$8 is also collected by each county auditor.

Both the state and the county receive a percentage of the money collected from each surcharge. Approximately 60 percent is distributed to the county, and approximately 40 percent to the state. The funds collected for the local homeless housing and assistance surcharge are distributed as follows:

- 2 percent to the county for collection of the fee;
- 60 percent of the remainder to the county for its homeless housing program, up to 6 percent of which may be used for administering its homeless housing plan;
- 40 percent of the remainder to be deposited in the Home Security Fund (Fund), up to 12.5 percent of which may be used by the Department for managing the state Homeless Housing Program, including the costs of creating the statewide homeless housing strategic plan, measuring performance, providing technical assistance to local governments, and managing the homeless housing grant program;
- of the remaining 87.5 percent of the 40 percent, at least 45 percent must be set aside for private rental housing payments; and
- the remainder of all funds go to the Department to be used to provide housing and shelter for homeless people and fund the homeless housing grant program.

The \$40 homeless housing and assistance surcharge applies to most recorded documents. Certain documents are exempt, including documents recording a birth, marriage, divorce, or death, and documents recording a state, county, or city lien.

#### Home Security Fund.

The state's share of the \$40 homeless housing and assistance surcharge is deposited into the Fund, along with funds from the additional \$8 homeless housing and assistance surcharge. This Fund is an appropriated account and may be used only for homeless housing programs. The Office of Financial Management oversees certain compliance regulations for the account. The Department uses these funds for multiple homeless housing programs.

#### United States Department of Housing and Urban Development Point-In-Time Count.

Every year the United States Department of Housing and Urban Development (HUD) requires communities across the nation to collect data on their homeless populations and to report the data to the HUD. The data collection process is referred to as the Point-In-Time (PIT) Count. The PIT Count is collected as a means to estimate the number of homeless individuals in the United States. Local planning bodies responsible for coordinating homeless efforts in a geographic area, Continuums of Care (CoCs), administer the PIT Count. During even-numbered years, CoCs must provide data on the number of sheltered (those living in emergency shelters and transitional housing) persons experiencing homelessness on a single night and during odd-numbered years, CoCs must provide data on sheltered and unsheltered (those living in the street or in another place not meant for human habitation) persons experiencing homelessness on a single night. The PIT Count results are reported in the HUD Annual Homeless Assessment Report.

Counts are categorized by household type, including individuals, families, and child-only households. The counts are further broken down by subpopulation categories, such as homeless veterans, and people who are chronically homeless. The HUD provides resources to communities to assist with the PIT Count, including model PIT Count surveys.

#### **Summary of Bill:**

##### The State Homeless Housing Program.

The Department must make their subpopulation data collected for the annual homeless census consistent with the HUD's PIT requirements.

At least every 10 years, and subject to appropriation, the Department, in collaboration with the Washington State Institute for Public Policy, must conduct a statewide homeless study to better understand the causes and characteristics of the homeless in Washington, and help decision makers promote efforts toward housing stability. The study is intended to supplement the Department's current annual homeless census. A study proposal is due to the Legislature by January 1, 2019.

The state homeless housing strategic plan is changed from a 10-year strategic plan to a five-year strategic plan. The homeless housing strategic plan must be updated by July 1, 2018, and every five years thereafter. The Department must continue to coordinate with the Interagency Council on homelessness, the Affordable Housing Advisory Board, and the State Advisory Council on Homelessness, with the preparation and publishing of the five-year strategic plan. The Department must coordinate its five-year strategic plan with the Homeless Youth Prevention and

Protection Advisory Committee. New criteria are added to what must be included in the five-year strategic plan, including performance measures and goals to reduce homelessness, an analysis of the services and programs being offered at the state and county level, identification of those representing best practices and outcome, and new or innovative funding, program, or service strategies to pursue.

The requirement that the Department report biennially to the Legislature and appropriate committees on the state's performance in furthering the goals of the state's 10-year homeless housing strategic plan, and the performance of each participating local government in creating and executing a local homeless housing plan, is eliminated.

By December 1 of each year, the Department must provide an update on the state's homeless housing five-year strategic plan and its activities for the prior fiscal year. The report must include: (1) an assessment of the current condition of homelessness; (2) the state's performance in meeting its strategic plan goals; (3) the results of the annual homeless PIT census; (4) a report on the state and local homeless document recording fee expenditure by county; and (5) the amount of federal, state, local, and private funds spent on homelessness assistance, categorized by funding source and major assistance types. The report must be posted on the Department's website.

The local government housing strategic plan is changed from a 10-year plan to a five-year plan.

The Department must create guidelines and provide relevant data to local governments by December 1, 2017, to assist with updating the five-year homeless housing plans that are due by December 1, 2018.

By December 1 of each year, any local government receiving state funds for homeless assistance must provide an annual report on meeting the goals in its homeless housing strategic plan, the current condition of homelessness in its jurisdiction, and any significant changes to the plan. The report must be posted on their website.

The Department must also post with a local government's annual report, information on the local government's homelessness spending from all sources by project during the prior state fiscal year. If a local government fails to report, or provides an inadequate report, the Department must take corrective action, including withholding state funding for homeless assistance until the report is remedied.

Document recording surcharge fund reporting and auditing requirements for local governments and the Department are changed to be reported on a fiscal year basis, instead of an annual year basis.

#### The Local Homeless Housing and Assistance Surcharge.

The \$40 homeless housing and assistance document recording surcharge is increased to \$90 and made permanent. The Department must set aside 45 percent of the initial \$40 collected of the state's share for private rental housing payments, landlord education, and landlord liaison programs. The definition for "private rental housing payments" is changed and a definition for "landlord liaison program" is added.

"Private rental housing payments" means housing owned by a private landlord and includes housing owned by a nonprofit housing entity.

"Landlord liaison program" means a program that provides financial and other support to landlords who are willing to rent to tenants using rental assistance to mitigate damages that are not attributable to normal wear and tear that may be caused by tenants.

Home Security Fund.

The Fund account is changed from an appropriated to a non-appropriated account. Expenditures from the account must be made by the Director of the Department (Director) or the Director's designee. The Office of Financial Management's oversight provisions are removed.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.