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SENATE BILL 6364

State of Washington 65th Legislature

2018 Regular Session

By Senator Miloscia

AN ACT Relating to ending homelessness; amending RCW 74.15.030, 1 2 74.15.030, 43.330.700, 43.330.705, 43.330.706, 43.330.710, 3 43.185C.180, 43.185C.030, 43.185C.040, 43.185C.070, 43.185C.160, 43.185C.170, 36.22.178, 36.22.179, 36.22.1791, and 43.185C.240; 4 5 adding a new section to chapter 13.32A RCW; adding new sections to chapter 43.185C RCW; creating new sections; making appropriations; 6 7 providing an effective date; and providing an expiration date.

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

9 PART I

10 NEW SECTION. Sec. 101. The legislature finds and declares that 11 homelessness is a crisis in Washington state. Of particular concern 12 the alarming number of runaway and unaccompanied homeless children. To address the concern, the legislature finds and declares 13 that there must be no runaway and unaccompanied homeless children in 14 15 our state by July 1, 2019. To achieve this goal and address this 16 crisis, a runaway and unaccompanied homeless child is 17 considered neglected and every effort must be made to reunify the child with his or her family or quardian. If family reunification is 18 not possible, the child must be screened in for services by the 19 20 department of social and health services. Additionally, to ensure

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- that all children are accounted for, parents, guardians, and caregivers are required to report missing children.
- **Sec. 102.** RCW 74.15.030 and 2014 c 104 s 2 are each amended to 4 read as follows:

- The secretary shall have the power and it shall be the secretary's duty:
 - (1) In consultation with the children's services advisory committee, and with the advice and assistance of persons representative of the various type agencies to be licensed, to designate categories of facilities for which separate or different requirements shall be developed as may be appropriate whether because of variations in the ages, sex and other characteristics of persons served, variations in the purposes and services offered or size or structure of the agencies to be licensed hereunder, or because of any other factor relevant thereto;
 - (2) In consultation with the children's services advisory committee, and with the advice and assistance of persons representative of the various type agencies to be licensed, to adopt and publish minimum requirements for licensing applicable to each of the various categories of agencies to be licensed.

The minimum requirements shall be limited to:

- 22 (a) The size and suitability of a facility and the plan of 23 operation for carrying out the purpose for which an applicant seeks a 24 license;
 - (b) Obtaining background information and any out-of-state equivalent, to determine whether the applicant or service provider is disqualified and to determine the character, competence, and suitability of an agency, the agency's employees, volunteers, and other persons associated with an agency;
 - (c) Conducting background checks for those who will or may have unsupervised access to children, expectant mothers, or individuals with a developmental disability; however, a background check is not required if a caregiver approves an activity pursuant to the prudent parent standard contained in RCW 74.13.710;
 - (d) Obtaining child protective services information or records maintained in the department case management information system. No unfounded allegation of child abuse or neglect as defined in RCW 26.44.020 may be disclosed to a child-placing agency, private adoption agency, or any other provider licensed under this chapter;

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- (e) Submitting a fingerprint-based background check through the Washington state patrol under chapter 10.97 RCW and through the federal bureau of investigation for:
- (i) Agencies and their staff, volunteers, students, and interns when the agency is seeking license or relicense;
 - (ii) Foster care and adoption placements; and

- (iii) Any adult living in a home where a child may be placed;
- 8 (f) If any adult living in the home has not resided in the state 9 of Washington for the preceding five years, the department shall 10 review any child abuse and neglect registries maintained by any state 11 where the adult has resided over the preceding five years;
 - (g) The cost of fingerprint background check fees will be paid as required in RCW 43.43.837;
 - (h) National and state background information must be used solely for the purpose of determining eligibility for a license and for determining the character, suitability, and competence of those persons or agencies, excluding parents, not required to be licensed who are authorized to care for children or expectant mothers;
- 19 (i) The number of qualified persons required to render the type 20 of care and treatment for which an agency seeks a license;
 - (j) The safety, cleanliness, and general adequacy of the premises to provide for the comfort, care and well-being of children, expectant mothers or developmentally disabled persons;
 - (k) The provision of necessary care, including food, clothing, supervision and discipline; physical, mental and social well-being; and educational, recreational and spiritual opportunities for those served;
 - (1) The financial ability of an agency to comply with minimum requirements established pursuant to $\underline{\text{this}}$ chapter ((74.15 RCW)) and RCW 74.13.031; and
- 31 (m) The maintenance of records pertaining to the admission, 32 progress, health and discharge of persons served;
 - (3) To investigate any person, including relatives by blood or marriage except for parents, for character, suitability, and competence in the care and treatment of children, expectant mothers, and developmentally disabled persons prior to authorizing that person to care for children, expectant mothers, and developmentally disabled persons. However, if a child is placed with a relative under RCW 13.34.065 or 13.34.130, and if such relative appears otherwise suitable and competent to provide care and treatment the criminal

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history background check required by this section need not be completed before placement, but shall be completed as soon as possible after placement;

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- (4) On reports of alleged child abuse and neglect, to investigate agencies in accordance with chapter 26.44 RCW, including child daycare centers and family day-care homes, to determine whether the alleged abuse or neglect has occurred, and whether child protective services or referral to a law enforcement agency is appropriate;
- 9 (5) To issue, revoke, or deny licenses to agencies pursuant to this chapter ((74.15 RCW)) and RCW 74.13.031. Licenses shall specify the category of care which an agency is authorized to render and the ages, sex and number of persons to be served;
- (6) To prescribe the procedures and the form and contents of reports necessary for the administration of this chapter ((74.15 RCW)) and RCW 74.13.031 and to require regular reports from each licensee;
 - (7) To inspect agencies periodically to determine whether or not there is compliance with <u>this</u> chapter ((74.15 RCW)) and RCW 74.13.031 and the requirements adopted hereunder, <u>including biennial inspections of facilities licensed under this chapter that provide shelter to unaccompanied homeless youth as defined in RCW 43.330.702, with the results of the biennial inspections provided to the office of homeless youth prevention and protection programs and the legislature;</u>
 - (8) To review requirements adopted hereunder at least every two years and to adopt appropriate changes after consultation with affected groups for child day-care requirements and with the children's services advisory committee for requirements for other agencies; and
- 30 (9) To consult with public and private agencies in order to help 31 them improve their methods and facilities for the care of children, 32 expectant mothers and developmentally disabled persons.
- 33 **Sec. 103.** RCW 74.15.030 and 2017 3rd sp.s. c 6 s 409 are each 34 amended to read as follows:
- The secretary shall have the power and it shall be the secretary's duty:
- 37 (1) In consultation with the children's services advisory 38 committee, and with the advice and assistance of persons 39 representative of the various type agencies to be licensed, to

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- designate categories of facilities for which separate or different requirements shall be developed as may be appropriate whether because of variations in the ages, sex and other characteristics of persons served, variations in the purposes and services offered or size or structure of the agencies to be licensed hereunder, or because of any other factor relevant thereto;
- (2) In consultation with the children's services advisory committee, and with the advice and assistance of persons representative of the various type agencies to be licensed, to adopt and publish minimum requirements for licensing applicable to each of the various categories of agencies to be licensed.

The minimum requirements shall be limited to:

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- (a) The size and suitability of a facility and the plan of operation for carrying out the purpose for which an applicant seeks a license;
- (b) Obtaining background information and any out-of-state equivalent, to determine whether the applicant or service provider is disqualified and to determine the character, competence, and suitability of an agency, the agency's employees, volunteers, and other persons associated with an agency;
- (c) Conducting background checks for those who will or may have unsupervised access to children or expectant mothers; however, a background check is not required if a caregiver approves an activity pursuant to the prudent parent standard contained in RCW 74.13.710;
- (d) Obtaining child protective services information or records maintained in the department case management information system. No unfounded allegation of child abuse or neglect as defined in RCW 26.44.020 may be disclosed to a child-placing agency, private adoption agency, or any other provider licensed under this chapter;
- (e) Submitting a fingerprint-based background check through the Washington state patrol under chapter 10.97 RCW and through the federal bureau of investigation for:
 - (i) Agencies and their staff, volunteers, students, and interns when the agency is seeking license or relicense;
 - (ii) Foster care and adoption placements; and
 - (iii) Any adult living in a home where a child may be placed;
- (f) If any adult living in the home has not resided in the state of Washington for the preceding five years, the department shall review any child abuse and neglect registries maintained by any state where the adult has resided over the preceding five years;

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1 (g) The cost of fingerprint background check fees will be paid as 2 required in RCW 43.43.837;

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- (h) National and state background information must be used solely for the purpose of determining eligibility for a license and for determining the character, suitability, and competence of those persons or agencies, excluding parents, not required to be licensed who are authorized to care for children or expectant mothers;
- 8 (i) The number of qualified persons required to render the type 9 of care and treatment for which an agency seeks a license;
- 10 (j) The safety, cleanliness, and general adequacy of the premises 11 to provide for the comfort, care and well-being of children or 12 expectant mothers;
 - (k) The provision of necessary care, including food, clothing, supervision and discipline; physical, mental and social well-being; and educational, recreational and spiritual opportunities for those served;
 - (1) The financial ability of an agency to comply with minimum requirements established pursuant to this chapter and RCW 74.13.031; and
- 20 (m) The maintenance of records pertaining to the admission, 21 progress, health and discharge of persons served;
 - (3) To investigate any person, including relatives by blood or marriage except for parents, for character, suitability, and competence in the care and treatment of children or expectant mothers prior to authorizing that person to care for children or expectant mothers. However, if a child is placed with a relative under RCW 13.34.065 or 13.34.130, and if such relative appears otherwise suitable and competent to provide care and treatment the criminal history background check required by this section need not be completed before placement, but shall be completed as soon as possible after placement;
 - (4) On reports of alleged child abuse and neglect, to investigate agencies in accordance with chapter 26.44 RCW, including child daycare centers and family day-care homes, to determine whether the alleged abuse or neglect has occurred, and whether child protective services or referral to a law enforcement agency is appropriate;
 - (5) To issue, revoke, or deny licenses to agencies pursuant to this chapter and RCW 74.13.031. Licenses shall specify the category of care which an agency is authorized to render and the ages, sex and number of persons to be served;

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(6) To prescribe the procedures and the form and contents of reports necessary for the administration of this chapter and RCW 74.13.031 and to require regular reports from each licensee;

- (7) To inspect agencies periodically to determine whether or not there is compliance with this chapter and RCW 74.13.031 and the requirements adopted hereunder, including biennial inspections of facilities licensed under this chapter that provide shelter to unaccompanied homeless youth as defined in RCW 43.330.702, with the results of the biennial inspections provided to the office of homeless youth prevention and protection programs and the legislature;
- (8) To review requirements adopted hereunder at least every two years and to adopt appropriate changes after consultation with affected groups for child day-care requirements and with the children's services advisory committee for requirements for other agencies; and
- 17 (9) To consult with public and private agencies in order to help 18 them improve their methods and facilities for the care of children or 19 expectant mothers.
- NEW SECTION. Sec. 104. A new section is added to chapter 13.32A RCW to read as follows:
 - Subject to the availability of amounts appropriated for this specific purpose, the department must develop a process to locate unaccompanied homeless children, as defined in RCW 43.330.702, with the primary goal of returning the child to his or her parent(s) or legal guardian(s). This process must include locating dependent children, as defined in RCW 13.34.030, missing from care. When a report of a runaway or an unaccompanied homeless child is made to the department pursuant to RCW 26.44.030, the department must locate the child as provided for in this section. The department must, at a minimum:
 - (1) Develop a process to track reports of unaccompanied homeless children on a daily basis;
 - (2) Develop a process for tracking the daily living situation of homeless children. "Living situation" includes, but is not limited to: Living with a parent(s), guardian(s), other relative(s), or next of kin. The tracking process must include whether the department has screened in and accepted the child for services and whether the child is a dependent;

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- (3) Track the length of time it takes from identifying an unaccompanied homeless youth to the time that the child is returned home or placed in safe long-term care through the dependency process;
 - (4) Include information from the child as to why the child ran away from home;
- 6 (5) Include information from the child's parent(s) or legal 7 guardian(s) as to why he or she believes the child ran away from 8 home;
- 9 (6) Track whether a parent or legal guardian refuses to maintain 10 custody of the child;
 - (7) Ensure that data collected is sortable by city and county;
- 12 (8) Make a determination as to why a child ran away from home or 13 how a child became an unaccompanied homeless youth; and
- 14 (9) Make such data available to the legislature on a monthly 15 basis.

16 PART II

- **Sec. 201.** RCW 43.330.700 and 2015 c 69 s 4 are each amended to 18 read as follows:
 - (1) The legislature finds that every night thousands of homeless youth in Washington go to sleep without the safety, stability, and support of a family or a home. This population is exposed to an increased level of violence, human trafficking, and exploitation resulting in a higher incidence of substance abuse, illness, and death. The prevention and reduction of youth and young adult homelessness and protection of homeless youth is of key concern to the state. Nothing in chapter 69, Laws of 2015 is meant to diminish the work accomplished by the implementation of Becca legislation but rather, the intent of the legislature is to further enhance the state's efforts in working with unaccompanied homeless youth and runaways to encourage family reconciliation or permanent housing and support through dependency when family reconciliation is not a viable alternative.
 - (2) Successfully addressing youth and young adult homelessness ensures that homeless youth and young adults in our state have the support they need to thrive and avoid involvement in the justice system, human trafficking, long-term, avoidable use of public benefits, and extended adult homelessness.

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(3) Providing appropriate, relevant, and readily accessible services is critical for addressing one-time, episodic, or longer-term homelessness among youth and young adults, and keeping homeless youth and young adults safe, housed, and connected to family.

- (4) The coordination of statewide programs to combat youth and young adult homelessness should include programs addressing both youth and young adults. However, the legislature acknowledges that current law and best practices mandate that youth programs and young adult programs be segregated in their implementation. The legislature further finds that the differing needs of these populations should be considered when assessing which programs are relevant and appropriate.
- (5) To successfully reduce and prevent youth and young adult homelessness, it is the goal of the legislature to have the following key components available and accessible:
- (a) Stable housing: It is the goal of the legislature to provide a safe and healthy place for homeless youth to sleep each night until permanency can be reached. Every homeless young adult in our state deserves access to housing that gives them a safe, healthy, and supported launching pad to adulthood. Every family in crisis should have appropriate support as they work to keep their children housed and safe. It is the goal of the legislature that by July 1, 2019, every homeless youth discharged from a public system of care in our state ((will)) must not be discharged into homelessness.
- (b) Family reconciliation: All homeless youth should have access to services that support reunification with immediate family. When reunification is not possible for homeless youth, youth should be placed in the custody of the department of social and health services.
- (c) ((Permanent connections: Every homeless young adult should have opportunities to establish positive, healthy relationships with adults, including family members, employers, landlords, teachers, and community members, with whom they can maintain connections and from whom they can receive ongoing, long-term support to help them develop the skills and experiences necessary to achieve a successful transition to adulthood.
- (d) Education and employment: Every homeless young adult in our state deserves the opportunity and support they need to complete their high school education and pursue additional education and training. It is the goal of the legislature that every homeless young

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adult in our state will have the opportunity to engage in employment training and be able to access employment. With both education and employment support and opportunities, young adults will have the skills they need to become self-sufficient, self-reliant, and independent.

- (e))) Social and emotional well-being: Every homeless youth and young adult in our state should have access to both behavioral health care and physical health care. Every state-funded program for homeless youth and young adults must endeavor to identify, encourage, and nurture each youth's strengths and abilities and demonstrate a commitment to youth-centered programming.
- **Sec. 202.** RCW 43.330.705 and 2015 c 69 s 5 are each amended to 13 read as follows:
- 14 (1) There is created the office of homeless youth prevention and 15 protection programs within the department.
 - (2) Activities of the office of homeless youth prevention and protection programs must be carried out by a director of the office of homeless youth prevention and protection programs, supervised by the director of the department or his or her designee.
 - (3) The office of homeless youth prevention and protection programs is responsible for leading efforts under this subchapter to coordinate a spectrum of ongoing and future funding, policy, and practice efforts related to homeless youth and improving the safety, health, and welfare of homeless youth in this state.
 - (4) The measurable goals of the office of homeless youth prevention and protection programs are to: (a) Measurably decrease the number of homeless youth and young adults by identifying programs that address the initial causes of homelessness, and (b) measurably increase permanency rates among homeless youth by decreasing the length and occurrences of youth homelessness caused by a youth's separation from family or a legal guardian. By December 1, 2018, and monthly thereafter, the office of homeless youth prevention and protection programs shall report to the legislature the status of these goals.
 - (5) The office of homeless youth prevention and protection programs shall (a) gather data and outcome measures, (b) initiate data-sharing agreements, (c) develop specific recommendations and timelines to address funding, policy, and practice gaps within the state system for addressing the ((five priority service areas)) three

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key components identified in RCW 43.330.700, (d) make reports, (e) increase system integration and coordinate efforts to prevent state systems from discharging youth and young adults into homelessness, (f) develop measures to include by county and statewide the number of homeless youth, dependency status, family reunification status, housing status, program participation, and runaway status, ((and)) (q) develop a comprehensive plan to encourage identification of youth experiencing homelessness, promote family stability, and eliminate youth and young adult homelessness, and (h) by July 1, 2019, ensure that all services for minors are provided in a location separate from adults, including young adults.

- (6)(a) The office of homeless youth prevention and protection programs shall regularly consult with an advisory committee, comprised of ((advocates, at least two legislators, at least two parent advocates, at least one representative from law enforcement, service providers, and other stakeholders knowledgeable in the provision of services to homeless youth and young adults, including the prevention of youth and young adult homelessness, the dependency system, and family reunification)) four legislators and eight additional members as appointed by the legislature, for a total of twelve members. The advisory committee shall provide guidance and recommendations to the office of homeless youth prevention and protection programs and to the legislature regarding funding, policy, and practice gaps within and among state programs.
 - (b) The advisory committee must be staffed by the department.
- (c) The members of the advisory committee must be appointed by the ((governor, except for the legislators who must be appointed by)) legislature. The speaker of the house of representatives and the president of the senate <u>must each appoint one legislator from each caucus to the advisory committee</u>. Each caucus of each chamber of the legislature must appoint two additional advisory committee members.
- (d) The advisory committee must have its initial meeting no later than March 1, 2016.
- (7) The office of homeless youth prevention and protection programs must be operational no later than January 1, 2016. Transfer of powers, duties, and functions of the department of social and health services to the department of commerce pertaining to youth homeless services and programs identified in RCW 43.330.710(2) may occur before this date.

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Sec. 203. RCW 43.330.706 and 2015 c 69 s 6 are each amended to 2 read as follows:

- (1) The office of homeless youth prevention and protection programs shall identify data and outcomes measures from which to evaluate future public investment in homeless youth services.
- (2) By December 1, 2016, and annually thereafter, and in compliance with RCW 43.01.036, the office of homeless youth prevention and protection programs must submit a report to the governor and the legislature to inform recommendations for funding, policy, and best practices in the ((five priority service areas)) three key components identified in RCW 43.330.700 and present recommendations to address funding, policy, and practice gaps in the state system.
- (3) Recommendations must include, but are not limited to: Strategies to enhance coordination between providers of youth homelessness programs and the child welfare system, and strategies for communities to identify homeless youth and ensure their protection and referral to appropriate services, including family reconciliation and transition to dependent status for minors.
- **Sec. 204.** RCW 43.330.710 and 2015 c 69 s 7 are each amended to 21 read as follows:
- 22 (1)(a) The office of homeless youth prevention and protection 23 programs shall report to the director or the director's designee.
 - (b)(i) The office of homeless youth prevention and protection programs may distribute grants to providers who serve homeless youth and young adults throughout the state.
 - (ii) The grants must fund ((services in the five priority service areas identified in RCW 43.330.700)) housing, family reconciliation, or street youth services. Effective August 1, 2018, all grant recipients must demonstrate that the services provided either reduces unaccompanied youth homelessness or increases family reunification, or both. Effective August 1, 2018, all grants made by the office must require outcome measures that demonstrate that the services provided either reduces unaccompanied youth homelessness or increases family reunification, or both. After August 1, 2018, a grant recipient that is unable to demonstrate that the services provided either reduces unaccompanied youth homelessness or increases family reunification, or both, is not eligible to receive a grant through the office.

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- 1 (iii) For grants that fund street youth services, on a monthly basis, grant recipients must report the following information to the 2 office of homeless youth prevention and protection programs: The 3 number of youth that received services and whether their identity was 4 confirmed; how many youth received a referral to a crisis residential 5 6 shelter, HOPE center, or other shelter; how many youth were reunited with their families or referred to the department of social and 7 health services for services, including reports of child abuse or 8 neglect; and other data that documents a successful outcome as 9 defined by the grant recipient. The reported data must be included in 10 the office of homeless youth prevention and protection program's 11 12 annual report to the governor and appropriate committees of the 13 legislature.
 - (iv) The grants must be expended on a statewide basis and may be used to support direct services as provided for in (b)(ii) of this subsection, as well as technical assistance, evaluation, and capacity building.
- 18 (2) The office of homeless youth prevention and protection 19 programs shall provide management ((and)), oversight guidance, and 20 direction, including recommendations for increasing capacity, 21 <u>funding</u>, and expanding locations across the state by county, to the 22 following programs:
 - (a) HOPE centers as described in RCW 43.185C.315;
 - (b) Crisis residential centers as described in RCW 43.185C.295;
- 25 (c) Street youth services; and

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- 26 (d) Independent youth housing programs as described in RCW 27 43.63A.305.
- 28 **Sec. 205.** RCW 43.185C.180 and 2011 c 239 s 1 are each amended to 29 read as follows:
 - (1) In order to improve services for the homeless, the department, within amounts appropriated by the legislature for this specific purpose, shall implement the Washington homeless client management information system for the ongoing collection and updates of information about all homeless individuals in the state.
- 35 (2) Information about homeless individuals for the Washington 36 homeless client management information system shall come from the 37 Washington homeless census and from state agencies and community 38 organizations providing services to homeless individuals and 39 families.

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(a) ((Personally identifying information about homeless individuals for the Washington homeless client management information system may only be collected after having obtained informed, reasonably time limited (i) written consent from the homeless individual to whom the information relates, or (ii) telephonic consent from the homeless individual, provided that written consent is obtained at the first time the individual is physically present at an organization with access to the Washington homeless client management information system. Safeguards consistent with federal requirements on data collection must be in place to protect homeless individuals' rights regarding their personally identifying information.

- (b) Data collection under this subsection shall be done in a manner consistent with federally informed consent guidelines regarding human research which, at a minimum, require that individuals receive:
- (i) Information about the expected duration of their participation in the Washington homeless client management information system;
- (ii) An explanation of whom to contact for answers to pertinent questions about the data collection and their rights regarding their personal identifying information;
- (iii) An explanation regarding whom to contact in the event of injury to the individual related to the Washington homeless client management information system;
- (iv) A description of any reasonably foreseeable risks to the homeless individual; and
- (v) A statement describing the extent to which confidentiality of records identifying the individual will be maintained.
- (c)) Any person, including a minor, seeking services from a service provider that utilizes the Washington homeless client management information system must provide his or her personally identifying information to the service provider. For a service provider that receives public funds including, but not limited to, federal, state, and local funding, a person seeking services must provide his or her personally identifying information to receive any services from the service provider. The department must develop a system to share such information with the department of social and health services and local law enforcement.

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(b) The department must adopt policies governing the appropriate process for destroying Washington homeless client management information system paper documents containing personally identifying information when the paper documents are no longer needed. The policies must not conflict with any federal data requirements.

- (3) The Washington homeless client management information system shall serve as an online information and referral system to enable local governments and providers to connect homeless persons in the database with available housing and other support services. Local governments shall develop a capacity for continuous case management, including independent living plans, when appropriate, to assist homeless persons.
- (4) The information in the Washington homeless client management information system will also provide the department with the information to consolidate and analyze data about the extent and nature of homelessness in Washington state, giving emphasis to information about the extent and nature of homelessness in Washington state among families with children.
- 19 (5) The system may be merged with other data gathering and 20 reporting systems and shall:
 - (a) Protect the right of privacy of individuals;
 - (b) Provide for consultation and collaboration with all relevant state agencies including the department of social and health services, experts, and community organizations involved in the delivery of services to homeless persons; and
- 26 (c) Include related information held or gathered by other state 27 agencies.
 - (6) Within amounts appropriated by the legislature, for this specific purpose, the department shall evaluate the information gathered and disseminate the analysis and the evaluation broadly, using appropriate computer networks as well as written reports.
 - (7) The Washington homeless client management information system shall be implemented by December 31, 2009, and updated with new homeless client information at least annually.
- 35 <u>(8) By December 1, 2019, the department must develop and update</u> 36 <u>daily a web-based system for the Washington homeless client</u> 37 management information system.

38 PART III

NEW SECTION. Sec. 301. The legislature finds that:
Homelessness, among both youth and adults, is a pervasive problem;
homeless shelter space must be made available for homeless
individuals; and information must be gathered regarding the number of
homeless shelter spaces available on any given night.

6 <u>NEW SECTION.</u> **Sec. 302.** A new section is added to chapter 43.185C RCW to read as follows:

Any public and privately owned homeless shelter housing homeless individuals must provide a daily report on the number of beds available that must be inputted into a central information system to be created by the department and that may be used by law enforcement officials and local governments searching for homeless shelter space or homeless encampments. The department must maintain the central information system and provide annual reports beginning December 1, 2018, and annually thereafter, to the legislature providing recommendations for improvement to the central information system.

NEW SECTION. Sec. 303. A new section is added to chapter 43.185C RCW to read as follows:

- (1) The state of Washington hereby fully occupies and preempts the entire field of homeless encampment guidelines and regulations, within the boundaries of the state, from setting guidelines for homeless encampments below new state standards of health and safety set by the department for authorized homeless encampments. Any city, town, county, park district, or other local jurisdiction may enact only those laws and ordinances relating to homeless encampments that are specifically authorized by state law and are consistent with this section. Such local ordinances must have the same penalty as provided for by state law. Local laws and ordinances that are inconsistent with, more restrictive than, or exceed the requirements of state law must not be enacted and are preempted and repealed, regardless of the nature of the code, charter, or home rule status of such city, town, county, park district, or local jurisdiction.
- (2) An encampment of any kind, not specially authorized by the department, is prohibited. Before authorizing an encampment, the department must provide neighborhood notification and local public hearings must be completed in conjunction with at least one representative from a local neighborhood group, the local city council, and the local county council. Encampments in public parks

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and other critical areas may be allowed only after a countywide public vote.

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- (3) By January 1, 2019, the ten largest cities in the state, as determined by the department, must identify on a map all unauthorized campsites in that jurisdiction. That map must be posted on that jurisdiction's web site and the department's web site, to be updated daily.
- 8 (4) By July 1, 2019, the largest cities in each of the state's 9 two most populous counties must authorize as many encampment spaces 10 as necessary to house all of that city's homeless population and 11 enforce unauthorized camping statutes.
- 12 (5) By January 1, 2020, all unauthorized encampments must be closed down or that jurisdiction must not receive any state funding for homeless programs.
- 15 (6) By July 1, 2020, all cities in the state's most populous 16 county must authorize as many encampment spaces as necessary to house 17 all of the city's homeless population.
 - (7) By July 1, 2021, the largest city in the state's third most populous county must authorize as many encampment spaces as necessary to house all of that city's homeless population.
 - (8) By July 1, 2022, any local government that duly enacts laws or ordinances permitting homeless encampments must authorize as many encampment spaces as necessary to house all of that local government's homeless population.
 - (9) All available encampment spaces must be listed on that local government's web site and be reported daily to the department. A local government that fails to provide adequate homeless encampment spaces must not receive any state funding for homeless programs.
- 29 (10) On a daily basis, a local government must report the 30 following information to the department, as well as list the 31 information on that local government's web site:
 - (a) The number of unauthorized encampments;
 - (b) The number of unauthorized encampments that are closed;
- 34 (c) The total number of people in unauthorized encampments, 35 emergency shelters, and transitional housing, as well as the number 36 of entry and exits into such housing; and
- 37 (d) The number of deaths in both authorized and unauthorized 38 encampments.

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1 (11) The state auditor must provide an annual certification to 2 the state legislature and state board of health that the department 3 is compliant with the requirements set forth in this section.

4 PART IV

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NEW SECTION. Sec. 401. In 2005, the state created the goal of reducing homelessness in Washington state by fifty percent within ten years. The legislature also recognized that the provision of housing and housing-related services to the homeless should be administered at the local level to meet the diverse needs across the state. The state's responsibility was to coordinate, support, finance, and monitor efforts to address homelessness issues.

During the past decade, the state has experienced an overall decline in homelessness with some counties meeting or exceeding its reduction goal. However, some counties have not only failed to achieve reductions, but have experienced an increase in the number of homeless families and individuals. Additionally, the number unsheltered and chronic homeless has increased in areas of the state despite significant federal, state, and local financial resources that have been invested in homelessness assistance. The dichotomy between the resources expended and the results achieved warrants a more frequent review of state and local homelessness strategies and more transparent reporting of expenditures, performance, and outcomes at the local level. Therefore, the legislature intends to review state and local homelessness prevention, assistance, and housing efforts on a more frequent basis to improve the development of costeffective programs and identification of best practices to expand housing security across the state.

28 **Sec. 402.** RCW 43.185C.030 and 2013 c 200 s 25 are each amended 29 to read as follows:

(1) The department shall annually conduct a Washington homeless census or count consistent with the requirements of RCW 43.185C.180. The census shall make every effort to count all homeless individuals living outdoors, in shelters, and in transitional housing, coordinated, when reasonably feasible, with already existing homeless census projects including those funded in part by the United States department of housing and urban development under the McKinney-Vento homeless assistance program. The department shall determine, in

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- 1 consultation with local governments, the data to be collected. Data
- 2 on subpopulations and other characteristics of the homeless must, at
- 3 <u>a minimum</u>, be consistent with United States department of housing and
- 4 urban development requirements and include the following:
- 5 <u>(a) Chronically homeless individuals;</u>
- 6 (b) Chronically homeless families;
- 7 (c) Unaccompanied homeless youth;
- 8 (d) Male veterans;
- 9 <u>(e) Female veterans;</u>
- 10 (f) Adults with severe mental illness;
- 11 (g) Adults with chronic substance abuse issues;
- 12 (h) Adults with HIV/AIDS;
- (i) Senior citizens;
- 14 (j) Victims of domestic violence; and
- 15 <u>(k) An estimate of the number of homeless individuals that are</u> 16 not included in the census.
- 17 (2) All personal information collected in the census is 18 confidential, and the department and each local government shall take 19 all necessary steps to protect the identity and confidentiality of 20 each person counted.
- 21 (3) The department and each local government are prohibited from disclosing any personally identifying information about any homeless 22 individual when there is reason to believe or evidence indicating 23 that the homeless individual is an adult or minor victim of domestic 24 25 violence, dating violence, sexual assault, or stalking or is the parent or quardian of a child victim of domestic violence, dating 26 27 violence, sexual assault, or stalking; or revealing other 28 confidential information regarding HIV/AIDS status, as found in RCW 29 70.02.220. The department and each local government shall not ask any homeless housing provider to disclose personally identifying 30 31 information about any homeless individuals when the providers 32 implementing those programs have reason to believe or evidence indicating that those clients are adult or minor victims of domestic 33 violence, dating violence, sexual assault, or stalking or are the 34 parents or guardians of child victims of domestic violence, dating 35 violence, sexual assault, or stalking. Summary data for 36 the provider's facility or program may be substituted. 37
- 38 <u>(4)</u> The Washington homeless census shall be conducted annually on 39 a schedule created by the department. The department shall make 40 summary data by county available to the public each year. This data,

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- and its analysis, shall be included in the department's annual updated homeless housing program strategic plan.
- 3 (5) Based on the annual census and provider information from the 4 local government plans, the department shall, by the end of year 5 four, implement an online information and referral system to enable 6 local governments and providers to identify available housing for a 7 homeless person. The department shall work with local governments and 8 their providers to develop a capacity for continuous case management
- 9 to assist homeless persons.

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- 10 <u>(6)</u> By the end of year four, the department shall implement an organizational quality management system.
- 12 **Sec. 403.** RCW 43.185C.040 and 2017 3rd sp.s. c 15 s 2 are each 13 amended to read as follows:
- (1) ((Six months after the first Washington homeless census,)) 14 15 The department shall, in consultation with the interagency council on 16 homelessness and the affordable housing advisory board, prepare and publish a ((ten-year)) five-year homeless housing strategic plan, 17 which ((shall)) <u>must</u> outline statewide goals and performance measures 18 19 and ((shall)) <u>must</u> be coordinated with the plan for homeless families with children required under RCW 43.63A.650. The state homeless 20 21 housing strategic plan must be submitted to the legislature by July 1, 2019, and updated every five years thereafter. The plan must 22 include at least the following information: 23
 - (a) Performance measures and goals, including efficiency and effectiveness measures, to reduce homelessness, including long-term and short-term goals;
- 27 <u>(b) An analysis of the services and programs being offered at the</u> 28 <u>state and county level and an identification of those representing</u> 29 <u>best practices and outcomes;</u>
- 30 <u>(c) Recognition of services and programs targeted to certain</u>
 31 <u>homeless populations or geographic areas in recognition of the</u>
 32 diverse needs across the state;
- 33 <u>(d) New or innovative funding, program, or service strategies to</u> 34 pursue;
- 35 <u>(e) An analysis of current drivers of homelessness and/or</u>
 36 <u>improvements to housing security such as increases and reductions to</u>
 37 <u>employment opportunities, housing scarcity and affordability, health</u>
 38 <u>and behavior health services, chemical dependency treatment, and</u>
 39 incarceration rates; and

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

- (2) The department must coordinate its efforts on the state homeless housing strategic plan with the office of homeless youth prevention and protection programs advisory committee under RCW 43.330.705. The state homeless housing strategic plan must not conflict with the strategies, planning, data collection, and performance and outcome measures developed under RCW 43.330.705 and 43.330.706 to reduce the state's homeless youth population.
 - (3) To guide local governments in preparation of ((their first)) local homeless housing plans due December ((31, 2005)) 1, 2019, and updated every five years thereafter, the department shall issue by ((October 15, 2005)) December 1, 2018, temporary guidelines consistent with this chapter and including the best available data on each community's homeless population. ((Local governments' ten-year homeless housing plans shall not be substantially inconsistent with the goals and program recommendations of the temporary guidelines and, when amended after 2005, the state strategic plan.
 - (2))) Program outcomes ((and)), performance measures, efficiency and effectiveness measures, and goals ((shall)) must be created by the department ((and reflected in the department's homeless housing strategic plan as well as interim goals)) in collaboration with local governments against which ((state and)) local governments' performance ((may)) will be measured((rincluding:
 - (a) By the end of year one, completion of the first census as described in RCW 43.185C.030;
 - (b) By the end of each subsequent year, goals common to all local programs which are measurable and the achievement of which would move that community toward housing its homeless population; and
 - (c) By July 1, 2015, reduction of the homeless population statewide and in each county by fifty percent)).
 - $((\frac{3}{2}))$ (4) (a) The department shall work in consultation with the interagency council on homelessness, the affordable housing advisory board, and the state advisory council on homelessness to develop performance measures that address the limitations of the annual point-in-time count on measuring the effectiveness of the document recording fee surcharge funds in supporting homeless programs. The department must report its findings and recommendations regarding the

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1 new performance measures to the appropriate committees of the 2 legislature by December 1, 2017.

- (b) The department must implement at least three performance metrics, in addition to the point-in-time measurement, that measure the impact of surcharge funding on reducing homelessness by July 1, 2018.
- (c) The joint legislative audit and review committee must review how the surcharge fees are expended to address homelessness, including a review of the related program performance measures and targets. The joint legislative audit and review committee must report its review findings by December 1, 2022, and update the review every five years thereafter.
- ((4)) (5) The department shall develop a consistent statewide data gathering instrument to monitor the performance of cities and counties receiving grants in order to determine compliance with the terms and conditions set forth in the grant application or required by the department.
- ((The department shall, in consultation with the interagency council on homelessness and the affordable housing advisory board, report biennially to the governor and the appropriate committees of the legislature an assessment of the state's performance in furthering the goals of the state ten-year homeless housing strategic plan and the performance of each participating local government in creating and executing a local homeless housing plan which meets the requirements of this chapter. To increase the effectiveness of the report, the department must develop a process to ensure consistent presentation, analysis, and explanation in the report, including year-to-year comparisons, highlights of program successes and challenges, and information that supports recommended strategy or operational changes. The annual report may include performance measures such as:
- (a) The reduction in the number of homeless individuals and families from the initial count of homeless persons;
- 34 (b) The reduction in the number of unaccompanied homeless youth.
 35 "Unaccompanied homeless youth" has the same meaning as in RCW
 36 43.330.702;
- 37 (c) The number of new units available and affordable for homeless
 38 families by housing type;

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

- (e) The number of households at risk of losing housing who maintain it due to a preventive intervention;
 - (f) The transition time from homelessness to permanent housing;
- 7 (g) The cost per person housed at each level of the housing 8 continuum;
- 9 (h) The ability to successfully collect data and report 10 performance;
- 11 (i) The extent of collaboration and coordination among public 12 bodies, as well as community stakeholders, and the level of community 13 support and participation;
 - (j) The quality and safety of housing provided; and
- 15 (k) The effectiveness of outreach to homeless persons, and their 16 satisfaction with the program.
 - (5)) (6) Based on the performance of local homeless housing programs in meeting their ((interim)) goals, on general population changes and on changes in the homeless population recorded in the annual census, the department may ((revise the performance measures and goals of the state homeless housing strategic plan, set goals for years following the initial ten-year period, and recommend)) require changes in local governments' plans to be eligible for state funding appropriated to the department for homeless programs.
- **Sec. 404.** RCW 43.185C.070 and 2005 c 484 s 11 are each amended 26 to read as follows:
 - (1) During each calendar year in which moneys from the ((homeless housing)) home security fund account are available for use by the department for the homeless housing grant program, the department shall announce to all Washington counties, participating cities, and through major media throughout the state, a grant application period of at least ninety days' duration. Grants may only be awarded for programs directly related to addressing the root causes of homelessness, preventing homelessness, and collecting data and information on homeless individuals. This announcement will be made as often as the director deems appropriate for proper utilization of resources. The department shall then promptly grant as many applications as will utilize available funds, less appropriate administrative costs of the department as described in RCW 36.22.179.

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1 (2) The department will develop, with advice and input from the 2 affordable housing advisory board established in RCW 43.185B.020, 3 criteria to evaluate grant applications.

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- (3) The department may approve applications only if they are consistent with the local and state homeless housing program strategic plans. The department may give preference to applications based on some or all of the following criteria:
- 8 (a) The total homeless population in the applicant local 9 government service area, as reported by the most recent annual 10 Washington homeless census;
 - (b) Current local expenditures to provide housing for the homeless and to address the underlying causes of homelessness as described in RCW 43.185C.005;
 - (c) Local government and private contributions pledged to the program in the form of matching funds, property, infrastructure improvements, and other contributions; and the degree of leveraging of other funds from local government or private sources for the program for which funds are being requested, to include recipient contributions to total project costs, including allied contributions from other sources such as professional, craft and trade services, and lender interest rate subsidies;
- (d) Construction projects or rehabilitation that will serve homeless individuals or families for a period of at least twenty-five years;
- (e) Projects which demonstrate serving homeless populations with the greatest needs, including projects that serve special needs populations;
 - (f) The degree to which the applicant project represents a collaboration between local governments, nonprofit community-based organizations, local and state agencies, and the private sector, especially through its integration with the coordinated and comprehensive plan for homeless families with children required under RCW 43.63A.650;
- 34 (g) The cooperation of the local government in the annual 35 Washington homeless census project;
- 36 (h) The commitment of the local government and any subcontracting 37 local governments, nonprofit organizations, and for-profit entities 38 to employ a diverse workforce;

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- 1 (i) The extent, if any, that the local homeless population is 2 disproportionate to the revenues collected under this chapter and RCW 3 36.22.178 and 36.22.179; and
- 4 (j) Other elements shown by the applicant to be directly related to the goal and the department's state strategic plan.
- 6 **Sec. 405.** RCW 43.185C.160 and 2005 c 485 s 1 are each amended to 7 read as follows:
- (1) Each county shall create a homeless housing task force to 8 9 develop a ((ten-year)) five-year homeless housing plan addressing short-term and long-term housing for homeless persons. The plan is 10 due to the department on December 1, 2019, and must be updated every 11 five years thereafter. The plan must include a local homelessness 12 reduction goal for the county and an implementation plan to achieve 13 the goal over the five-year plan period. The plan must also have a 14 specific and more aggressive goal and implementation plan to reduce 15 16 youth homelessness in the county that is consistent with state reduction strategies developed by the office of homeless youth 17 18 prevention and protection programs.

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

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

A county may decline to participate in the program authorized in this chapter by forwarding to the department a resolution adopted by

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the county legislative authority stating the intention not to participate. A copy of the resolution shall also be transmitted to the county auditor and treasurer. If a county declines to participate, the department shall create and execute a local homeless

housing plan for the county meeting the requirements of this chapter.

- 6 (2) In addition to developing a ((ten-year)) five-year homeless
 7 housing plan, each task force shall establish guidelines consistent
 8 with the statewide homeless housing strategic plan, as needed, for
 9 the following:
- 10 (a) Emergency shelters;

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- 11 (b) Short-term housing needs;
- 12 (c) Temporary encampments;
- 13 (d) Supportive housing for chronically homeless persons; and
- 14 (e) Long-term housing.
- Guidelines must include, when appropriate, standards for health and safety and notifying the public of proposed facilities to house the homeless.
- 18 (3) Each county, including counties exempted from creating a new 19 task force under subsection (1) of this section, shall report to the 20 department ((of community, trade, and economic development)) such 21 information as may be needed to ensure compliance with this chapter, 22 including the annual report required in section 407 of this act.
- 23 **Sec. 406.** RCW 43.185C.170 and 2006 c 349 s 7 are each amended to 24 read as follows:
- 25 (1) The interagency council on homelessness, as defined in RCW 43.185C.010, shall be convened not later than August 31, 2006, and shall meet at least two times each year and report to the appropriate committees of the legislature annually by December 31st on its activities.
- 30 (2) The interagency council on homelessness shall work to create 31 greater levels of interagency coordination and to coordinate state 32 agency efforts with the efforts of state and local entities 33 addressing homelessness.
- 34 (3) The interagency council on homelessness must respond to all state and local legislative and policy recommendations included in the state and local ending homeless plans. The interagency council must annually present its strategy for addressing the issue raised to the appropriate committees of the legislature and must also include a report on the actions taken to date that address these issues.

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1 (4) The interagency council shall seek to:

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- homeless-related housing and supportive service 2 Align policies among state agencies; 3
- (b) Identify ways in which providing housing with appropriate 4 services can contribute to cost savings for state agencies;
- 6 (c) Identify policies and actions that may contribute to homelessness or interfere with its reduction; 7
- (d) Review and improve strategies for discharge from state 8 institutions that contribute to homelessness; 9
- (e) Recommend policies to either improve practices or align 10 11 resources, or both, including those policies requested by the affordable housing advisory board or through state and local housing 12 plans; and 13
- (f) Ensure that the housing status of people served by state 14 programs is collected in consistent formats available for analysis. 15
- 16 Sec. 407. A new section is added to chapter NEW SECTION. 43.185C RCW to read as follows: 17
- (1) By February 1st of each year, the department must provide an 18 update on the state's homeless housing strategic plan and its 19 20 activities for the prior fiscal year. The report must include, but not be limited to, the following information: 21
- (a) An assessment of the current condition of homelessness in 22 Washington state and the state's performance in meeting the goals in 23 24 the state homeless housing strategic plan;
- 25 (b) A report on the results of the annual homeless point-in-time census conducted statewide under RCW 43.185C.030; 26
- 27 (c) The amount of federal, state, local, and private funds spent on homelessness assistance, categorized by funding source and the 28 following major assistance types: 29
 - (i) Emergency shelter;
- (ii) Homelessness prevention and rapid rehousing; 31
- (iii) Permanent housing; 32
- (iv) Permanent supportive housing; 33
- (v) Transitional housing; 34
- 35 (vi) Services only; and
- (vii) Any other activity in which more than five hundred thousand 36 dollars of category funds were expended; 37
- (d) A report on the expenditures, performance, and outcomes of 38 state funds distributed through the consolidated homeless grant 39

p. 27 SB 6364 program, including the grant recipient, award amount expended, use of the funds, counties served, and households served;

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- (e) A report on state and local homelessness document recording fee expenditure by county, including the total amount of fee spending, percentage of total spending from fees, number of people served by major assistance type, and amount of expenditures for private rental payments required in RCW 36.22.179;
- 8 (f) A report on the expenditures, performance, and outcomes of 9 the essential needs and housing support program meeting the 10 requirements of RCW 43.185C.220; and
- 11 (g) A report on the expenditures, performance, and outcomes of 12 the independent youth housing program meeting the requirements of RCW 13 43.63A.311.
 - (2) The report required in subsection (1) of this section must be posted to the department's web site and may include links to updated or revised information contained in the report.
- 17 (3) By February 1st of each year, any local government receiving state funds for homelessness assistance or state or 18 homelessness document recording fees under RCW 36.22.178, 36.22.179, 19 or 36.22.1791 must provide an annual report on the current condition 20 21 of homelessness in its jurisdiction, its performance in meeting the goals in its local homeless housing plan, and any significant changes 22 The annual report must be posted on 23 made to the plan. 24 department's web site. Along with each local government annual 25 report, the department must produce and post information on the local government's homelessness spending from all sources by project during 26 the prior state fiscal year in a format similar to the department's 27 report under subsection (1)(c) of this section. If a local government 28 29 fails to report or provides an inadequate or incomplete report, the department must take corrective action, which may include withholding 30 31 state funding for homelessness assistance to the local government to enable the department to use such funds to contract with other public 32 or nonprofit entities to provide homelessness assistance within the 33 jurisdiction. 34
- 35 **Sec. 408.** RCW 36.22.178 and 2011 c 110 s 1 are each amended to read as follows:
- The surcharge provided for in this section shall be named the affordable housing for all surcharge.

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(1) Except as provided in subsection (3) of this section, a surcharge of ten dollars per instrument shall be charged by the county auditor for each document recorded, which will be in addition to any other charge authorized by law. ((The county may retain up to five percent of these funds collected solely for the collection, administration, and local distribution of these funds. Of the remaining funds,)) Forty percent of the revenue generated through this surcharge will be transmitted monthly to the state treasurer who will deposit the funds into the affordable housing for all account created in RCW 43.185C.190. The department of commerce must use these funds to provide housing and shelter for extremely low-income households, including but not limited to housing for victims of human trafficking and their families and grants for building operation and maintenance costs of housing projects or units within housing projects that are affordable to extremely low-income households with incomes at or below thirty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses.

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- (2) All of the remaining funds generated by this surcharge will be retained by the county and be deposited into a fund that must be used by the county and its cities and towns for eligible housing activities as described in this subsection that serve very low-income households with incomes at or below fifty percent of the area median income. Up to six percent of the funds may be used by the county for the collection and local distribution of these funds and administrative costs related to its homeless housing plan. The portion of the surcharge retained by a county shall be allocated to eligible housing activities that serve extremely low and very lowincome households in the county and the cities within a county according to an interlocal agreement between the county and the cities within the county consistent with countywide and local housing needs and policies. A priority must be given to eligible housing activities that serve extremely low-income households with incomes at or below thirty percent of the area median income. Eligible housing activities to be funded by these county funds are limited to:
- (a) Acquisition, construction, or rehabilitation of housing projects or units within housing projects that are affordable to very low-income households with incomes at or below fifty percent of the area median income, including units for homeownership, rental units, seasonal and permanent farmworker housing units, units reserved for

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victims of human trafficking and their families, and single room occupancy units;

- (b) Supporting building operation and maintenance costs of housing projects or units within housing projects eligible to receive housing trust funds, that are affordable to very low-income households with incomes at or below fifty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses;
- (c) Rental assistance vouchers for housing units that are affordable to very low-income households with incomes at or below fifty percent of the area median income, including rental housing vouchers for victims of human trafficking and their families, to be administered by a local public housing authority or other local organization that has an existing rental assistance voucher program, consistent with or similar to the United States department of housing and urban development's section 8 rental assistance voucher program standards; and
- (d) Operating costs for emergency shelters and licensed overnight youth shelters.
- (3) The surcharge imposed in this section does not apply to assignments or substitutions of previously recorded deeds of trust.
- **Sec. 409.** RCW 36.22.179 and 2017 3rd sp.s. c 16 s 5 are each 23 amended to read as follows:
 - (1) In addition to the surcharge authorized in RCW 36.22.178, and except as provided in subsection (2) of this section, an additional surcharge of ten dollars shall be charged by the county auditor for each document recorded, which will be in addition to any other charge allowed by law. From September 1, 2012, through June 30, 2023, the surcharge shall be forty dollars. The funds collected pursuant to this section are to be distributed and used as follows:
 - (a) The auditor shall ((retain two percent for collection of the fee, and of the remainder shall)) remit sixty percent to the county to be deposited into a fund that must be used by the county and its cities and towns to accomplish the purposes of chapter 484, Laws of 2005, six percent of which may be used by the county for the collection and local distribution of these funds and administrative costs related to its homeless housing plan, and the remainder for programs which directly accomplish the goals of the county's local homeless housing plan, except that for each city in the county which

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- elects as authorized in RCW 43.185C.080 to operate its own local homeless housing program, a percentage of the surcharge assessed under this section equal to the percentage of the city's local portion of the real estate excise tax collected by the county shall be transmitted at least quarterly to the city treasurer, without any deduction for county administrative costs, for use by the city for program costs which directly contribute to the goals of the city's local homeless housing plan; of the funds received by the city, it may use six percent for administrative costs for its homeless housing program.
 - (b) The auditor shall remit the remaining funds to the state treasurer for deposit in the home security fund account. The department may use twelve and one-half percent of this amount for administration of the program established in RCW 43.185C.020, 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 eighty-seven and one-half percent, at least forty-five percent must be set aside for the use of private rental housing payments, and the remainder is to be used by the department to:
 - (i) Provide housing and shelter for homeless people including, but not limited to: Grants to operate, repair, and staff shelters; grants to operate transitional housing; partial payments for rental assistance; consolidated emergency assistance; overnight youth shelters; grants and vouchers designated for victims of human trafficking and their families; and emergency shelter assistance; and
 - (ii) Fund the homeless housing grant program.

(2) The surcharge imposed in this section does not apply to (a) assignments or substitutions of previously recorded deeds of trust, (b) documents recording a birth, marriage, divorce, or death, (c) any recorded documents otherwise exempted from a recording fee or additional surcharges under state law, (d) marriage licenses issued by the county auditor, (e) documents recording a state, county, or city lien or satisfaction of lien, or (f) documents recording a water-sewer district lien or satisfaction of a lien for delinquent utility payments.

Sec. 410. RCW 36.22.1791 and 2011 c 110 s 3 are each amended to read as follows:

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

- (a) The auditor shall remit ninety percent to the county to be deposited into a fund six percent of which may be used by the county for the collection and local distribution of these funds and administrative costs related to its homeless housing plan, and the remainder for programs that directly accomplish the goals of the county's local homeless housing plan, except that for each city in the county that elects, as authorized in RCW 43.185C.080, to operate its own local homeless housing program, a percentage of the surcharge assessed under this section equal to the percentage of the city's local portion of the real estate excise tax collected by the county must be transmitted at least quarterly to the city treasurer for use by the city for program costs that directly contribute to the goals of the city's local homeless housing plan.
- (b) The auditor shall remit the remaining funds to the state treasurer for deposit in the home security fund account. The department may use the funds for administering the program established in RCW 43.185C.020, including the costs of creating and updating the statewide homeless housing strategic plan, measuring performance, providing technical assistance to local governments, and managing the homeless housing grant program. Remaining funds may also be used to:
- (i) Provide housing and shelter for homeless people including, but not limited to: Grants to operate, repair, and staff shelters; grants to operate transitional housing; partial payments for rental assistance; consolidated emergency assistance; overnight youth shelters; grants and vouchers designated for victims of human trafficking and their families; and emergency shelter assistance; and
 - (ii) Fund the homeless housing grant program.
- 35 (2) The surcharge imposed in this section does not apply to 36 assignments or substitutions of previously recorded deeds of trust.
- **Sec. 411.** RCW 43.185C.240 and 2015 c 69 s 26 are each amended to 38 read as follows:

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- 1 (1) As a means of efficiently and cost-effectively providing 2 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;

- (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) Communicate and interact with landlord and tenant associations located within its jurisdiction to facilitate development, maintenance, and distribution of the list to private rental housing landlords. The department must make reasonable efforts to ensure that local providers conduct outreach to private rental housing landlords each calendar quarter regarding opportunities to provide rental housing to the homeless and the availability of funds;
- (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;
- (iii) Produce data, limited to document recording fee uses and expenditures, on a ((ealendar)) fiscal year basis in consultation with landlords 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; amount expended

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- on and number of other tenant-based rent assistance services provided in the private market; and amount expended on and number of services provided to unaccompanied homeless youth. If these data elements are not readily available, the reporting government may request the department to use the sampling methodology established pursuant to (c)(iii) of this subsection to obtain the data; and
- (iv) Annually submit the ((calendar)) <u>fiscal</u> 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 governments in the five most populous counties as determined by the department receiving ((more than three million five hundred thousand dollars)) any funds during the previous ((calendar)) fiscal 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) Convene a stakeholder group by March 1, 2017, consisting of landlords, homeless housing advocates, real estate industry representatives, cities, counties, and the department to meet to discuss long-term funding strategies for homeless housing programs that do not include a surcharge on document recording fees. The stakeholder group must provide a report of its findings to the legislature by December 1, 2017;
- (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;

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1 (iv) Develop a report, limited to document recording fee uses and expenditures, on a ((calendar)) fiscal year basis that may include 3 consultation with local governments, landlord representatives, and agencies providing services to individuals and 4 households receiving housing vouchers, that includes the following: 6 Total amount expended from document recording fees; amount expended on, number of households that received, and number of housing 7 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, 11 public, and nonprofit markets; amount expended on and number of 12 eviction prevention services provided in the private market; the total amount of funds set aside for private rental housing payments 13 as required in RCW 36.22.179(1)(b); and amount expended on and number 14 15 of other tenant-based rent assistance services provided in the private market. The information in the report must include data 17 submitted by local governments and data on all additional document recording fee activities for which the department contracted that 18 were not otherwise reported. The data, samples, and sampling methodology used to develop the report must be made available upon 20 21 request and for the audits required in this section;

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- (v) Annually submit the ((calendar)) fiscal 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)) February 1st of each year; and
- (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.
- (d) The office of financial management must secure an independent audit of the department's data and expenditures of state funds received under RCW 36.22.179(1)(b) on an annual independent audit must review a random sample of local governments, contractors, and housing providers that is geographically and demographically diverse. The independent auditor must meet with the department and a landlord representative to review the preliminary audit and provide the department and the landlord representative with the opportunity to include written comments regarding the findings that must be included with the audit. The first audit of the department's data and expenditures will be for calendar year 2014 and

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- is due July 1, 2015. Each audit thereafter will be due July 1st 1 following the department's submission of the report 2 legislature. If the independent audit finds that the department has 3 failed to set aside at least forty-five percent of the funds received 4 under RCW 36.22.179(1)(b) after June 12, 2014, for private rental 5 6 housing payments, the independent auditor must notify the department 7 and the office of financial management of its finding. In addition, the independent auditor must make recommendations to the office of 8 financial management and the legislature on alternative means of 9 10 distributing the funds to meet the requirements of RCW 11 36.22.179(1)(b).
 - (e) The office of financial management must contract with an independent auditor to conduct a performance audit of the programs funded by document recording surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, and 36.22.1791. The audit must provide findings to determine if the funds are being used effectively, efficiently, and for their intended purpose. The audit must review the department's performance in meeting all statutory requirements related to document recording surcharge funds including, but not limited to, the data the department collects, the timeliness and quality of required reports, and whether the data and required reports provide adequate information and accountability for the use of the document recording surcharge funds. The audit must include recommendations for policy and operational improvements to the use of document recording surcharges by counties and the department. The performance audit must be submitted to the legislature by December 1, 2016.
 - (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, including private rental housing payments, funded by document recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made by a local government or contractor to secure: (i) A rental unit on behalf of an individual tenant; or (ii) a block of units on behalf of multiple tenants.
- 39 (c) "Interested landlord list" means a list of landlords who have 40 indicated to a local government or contractor interest in renting to

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- individuals or households receiving a housing voucher funded by document recording surcharges.
- 3 (d) "Private rental housing" means housing owned by a private 4 landlord and does not include housing owned by a nonprofit housing 5 entity or government entity.
 - (3) This section expires June 30, 2019.

7 PART V

6

- NEW SECTION. Sec. 501. The sum of fifty thousand dollars, or as 8 9 much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2018, from the general fund to the department of 10 commerce to be distributed to five housing authorities, using a 11 12 selection method and distribution formula to be determined by the department, to implement a quality management system and prepare and 13 14 submit an application to the Washington quality awards program by 15 December 31, 2019.
- NEW SECTION. Sec. 502. The sum of fifty thousand dollars, or as 16 much thereof as may be necessary, is appropriated for the fiscal year 17 18 ending June 30, 2018, from the general fund to the department of 19 commerce to be distributed to five community action agencies, using a selection method and distribution formula to be determined by the 20 21 department, to implement a quality management system and prepare and 22 submit an application to the Washington quality awards program by 23 December 31, 2019.
- NEW SECTION. Sec. 503. The sum of two hundred thousand dollars, or as much thereof may be necessary, is appropriated for the fiscal biennium ending June 30, 2019, and every two years thereafter, from the performance audits of government account to the state auditor's office for the purpose of an audit to determine the effectiveness and efficiency of state homeless programs.
- NEW SECTION. Sec. 504. Section 102 of this act expires July 1, 2018.

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- 1 <u>NEW SECTION.</u> **Sec. 505.** Section 103 of this act takes effect
- 2 July 1, 2018.

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