

# HOUSE BILL REPORT

## SB 6229

---

### As Reported by House Committee On: Appropriations

**Title:** An act relating to streamlining reporting for recipients of housing-related state funding by removing Washington state quality award program requirements.

**Brief Description:** Streamlining reporting for recipients of housing-related state funding by removing Washington state quality award program requirements.

**Sponsors:** Senators Kuderer and Wilson, C.; by request of Department of Commerce.

#### **Brief History:**

##### **Committee Activity:**

Appropriations: 2/29/20 [DP].

#### **Brief Summary of Bill**

- Removes the requirement for eligible organizations receiving over \$500,000 from specified housing and homelessness-related programs and fund sources to apply to the Washington State Quality Award program.

---

### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass. Signed by 31 members: Representatives Ormsby, Chair; Robinson, 1st Vice Chair; Bergquist, 2nd Vice Chair; Stokesbary, Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Chopp, Cody, Corry, Dolan, Dye, Fitzgibbon, Hansen, Hoff, Hudgins, Kilduff, Kraft, Macri, Mosbrucker, Pettigrew, Ryu, Schmick, Senn, Springer, Steele, Sullivan, Sutherland, Tarleton, Tharinger and Ybarra.

**Staff:** Jessica Van Horne (786-7288).

#### **Background:**

*Transitional Housing Operating and Rent Program.*

The Department of Commerce (Department) administers the Transitional Housing Operating and Rent (THOR) program under the state homeless housing program. The THOR program provides grants to eligible organizations to provide services to individuals and families who

---

*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.*

are at risk of becoming homeless. Grant funding must be used for rental assistance, case management services, operating expenses of transitional housing facilities, and administrative costs.

Eligible organizations are local governments, local housing authorities, behavioral health administrative services organizations, nonprofit community or neighborhood-based organizations, federally recognized Indian tribes, and regional or statewide nonprofit housing assistance organizations.

*State Housing-Related Funding Sources.*

The Department administers a range of affordable housing, homeless housing, and housing assistance programs that provide state housing-related funds to local governments and other organizations. Examples of state housing-related funding sources include the Washington State Housing Trust Fund Account, the Home Security Fund Account, and the Affordable Housing for All Account.

*Surcharges on Recorded Documents.*

The state and local governments each receive funding to support housing and homelessness programs from certain surcharges collected by each county auditor when a document is recorded. These surcharges include the \$13 Affordable Housing for All Account surcharge, the \$62 local homeless housing and assistance surcharge, and the \$8 local homeless housing and assistance surcharge. These surcharges are in addition to any other authorized surcharges and administrative fees collected by the county auditor and apply to most recorded documents.

*Washington State Quality Award.*

The Washington State Quality Award (WSQA) program was established in statute in 1994. The purpose of the WSQA program is to improve the overall competitiveness of the state's economy by stimulating industries, businesses, and organizations to bring about measurable success by setting standards of organization of excellence, encouraging organizational self-assessment, identifying successful organizations, and promoting and strengthening a commitment to continuous quality improvement.

Eligible organizations are required to apply to the WSQA program once every three years for an independent assessment of their quality management, accountability, and performance system if they receive over \$500,000 per calendar year from the following sources: the THOR program; state housing-related funding sources; the Affordable Housing for All surcharge; the local homeless housing and assistance surcharges; and any other surcharges imposed to fund homelessness programs or other housing programs.

---

**Summary of Bill:**

The requirement for eligible organizations to apply to the WSQA program if they receive over \$500,000 in a calendar year from the THOR program and other specified funding sources is removed.

---

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Staff Summary of Public Testimony:**

(In support) This bill has no fiscal impact for the Department, but will save time and resources for local providers. The Department will continue to assess risk and contract compliance, and conduct other forms of oversight over grantees. The WSQA program is designed for business and industry, not for small county housing units, which primarily pass through grant funding to subgrantees. The WSQA program does not always provide helpful feedback. Applying to the WSQA program is costly, time consuming, and duplicative of other monitoring programs.

(Opposed) None.

**Persons Testifying:** Dave Pringle, Department of Commerce; and Juliana Roe, Washington State Association of Counties.

**Persons Signed In To Testify But Not Testifying:** None.