SENATE BILL REPORT SB 5722

As of February 18, 2019

Title: An act relating to the provision of homeless housing and assistance services to homeless persons.

Brief Description: Concerning the provision of homeless housing and assistance services to homeless persons.

Sponsors: Senator Fortunato.

Brief History:

Committee Activity: Housing Stability & Affordability: 2/13/19.

Brief Summary of Bill

- Requires local jurisdictions providing services to homeless persons using funds received under the homeless housing and assistance program to give priority to those homeless persons who can establish proof of residency in the jurisdiction where services are sought.
- Authorizes local jurisdictions to provide homeless persons, who do not receive services due to lack of proof of residency and unavailable services, with free transportation to the appropriate jurisdiction where the person may be eligible to receive services.

SENATE COMMITTEE ON HOUSING STABILITY & AFFORDABILITY

Staff: Brandon Popovac (786-7465)

Background: Homeless Housing and Assistance Act. The Legislature enacted the Homeless Housing and Assistance Act in 2005, with the goal of reducing homelessness by 50 percent statewide and in each county by 2015. The Department of Commerce (Commerce), with the support of the Interagency Council on Homelessness, the Affordable Housing Advisory Board, and the State Advisory Council on Homelessness, is responsible for preparing and publishing a five-year homeless housing strategic plan with statewide goals and performance measures, and providing biennial progress reports to the Governor and the Legislature. Local areas must also have five-year plans that are substantially consistent with the state plan.

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

<u>Homeless Assistance Programs.</u> Commerce manages a range of homeless assistance, prevention, and housing programs.

The Essential Needs and Housing Support Program (HEN), provides rent assistance and essential needs—for example, toiletries and bus tokens—to persons with a temporary disability who are homeless or at imminent documented risk of becoming homeless.

The Transitional Housing Operating and Rent Program (THOR), which assists individuals and families who are homeless or at risk of becoming homeless. Commerce awards grants to eligible organizations to provide rental assistance, case management support for program participants, and funds for operating expenses of transitional housing facilities. Eligible organizations include local governments and housing authorities, tribes, and nonprofit organizations.

<u>Homeless Assistance Program Funding.</u> State homeless assistance programs are funded from a combination of the state general fund and surcharges on documents recorded at county auditor offices. Revenue from these surcharges are split between the state and counties.

The Affordable Housing for All surcharge was authorized by the Legislature in 2002. The county is allowed to keep up to 5 percent of the \$13 surcharge for the collection, administration, and local distribution of the funds. Of the remaining funds, 40 percent is transmitted into the state Affordable Housing for All Account and Landlord Mitigation Program Account, both administered by Commerce. The remaining surcharge revenue is retained by the counties for low-income housing programs and projects.

The local homeless housing and assistance surcharge was first authorized in 2005 at \$10. The surcharge has since increased to the permanent amount of \$62. Ten dollars of this amount is provided directly to counties to carry out their local homeless housing plans. Of the remaining \$52, the county auditor retains 2 percent; and 60 percent goes to the county for homeless housing and assistance, of which 6 percent may be used by the county for administrative costs. Remaining funds are deposited into the Home Security Fund account, in which Commerce may use 12.5 percent for administrative fees. The remaining 87.5 percent is used to provide housing and shelter for homeless people and fund the homeless housing grant program, with at least 45 percent of funds to be used for private rental housing payments.

Another local homeless housing and assistance surcharge was authorized in 2007 at \$8. The county auditor retains 90 percent of the funds for the county, of which 6 percent may be used by the county for administrative costs, and the remainder for the county's local homeless housing plan. The remaining funds are deposited into the state Home Security Fund account for Commerce to use for 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. Funds may be also be used for housing and shelter for homeless people.

Summary of Bill: Any county, city, town, or other municipal corporation that provides services to homeless persons using funds received under the homeless housing and assistance

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program administered by Commerce must give priority to homeless persons who can establish proof of residency in that jurisdiction where services are sought.

Any such county, city, town, or other municipal corporation may provide homeless persons seeking services but do not receive services because they are unable to provide proof of residency and there are no available services with free transportation to the appropriate jurisdiction where the person may be eligible to receive services.

The THOR and HEN programs are also subject to the proof of residency priority requirement for the provision of services under each program.

Proof of residency is established under the act when a homeless person can provide evidence they are receiving locally administered public assistance within the jurisdiction in which they seek services or provide documentation that includes, but is not limited to, social security administration documents; proof of school attendance; a utility bill, pay stub, or eviction notice issued within 60 days before application for services; unemployment documents; or a current motor vehicle registration.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill allows cities with limited resources to address the needs of their residents before other people with unknown residency.

CON: The bill is based on old stereotypes and stigmas that people in our own communities do not experience poverty and homelessness, and that only outsiders come into the community to take advantage of services. This is a false and damaging narrative and is frequently utilized to impose increased investments in services. Requiring service providers to check a last known address adds an additional layer of unneeded bureaucracy that treats those seeking services as suspect and unwelcome. People fleeing domestic violence often have to flee across jurisdictional boundaries in pursuit of safety and may sometimes not be able to safely access proof of residency. Prevention funds for rental assistance, in which tenants and landlords alike want to access quickly, could help a family address an emergency or setback like a modest car repair needed to get to work and includes help paying utility services. Certain providers can verify that the vast majority of people seeking services are seeking them in the same county or city in which they were last housed. Approximately 8 or 10 percent are from other places in Washington State with very few from out of state. Those from other places in Washington State or from out of state often are moving back to be near friends, family, and employment opportunities. There are also highly vulnerable and medically fragile senior citizens and veterans that we do not want to turn away.

Persons Testifying: PRO: Senator Phil Fortunato, Prime Sponsor.

CON: Michele Thomas, Washington Low Income Housing Alliance.

Persons Signed In To Testify But Not Testifying: No one.

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