

SENATE BILL REPORT

SHB 1724

As Reported by Senate Committee On:
Housing & Local Government, February 23, 2022

Title: An act relating to ensuring oversight and coordination of permanent supportive housing resources to maximize the creation of high quality housing opportunities for people living with disabling conditions in communities across Washington.

Brief Description: Ensuring oversight and coordination of permanent supportive housing resources to maximize the creation of high quality housing opportunities for people living with disabling conditions in communities across Washington.

Sponsors: House Committee on Housing, Human Services & Veterans (originally sponsored by Representatives Macri, Ryu, Berry, Taylor, Wicks, Valdez, Morgan, Bateman, Davis, Goodman, Gregerson, Peterson, Santos, Simmons, Chopp, Pollet, Stonier, Ormsby, Harris-Talley and Kloba).

Brief History: Passed House: 2/12/22, 96-1.

Committee Activity: Housing & Local Government: 2/22/22, 2/23/22 [DP].

Brief Summary of Bill

- Establishes an advisory committee on permanent supportive housing within the Department of Commerce.
- Expands membership of the Affordable Housing Advisory Board to include an operator of permanent supportive housing and services.

SENATE COMMITTEE ON HOUSING & LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Kuderer, Chair; Das, Vice Chair; Fortunato, Ranking Member; Gildon, Assistant Ranking Member; Cleveland, Lovelett, Salomon, Sefzik, Trudeau, Warnick and Wilson, J.

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

Staff: Brandon Popovac (786-7465)

Background: Permanent Supportive Housing. Permanent supportive housing is subsidized, leased housing with no limit on the length of stay that prioritizes people who need comprehensive support services to retain tenancy. Permanent supportive housing uses admissions practices designed to lower barriers to entry that would be typical for other rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is often paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk of homelessness before moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident with community-based health care, treatment, or employment services.

The state provides funding for the construction, operations, maintenance, and service costs for permanent supportive housing through document recording surcharges and other appropriations. The Department of Commerce (Commerce) is the state agency primarily responsible for administering funding for permanent supportive housing.

Affordable Housing Advisory Board. The Washington State Affordable Housing Advisory Board (AHAB) advises Commerce on housing and housing-related issues. AHAB has 22 members representing a variety of housing interests around the state. AHAB must review, evaluate, and make recommendations regarding existing and proposed housing programs and initiatives including, but not limited to, tax policies, land use policies, and financing programs, as well as provide an annual report detailing its findings and making specific program, legislative, and funding recommendations, and any other recommendations it deems appropriate.

Summary of Bill: Permanent Supportive Housing. An advisory committee on permanent supportive housing is established, comprising of 26 members appointed by the director of Commerce and reflecting the geographic, racial, and ethnic diversity of the state while including historically marginalized communities. The advisory committee must:

- provide guidance and recommendations to Commerce on the administration of permanent supportive housing resources, including recommendations to ensure alignment of capital, services, and operating investments;
- report annually its recommendations to enhance the coordination and availability of permanent supportive housing to the Legislature and Governor until December 31, 2027; and
- meet quarterly, with its first meeting to occur by November 1, 2022.

The director of Commerce and the director of Commerce's Office of Supportive Housing must regularly consult with the advisory committee. Commerce must also provide staff support to the advisory committee.

Affordable Housing Advisory Board. The membership of AHAB is expanded to include one representative of organizations that operate site-based permanent supportive housing and deliver onsite supportive housing services.

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: Over the past few years, the Legislature has dedicated more budget resources toward permanent supportive housing. Permanent supportive housing is a dynamic intervention that works and is more cost effective and better than the alternatives, such as homelessness, hospitalization, or jail. One year of permanent supportive housing support is equal to three days in the hospital. The state needs 16,000 permanent supportive housing units statewide. More collaboration with locals and nonprofits is needed on permanent supportive housing decisions, including those individuals housed in permanent supportive housing. Permanent supportive housing is a need among the most vulnerable in our population, and is expensive and often underfunded because of its complexity. Persons in need of permanent supportive housing are often underrepresented in decision making on policies impacting them. Permanent supportive housing is an evidence-based practice and provides a supportive community where medical services are available 24/7. Establishing the advisory committee will be key to ensuring local and state financiers and providers maximize permanent supportive housing resources. Expanding AHAB brings an important missing voice to the table. Smaller cities and rural communities face unique challenges in developing permanent supportive housing and effectively participating in annual competitive funding rounds.

OTHER: The proposed advisory committee would strengthen existing permanent supportive housing efforts within Commerce, and will reach all sides of the state. The perspective of persons with lived experience trying to access and live in permanent supportive housing is crucial to successful efforts that maintain housing stability and provide needed services to maximize success. The bill is parallel to other legislative efforts regarding proposed housing solutions and creating similar advisory bodies. The Legislature should consider merging some of these policies moving forward.

Persons Testifying: PRO: Representative Nicole Macri, Prime Sponsor; Cynthia Stewart, League of Women Voters of WA; Lauren Fay, Downtown Emergency Service Center; Michael Parker, Opportunity Council.

OTHER: Dave Pringle, Dept. of Commerce.

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