
Housing Committee

HB 1817

Brief Description: Establishing a housing gap voucher pilot program.

Sponsors: Representatives Rule, Connors, Robertson, Chapman, Klicker, Morgan, Walen and Barkis.

Brief Summary of Bill

- Establishes a Housing Gap Voucher Pilot Program administered by the Public Housing Authorities beginning July 1, 2023, and expiring June 30, 2029, to provide rental assistance for seniors, low-income families, and members of marginalized communities living in manufactured or rental housing in Washington.

Hearing Date: 2/14/23

Staff: Audrey Vasek (786-7383).

Background:

Public Housing Authorities.

A public housing authority (PHA) is an independent municipal corporation established to provide safe and affordable rental housing for low-income individuals, families, senior citizens, and people with disabilities. A PHA must be activated by a resolution of the governing body of a city or county, and a PHA's boundaries are coextensive with the creating city or county, unless established as a joint housing authority comprised of two or more jurisdictions. With some exceptions, PHAs are governed by a five-member commission appointed by a city's mayor or a county's commissioners.

While the PHAs are authorized by state law, they primarily serve as a conduit for federally

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funded housing programs, such as tenant-based vouchers and publicly owned housing. The PHAs also own and operate other rental housing, such as emergency and transitional housing, senior housing, and properties funded through low-income housing tax credits. The PHAs have no taxing authority, and most of their funding is provided by the federal government.

Affordable Housing Advisory Board.

The Affordable Housing Advisory Board (AHAB) advises the Department of Commerce (Department) on housing and housing-related issues. The AHAB has 24 members representing public entities, local governments, housing industries, and other stakeholders.

Summary of Bill:

Housing Gap Voucher Pilot Program.

The PHAs must implement and administer a Housing Gap Voucher Pilot Program (Program) beginning July 1, 2023, and expiring June 30, 2029, to provide rental assistance for seniors, low-income families, and members of marginalized communities living in manufactured or rental housing in Washington. "Low-income family" is defined as an individual or family whose income does not exceed 80 percent of the area median income, adjusted for family size, for the area in which the family lives, as determined by the Department. Housing eligible for use in the Program must be located in Washington and must comply with the applicable state and local health, housing, building, and safety codes.

The PHAs must establish a proportional payment standard for eligible manufactured and rental housing in each municipality in a manner that promotes the use of a uniform and consistent approach for the Program in all municipalities. "Payment standard" is defined as a range from the current fair market rent to 125 percent of the fair market rent, as determined by the PHAs based on bedroom size and the housing market of the municipality.

The PHAs may provide a housing gap voucher to any resident who qualifies for rental assistance. "Resident who qualifies for rental assistance" is defined as any low-income family in Washington who meets the eligibility qualifications set by the Department or who is currently being served by a state assistance program. "Housing gap voucher" is defined as a contract document between the PHAs and a resident that describes the Program requirements, guidelines, and benefits. "Voucher payment" is defined as the payment that the PHAs make to the housing provider on behalf of the resident leasing the unit.

The voucher payment will be equal to the difference between the resident rent and either the applicable payment standard or contract rent, whichever is less. The PHAs may issue a voucher payment for eligible manufactured and rental housing in any municipality in the state. "Resident rent" is defined as the amount the resident is required to pay, which will be up to 30 percent of the resident's monthly income, minus an applicable utility allowance and the difference between the applicable payment standard and the contract rent. "Contract rent" is defined as the total monthly rent amount specified in the lease for a unit occupied by a resident.

At least once in every 12-month period, each resident participating in the Program must provide complete and accurate information, subject to third-party verification, about the income and composition of the resident's household to the Department. The PHAs must use the information provided to annually determine whether the housing gap voucher and share of rent should be adjusted, and whether the resident is eligible for continued participation in the Program. The PHAs may find that any resident who fails to provide the required information is ineligible for continued participation in the Program.

The PHAs must establish uniform and consistent rules to implement and administer the Program, including payment standards, application, and reporting requirements.

Report to the Legislature.

The PHAs, in consultation with stakeholders and AHAB, must submit a report to the Legislature by December 1, 2027, that includes the number of participants in the Program and the amount of housing gap vouchers provided under the Program; an analysis of Program effectiveness and whether the Program should be continued; and any recommendations to improve the effectiveness of the Program.

Appropriation: None.

Fiscal Note: Requested on February 13, 2023.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2023.