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**SENATE BILL 5741**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Senators Braun, Lovick, J. Wilson, Conway, Dozier, Pedersen, and Wellman

Read first time 02/13/23. Referred to Committee on Housing.

1 AN ACT Relating to establishing a housing gap voucher pilot  
2 program; adding new sections to chapter 43.185B RCW; creating a new  
3 section; providing expiration dates; providing an effective date; and  
4 declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that the costs of  
7 housing in Washington have drastically risen over the past decade due  
8 largely to housing underproduction and population growth, as  
9 evidenced by a 95 percent increase in the purchase price of single-  
10 family housing, according to the United States federal housing  
11 financial agency federal reserve economic data. Together with a  
12 significant increase in regulation targeting housing providers at the  
13 local and state level, housing providers have been leaving the market  
14 in record numbers. As a result, the state does not have enough  
15 housing, especially affordable housing, to serve the needs of its  
16 citizens. The reduced supply of rental housing units, coupled with a  
17 growing population, has also led to higher rental rates, especially  
18 in the Puget Sound region and urban centers across the state. The  
19 legislature finds that investing in a housing gap voucher pilot  
20 program will allow the state to target rental assistance to the  
21 people most in need of assistance and support the rental housing

1 partnership that exists among residents, housing providers, and the  
2 state of Washington, which is necessary for a healthy rental housing  
3 market.

4 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.185B  
5 RCW to read as follows:

6 (1) Beginning July 1, 2023, subject to the availability of  
7 amounts appropriated for this specific purpose, public housing  
8 authorities shall implement and administer a housing gap voucher  
9 pilot program to provide rental assistance for seniors, low-income  
10 families, and members of marginalized communities living in  
11 manufactured housing or rental housing in Washington. Public housing  
12 authorities must administer the program under this section to ensure  
13 access to affordable housing, promote housing stability for  
14 individuals and families who qualify for rental assistance, and  
15 encourage access to housing for seniors, low income, and diverse  
16 populations of residents.

17 (2) Manufactured housing and rental housing eligible for use in  
18 the program must be located in the state of Washington and shall  
19 comply with applicable state and local health, housing, building, and  
20 safety codes.

21 (3) Public housing authorities must establish a proportional  
22 payment standard for manufactured housing and rental housing eligible  
23 under the program in each municipality in a manner that promotes the  
24 use of a uniform and consistent approach for the program in all  
25 municipalities.

26 (4) Public housing authorities may provide a housing gap voucher  
27 to any resident who qualifies for rental assistance. The voucher  
28 payment specified in the housing gap voucher will be equal to the  
29 difference between the resident rent and either the applicable  
30 payment standard or contract rent, whichever is less.

31 (5) Public housing authorities may issue a voucher payment  
32 pursuant to this section for eligible manufactured housing and rental  
33 housing in any municipality in the state.

34 (6) At least once in every 12-month period, each resident shall  
35 provide complete and accurate information about income and  
36 composition of the household to the department. Public housing  
37 authorities may require the resident to provide reliable third-party  
38 verification of all necessary information. Public housing authorities  
39 may find any resident that fails to provide such information

1 ineligible for continued participation. Public housing authorities  
2 shall use the information provided to annually determine whether the  
3 housing gap voucher and share of rent should be adjusted and whether  
4 the resident is eligible for continued program participation. If the  
5 resident's share of the rent is adjusted during the annual review,  
6 the amount of the voucher payment shall be adjusted accordingly.

7 (7) Public housing authorities must establish uniform and  
8 consistent rules to implement and administer this section, including  
9 payment standards, application, and reporting requirements.

10 (8) For the purposes of this section:

11 (a) "Contract rent" means the total monthly rent amount specified  
12 in the lease for a contract unit occupied by a resident. The contract  
13 rent includes the amount of the voucher payment and the amount of the  
14 resident's share of rent.

15 (b) "Housing gap voucher" means a contract document between  
16 public housing authorities and a resident that sets forth program  
17 requirements, guidelines, and benefits for a resident who qualifies  
18 for rental assistance.

19 (c) "Housing provider" means any person or entity with the legal  
20 right to lease or sublease a unit to a resident.

21 (d) "Low-income family" means an individual or family whose  
22 income does not exceed 80 percent of the area median income, adjusted  
23 for family size, for the area in which the family lives, as  
24 determined by the department.

25 (e) "Municipality" means any county, city, or town in the state  
26 of Washington.

27 (f) "Payment standard" means a range from the current fair market  
28 rent to 125 percent of the fair market rent, as determined by public  
29 housing authorities based upon bedroom size and the housing market of  
30 the municipality.

31 (g) "Resident" means one or more persons who have been determined  
32 by public housing authorities to be eligible for the housing gap  
33 voucher pilot program.

34 (h) "Resident rent" means the amount the resident is required to  
35 pay, which will be up to 30 percent of the resident's monthly income,  
36 minus an applicable utility allowance, and the difference between the  
37 applicable payment standard and the contract rent.

38 (i) "Resident who qualifies for rental assistance" means any low-  
39 income family in Washington who meets the eligibility qualifications  
40 set by the department or who is currently being served by a state

1 assistance program. Public housing authorities may request reasonable  
2 documentation to verify whether a low-income family qualifies for  
3 rental assistance under the program.

4 (j) "Voucher payment" means the payment that public housing  
5 authorities make to the housing provider on behalf of the resident  
6 leasing the unit.

7 (9) This section expires June 30, 2029.

8 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.185B  
9 RCW to read as follows:

10 (1) Public housing authorities, in consultation with stakeholders  
11 and the affordable housing advisory board, shall submit a report to  
12 the appropriate committees of the legislature by December 1, 2027.  
13 The report must include:

14 (a) The number of residents that participate in the housing gap  
15 voucher pilot program and the amount of housing gap vouchers provided  
16 pursuant to this section;

17 (b) An analysis of the effectiveness of the housing gap voucher  
18 pilot program and whether the program should be continued; and

19 (c) Any recommendations to improve the effectiveness of the  
20 housing gap voucher pilot program, which may include a draft of any  
21 policy changes or legislation that may be necessary.

22 (2) This section expires June 30, 2028.

23 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
24 preservation of the public peace, health, or safety, or support of  
25 the state government and its existing public institutions, and takes  
26 effect July 1, 2023.

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