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**SENATE BILL 5903**

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**State of Washington 65th Legislature 2017 Regular Session**

**By** Senators Darneille, Ranker, Rolfes, Nelson, Frockt, Saldaña, Hasegawa, Wellman, Carlyle, Conway, Pedersen, Keiser, Cleveland, Chase, Takko, and Liias

AN ACT Relating to the housing for all act; amending RCW 36.22.179, 43.185C.060, 43.185C.190, 43.185C.215, 43.185C.340, 43.185C.220, 74.04.805, and 74.62.030; adding a new section to chapter 28B.50 RCW; adding a new section to chapter 82.14 RCW; adding a new section to chapter 71.24 RCW; and creating new sections.

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

NEW SECTION. **Sec.**  This act may be known and cited as the housing for all act of 2017.

NEW SECTION. **Sec.**  The legislature finds that homelessness is a crisis across the state of Washington. Data collected by the point-in-time census found that in 2016 there were roughly twenty-one thousand homeless Washingtonians on a given night. Trends over the last several years show the number of unsheltered Washingtonians across the state is increasing, including among children. The legislature recognizes that as the representative body of the people of Washington, its sole duty is to work without judgment and in the best interest of those people. The legislature further recognizes that to fulfill this duty, it must act swiftly in times of crisis, and not stay silent even if those it represents are silenced by their own need. Research shows it comes at a significant financial cost to keep people on the streets, as those who are homeless are far more likely to end up in jail for noncriminal offenses, in need of emergency medical services, and in emergency shelters. State funding for low-income housing and emergency shelters has not kept pace with the increasing demand for these services. The legislature therefore finds that our state's cities and counties are left to address the crisis of homelessness with limited resources. Homelessness also comes at a great human cost. The people experiencing homelessness in our state include our most vulnerable residents, such as families, students, veterans, children, and people with mental illness or chemical dependency, or both. One medical or financial crisis in a person's life can commit them to an ongoing cycle of poverty that leads to chronic homelessness. The legislature also recognizes that families fleeing domestic violence, youth exiting foster care, LGBTQ youth, people who were formerly incarcerated, and individuals discharged from public institutions, including the department of corrections, the juvenile rehabilitation administration, and the state hospitals, are at an increased risk of experiencing homelessness. While the reasons for homelessness are many, the root cause is the lack of appropriate shelter. The legislature intends to work in concert with other governments and organizations to provide support and funds to increase services to homeless Washingtonians and to ease the desperate crisis faced by tens of thousands of people in our communities every day.

**Sec.**  RCW 36.22.179 and 2014 c 200 s 1 are each amended to read as follows:

(1) In addition to the surcharge authorized in RCW 36.22.178, and except as provided in subsection (2) of this section, an additional surcharge of ((~~ten~~)) ninety dollars shall be charged by the county auditor for each document recorded, which will be in addition to any other charge allowed by law. ((~~From September 1, 2012, through June 30, 2019, the surcharge shall be forty dollars.~~)) The funds collected pursuant to this section are to be distributed and used as follows:

(a) The auditor shall retain two percent for collection of the fee, and of the remainder shall remit sixty percent to the county to be deposited into a fund that must be used by the county and its cities and towns to accomplish the purposes of chapter 484, Laws of 2005, six percent of which may be used by the county for administrative costs related to its homeless housing plan, and the remainder for programs which directly accomplish the goals of the county's local homeless housing plan, except that for each city in the county which elects as authorized in RCW 43.185C.080 to operate its own local homeless housing program, a percentage of the surcharge assessed under this section equal to the percentage of the city's local portion of the real estate excise tax collected by the county shall be transmitted at least quarterly to the city treasurer, without any deduction for county administrative costs, for use by the city for program costs which directly contribute to the goals of the city's local homeless housing plan; of the funds received by the city, it may use six percent for administrative costs for its homeless housing program.

(b) The auditor shall remit the remaining funds to the state treasurer for deposit in the home security fund account. The department may use twelve and one-half percent of this amount for administration of the program established in RCW 43.185C.020, including the costs of creating the statewide homeless housing strategic plan, measuring performance, providing technical assistance to local governments, and managing the homeless housing grant program. Of the remaining eighty-seven and one-half percent, ((~~at least forty-five percent must be set aside for the use of private rental housing payments, and~~)) the remainder is to be used by the department to:

(i) Provide housing and shelter for homeless people including, but not limited to:

(A) Grants to operate, repair, and staff shelters; grants to operate transitional housing;

(B) Partial payments for rental assistance;

(C) Consolidated emergency assistance;

(D) Overnight youth shelters;

(E) Grants and vouchers designated for victims of human trafficking and their families; ((~~and~~))

(F) Emergency shelter assistance; and

(G) Innovative strategies to provide homeless housing support through the following:

(I) Nonacademic support for homeless students as provided for in RCW 28A.165.035;

(II) Providing an additional subsidy for the homeless child care program as provided for in rule, including funding for outreach workers to enroll eligible families in the program;

(III) Funding mobile health and hygiene programs;

(IV) Funding programs to ensure that no person exits a government-funded or supported system of care into homelessness;

(V) Vehicle repair support; and

(VI) Reducing barriers that prevent entry into shelters, such as people who have pets or supporting an adult couple without children; and

(ii) Fund the homeless housing grant program.

(2) The surcharge imposed in this section does not apply to (a) assignments or substitutions of previously recorded deeds of trust, (b) documents recording a birth, marriage, divorce, or death, (c) any recorded documents otherwise exempted from a recording fee or additional surcharges under state law, (d) marriage licenses issued by the county auditor, or (e) documents recording a state, county, or city lien or satisfaction of lien.

**Sec.**  RCW 43.185C.060 and 2014 c 200 s 2 are each amended to read as follows:

The home security fund account is created in the state treasury, subject to appropriation. The state's portion of the surcharge established in RCW 36.22.179 and 36.22.1791 must be deposited in the account. Expenditures from the account may be used only for homeless housing programs as described in this chapter. ((~~If an independent audit finds that the department has failed to set aside at least forty-five percent of funds received under RCW 36.22.179(1)(b) after June 12, 2014, for the use of private rental housing payments, the department must submit a corrective action plan to the office of financial management within thirty days of receipt of the independent audit. The office of financial management must monitor the department's corrective action plan and expenditures from this account for the remainder of the fiscal year. If the department is not in compliance with RCW 36.22.179(1)(b) in any month of the fiscal year following submission of the corrective action plan, the office of financial management must reduce the department's allotments from this account and hold in reserve status a portion of the department's appropriation equal to the expenditures made during the month not in compliance with RCW 36.22.179(1)(b).~~)) Families who receive temporary assistance to needy families as provided for in chapter 74.08A RCW and qualify for services under this chapter must receive priority for any funding provided from this account.

**Sec.**  RCW 43.185C.190 and 2011 1st sp.s. c 50 s 955 are each amended to read as follows:

The affordable housing for all account is created in the state treasury, subject to appropriation. The state's portion of the surcharges established in RCW 36.22.178 shall be deposited in the account. Expenditures from the account may only be used for affordable housing programs. Families who receive temporary assistance to needy families as provided for in chapter 74.08A RCW and qualify for services under this chapter must receive priority for any funding provided from this account. During the 2011-2013 fiscal biennium, moneys in the account may be transferred to the home security fund.

**Sec.**  RCW 43.185C.215 and 2008 c 256 s 2 are each amended to read as follows:

The transitional housing operating and rent account is created in the custody of the state treasurer. All receipts from sources directed to the transitional housing operating and rent program must be deposited into the account. Expenditures from the account may be used solely for the purpose of the transitional housing operating and rent program as described in RCW 43.185C.210. Families who receive temporary assistance to needy families as provided for in chapter 74.08A RCW and qualify for services under RCW 43.185C.210 must have priority for receiving assistance through the transitional housing operating and rent program. Only the director of the department or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

**Sec.**  RCW 43.185C.340 and 2016 c 157 s 3 are each amended to read as follows:

(1) Subject to funds appropriated for this specific purpose, the department, in consultation with the office of the superintendent of public instruction, shall administer a grant program that links homeless students and their families with stable housing located in the homeless student's school district. The goal of the program is to provide educational stability for homeless students by promoting housing stability.

(2) The department, working with the office of the superintendent of public instruction, shall develop a competitive grant process to make grant awards of no more than one hundred thousand dollars per school, not to exceed five hundred thousand dollars per school district, to school districts partnered with eligible organizations on implementation of the proposal. For the purposes of this subsection, "eligible organization" means any local government, local housing authority, regional support network established under chapter 71.24 RCW, nonprofit community or neighborhood-based organization, federally recognized Indian tribe in the state of Washington, or regional or statewide nonprofit housing assistance organization. Applications for the grant program must include contractual agreements between the housing providers and school districts defining the responsibilities and commitments of each party to identify, house, and support homeless students.

(3) ((~~The grants awarded to school districts shall not exceed fifteen school districts per school year.~~)) In determining which partnerships will receive grants, preference must be given to districts with a demonstrated commitment of partnership and history with eligible organizations.

(4) Activities eligible for assistance under this grant program include but are not limited to:

(a) Rental assistance, which includes utilities, security and utility deposits, first and last month's rent, rental application fees, moving expenses, and other eligible expenses to be determined by the department;

(b) Transportation assistance, including gasoline assistance for families with vehicles and bus passes;

(c) Emergency shelter; and

(d) Housing stability case management.

(5) All beneficiaries of funds from the grant program must be unaccompanied youth or from very low-income households. For the purposes of this subsection, "very low-income household" means an unaccompanied youth or family or unrelated persons living together whose adjusted income is less than fifty percent of the median family income, adjusted for household size, for the county where the grant recipient is located.

(6)(a) Grantee school districts must compile and report information to the department. The department shall report to the legislature the findings of the grantee, the housing stability of the homeless families, the academic performance of the grantee population, and any related policy recommendations.

(b) Data on all program participants must be entered into and tracked through the Washington homeless client management information system as described in RCW 43.185C.180.

(7) In order to ensure that school districts are meeting the requirements of an approved program for homeless students, the office of the superintendent of public instruction shall monitor the programs at least once every two years. Monitoring shall begin during the 2016-17 school year.

(8) Any program review and monitoring under this section may be conducted concurrently with other program reviews and monitoring conducted by the department. In its review, the office of the superintendent of public instruction shall monitor program components that include but need not be limited to the process used by the district to identify and reach out to homeless students, assessment data and other indicators to determine how well the district is meeting the academic needs of homeless students, district expenditures used to expand opportunities for these students, and the academic progress of students under the program.

(9) Homeless students served under this section must also be eligible for nonacademic support as provided for in RCW 28A.165.035.

**Sec.**  RCW 43.185C.220 and 2015 c 128 s 5 are each amended to read as follows:

(1) The department shall distribute funds for the essential needs and housing support program established under this section in a manner consistent with the requirements of this section ((~~and the biennial operating budget~~)). The first distribution of funds must be completed by September 1, 2011. Essential needs or housing support is only for persons found eligible for such services under RCW 74.04.805 ((~~and is not considered an entitlement~~)).

(2) The department shall distribute funds appropriated for the essential needs and housing support program in the form of grants to designated essential needs support and housing support entities within each county. The department shall not distribute any funds until it approves the expenditure plan submitted by the designated essential needs support and housing support entities. ((~~The amount of funds to be distributed pursuant to this section shall be designated in the biennial operating budget.~~)) For the sole purpose of meeting the initial distribution of funds date, the department may distribute partial funds upon the department's approval of a preliminary expenditure plan. The department shall not distribute the remaining funds until it has approved a final expenditure plan.

(3)((~~(a)~~)) During the 2011‑2013 biennium, in awarding housing support that is not funded through the contingency fund in this subsection, the designated housing support entity shall provide housing support to clients who are homeless persons as defined in RCW 43.185C.010. As provided in the biennial operating budget for the 2011-2013 biennium, a contingency fund shall be used solely for those clients who are at substantial risk of losing stable housing or at substantial risk of losing one of the other services defined in RCW 74.62.010(6). For purposes of this chapter, "substantial risk" means the client has provided documentation that he or she will lose his or her housing within the next thirty days or that the services will be discontinued within the next thirty days.

((~~(b) After July 1, 2013, the designated housing support entity shall give first priority to clients who are homeless persons as defined in RCW 43.185C.010 and second priority to clients who would be at substantial risk of losing stable housing without housing support.~~))

(4) For each county, the department shall designate an essential needs support entity and a housing support entity that will begin providing these supports to medical care services program recipients on November 1, 2011. Essential needs and housing support entities are not required to provide assistance to every person referred to the local entity or who meets the priority standards in subsection (3) of this section.

(a) Each designated entity must be a local government or community‑based organization, and may administer the funding for essential needs support, housing support, or both. Designated entities have the authority to subcontract with qualified entities. Upon request, and the approval of the department, two or more counties may combine resources to more effectively deliver services.

(b) The department's designation process must include a review of proficiency in managing housing or human services programs when designating housing support entities.

((~~(c) Within a county, if the department directly awards separate grants to the designated housing support entity and the designated essential needs support entity, the department shall determine the amount allocated for essential needs support as directed in the biennial operating budget.~~))

(5)(a) Essential needs and housing support entities must use funds distributed under this section as flexibly as is practicable to provide essential needs items and housing support to recipients of the essential needs and housing support program, subject to the requirements of this section.

(b) Benefits provided under the essential needs and housing support program shall not be provided to recipients in the form of cash assistance.

(c) The department may move funds between entities or between counties to reflect actual caseload changes. In doing so, the department must: (i) Develop a process for reviewing the caseload of designated essential needs and housing support entities, and for redistributing grant funds from those entities experiencing reduced actual caseloads to those with increased actual caseloads; and (ii) inform all designated entities of the redistribution process. Savings resulting from program caseload attrition from the essential needs and housing support program shall not result in increased per‑client expenditures.

(d) Essential needs and housing support entities must partner with other public and private organizations to maximize the beneficial impact of funds distributed under this section, and should attempt to leverage other sources of public and private funds to serve essential needs and housing support recipients. ((~~Funds appropriated in the operating budget for essential needs and housing support must be used only to serve persons eligible to receive services under that program.~~))

(6) The department shall use no more than five percent of the funds for administration of the essential needs and housing support program. Each essential needs and housing support entity shall use no more than seven percent of the funds for administrative expenses.

(7) The department shall:

(a) Require housing support entities to enter data into the homeless client management information system;

(b) Require essential needs support entities to report on services provided under this section;

(c) In collaboration with the department of social and health services, submit a report annually to the relevant policy and fiscal committees of the legislature. A preliminary report shall be submitted by December 31, 2011, and must include (c)(i), (iii), and (v) of this subsection. Annual reports must be submitted beginning December 1, 2012, and must include:

(i) A description of the actions the department has taken to achieve the objectives of chapter 36, Laws of 2011 1st sp. sess.;

(ii) The amount of funds used by the department to administer the program;

(iii) Information on the housing status of essential needs and housing support recipients served by housing support entities, and individuals who have requested housing support but did not receive housing support;

(iv) Grantee expenditure data related to administration and services provided under this section; and

(v) Efforts made to partner with other entities and leverage sources or public and private funds;

(d) Review the data submitted by the designated entities, and make recommendations for program improvements and administrative efficiencies. The department has the authority to designate alternative entities as necessary due to performance or other significant issues. Such change must only be made after consultation with the department of social and health services and the impacted entity.

(8) The department, counties, and essential needs and housing support entities are not civilly or criminally liable and may not have any penalty or cause of action of any nature arise against them related to decisions regarding: (a) The provision or lack of provision of housing or essential needs support; or (b) the type of housing arrangement supported with funds allocated under this section, when the decision was made in good faith and in the performance of the powers and duties under this section. However, this section does not prohibit legal actions against the department, county, or essential needs or housing support entity to enforce contractual duties or obligations.

**Sec.**  RCW 74.04.805 and 2013 2nd sp.s. c 10 s 3 are each amended to read as follows:

(1) The department is responsible for determining eligibility for referral for essential needs and housing support under RCW 43.185C.220. Persons found to be eligible are entitled to services as provided in RCW 43.185C.220. Persons eligible are persons who:

(a) Are incapacitated from gainful employment by reason of bodily or mental infirmity that will likely continue for a minimum of ninety days. The standard for incapacity in this subsection, as evidenced by the ninety-day duration standard, is not intended to be as stringent as federal supplemental security income disability standards;

(b) Are citizens or aliens lawfully admitted for permanent residence or otherwise residing in the United States under color of law;

(c) Have furnished the department their social security number. If the social security number cannot be furnished because it has not been issued or is not known, an application for a number must be made prior to authorization of benefits, and the social security number must be provided to the department upon receipt;

(d) Have countable income as described in RCW 74.04.005 at or below four hundred twenty-eight dollars for a married couple or at or below three hundred thirty-nine dollars for a single individual;

(e) Do not have countable resources in excess of those described in RCW 74.04.005; and

(f) Are not eligible for:

(i) The aged, blind, or disabled assistance program;

(ii) The pregnant women assistance program; or

(iii) Federal aid assistance, other than basic food benefits transferred electronically and medical assistance.

(2) The following persons are not eligible for a referral for essential needs and housing support:

(a) Persons who are unemployable due primarily to alcohol or drug addiction, except as provided in subsection (3) of this subsection. These persons must be referred to appropriate assessment, treatment, shelter, or supplemental security income referral services as authorized under chapter 74.50 RCW. Referrals must be made at the time of application or at the time of eligibility review. This subsection may not be construed to prohibit the department from making a referral for essential needs and housing report for persons who have a substance abuse addiction who are incapacitated due to other physical or mental conditions that meet the eligibility criteria for a referral for essential needs and housing support;

(b) Persons who refuse or fail to cooperate in obtaining federal aid assistance, without good cause;

(c) Persons who refuse or fail without good cause to participate in drug or alcohol treatment if an assessment by a certified chemical dependency counselor indicates a need for such treatment. Good cause must be found to exist when a person's physical or mental condition, as determined by the department, prevents the person from participating in drug or alcohol dependency treatment, when needed outpatient drug or alcohol treatment is not available to the person in the county of his or her residence or when needed inpatient treatment is not available in a location that is reasonably accessible for the person; and

(d) Persons who are fleeing to avoid prosecution of, or to avoid custody or confinement for conviction of, a felony, or an attempt to commit a felony, under the laws of the state of Washington or the place from which the person flees; or who are violating a condition of probation, community supervision, or parole imposed under federal or state law for a felony or gross misdemeanor conviction.

(3) For purposes of determining whether a person is incapacitated from gainful employment under subsection (1) of this section:

(a) The department shall adopt by rule medical criteria for incapacity determinations to ensure that eligibility decisions are consistent with statutory requirements and are based on clear, objective medical information; and

(b) The process implementing the medical criteria must involve consideration of opinions of the treating or consulting physicians or health care professionals regarding incapacity, and any eligibility decision which rejects uncontroverted medical opinion must set forth clear and convincing reasons for doing so.

(4) For purposes of reviewing a person's continuing eligibility and in order to remain eligible for the program, persons who have been found to have an incapacity from gainful employment must demonstrate that there has been no material improvement in their medical or mental health condition. The department may discontinue benefits when there was specific error in the prior determination that found the person eligible by reason of incapacitation.

(5) The department must review the cases of all persons who have received benefits under the essential needs and housing support program for twelve consecutive months, and at least annually after the first review, to determine whether they are eligible for the aged, blind, or disabled assistance program.

(6) Beginning the effective date of this section, persons found to be eligible for services are entitled to services that equal the benefit amount as provided for in RCW 74.62.030.

**Sec.**  RCW 74.62.030 and 2013 2nd sp.s. c 10 s 2 are each amended to read as follows:

(1)(a) Effective November 1, 2011, the aged, blind, or disabled assistance program shall provide financial grants to persons in need who:

(i) Are not eligible to receive federal aid assistance, other than basic food benefits transferred electronically and medical assistance;

(ii) Meet the eligibility requirements of subsection (3) of this section; and

(iii) Are aged, blind, or disabled. For purposes of determining eligibility for assistance for the aged, blind, or disabled assistance program, the following definitions apply:

(A) "Aged" means age sixty-five or older.

(B) "Blind" means statutorily blind as defined for the purpose of determining eligibility for the federal supplemental security income program.

(C) "Disabled" means likely to meet the federal supplemental security income disability standard. In making this determination, the department should give full consideration to the cumulative impact of an applicant's multiple impairments, an applicant's age, and vocational and educational history.

In determining whether a person is disabled, the department may rely on, but is not limited to, the following:

(I) A previous disability determination by the social security administration or the disability determination service entity within the department; or

(II) A determination that an individual is eligible to receive optional categorically needy medicaid as a disabled person under the federal regulations at 42 C.F.R. Parts 435, Secs. 201(a)(3) and 210.

(b) The following persons are not eligible for the aged, blind, or disabled assistance program:

(i) Persons who are not able to engage in gainful employment due primarily to alcohol or drug addiction. These persons shall be referred to appropriate assessment, treatment, shelter, or supplemental security income referral services as authorized under chapter 74.50 RCW. Referrals shall be made at the time of application or at the time of eligibility review. This subsection may not be construed to prohibit the department from granting aged, blind, or disabled assistance benefits to alcoholics and drug addicts who are incapacitated due to other physical or mental conditions that meet the eligibility criteria for the aged, blind, or disabled assistance program; or

(ii) Persons for whom there has been a final determination of ineligibility for federal supplemental security income benefits.

(c) Persons may receive aged, blind, or disabled assistance benefits pending application for federal supplemental security income benefits. The monetary value of any aged, blind, or disabled assistance benefit that is subsequently duplicated by the person's receipt of supplemental security income for the same period shall be considered a debt due the state and shall by operation of law be subject to recovery through all available legal remedies.

(d) During the 2017-2019 fiscal biennium, the financial grants must be double the regular financial grant.

(2) Effective November 1, 2011, the pregnant women assistance program shall provide financial grants to persons who:

(a) Are not eligible to receive federal aid assistance other than basic food benefits or medical assistance; and

(b) Are pregnant and in need, based upon the current income and resource standards of the federal temporary assistance for needy families program, but are ineligible for federal temporary assistance for needy families benefits for a reason other than failure to cooperate in program requirements; and

(c) Meet the eligibility requirements of subsection (3) of this section.

(3) To be eligible for the aged, blind, or disabled assistance program under subsection (1) of this section or the pregnant women assistance program under subsection (2) of this section, a person must:

(a) Be a citizen or alien lawfully admitted for permanent residence or otherwise residing in the United States under color of law;

(b) Meet the income and resource standards described in RCW 74.04.805(1) (d) and (e);

(c) Have furnished the department his or her social security number. If the social security number cannot be furnished because it has not been issued or is not known, an application for a number shall be made prior to authorization of benefits, and the social security number shall be provided to the department upon receipt;

(d) Not have refused or failed without good cause to participate in drug or alcohol treatment if an assessment by a certified chemical dependency counselor indicates a need for such treatment. Good cause must be found to exist when a person's physical or mental condition, as determined by the department, prevents the person from participating in drug or alcohol dependency treatment, when needed outpatient drug or alcohol treatment is not available to the person in the county of his or her residence or when needed inpatient treatment is not available in a location that is reasonably accessible for the person; and

(e) Not have refused or failed to cooperate in obtaining federal aid assistance, without good cause.

(4) Effective November 1, 2011, referrals for essential needs and housing support under RCW 43.185C.220 shall be provided to persons found eligible under RCW 74.04.805.

(5) No person may be considered an eligible individual for benefits under this section with respect to any month if during that month the person:

(a) Is fleeing to avoid prosecution of, or to avoid custody or confinement for conviction of, a felony, or an attempt to commit a felony, under the laws of the state of Washington or the place from which the person flees; or

(b) Is violating a condition of probation, community supervision, or parole imposed under federal or state law for a felony or gross misdemeanor conviction.

NEW SECTION. **Sec.**  A new section is added to chapter 28B.50 RCW to read as follows:

The college board shall establish a pilot program to encourage college districts to plan for the unique needs and challenges of students experiencing homelessness. Such accommodations may include, but are not limited to: Laundry facilities, storage, showers, encouraging culinary programs to provide free or reduced priced meals, and providing short-term housing or housing assistance; and plans to develop surplus property for affordable housing to accommodate the needs of students experiencing homelessness. The pilot program must include two college districts, one on each side of the Cascade mountain range. The pilot program expires July 1, 2022. The college districts that participate in the pilot program shall provide a joint report to the legislature by December 1, 2022, that includes at the least the following information: The number of students experiencing homelessness during the pilot program, the number of students assisted, strategies for accommodating students experiencing homelessness, and legislative recommendations.

NEW SECTION. **Sec.**  A new section is added to chapter 82.14 RCW to read as follows:

(1)(a) A county legislative authority may authorize, fix, and impose a sales and use tax in accordance with the terms of this chapter.

(b) If a county with a population of more than eight hundred thousand has not imposed the tax authorized under this subsection by January 1, 2018, any city with a population of more than thirty thousand located in that county may authorize, fix, and impose the sales and use tax in accordance with this chapter. The county must provide a credit against its tax for the full amount of tax imposed under this subsection (1)(b) by any city located in that county if the county imposes the tax after January 1, 2018.

(2) The tax authorized in this section is in addition to any other taxes authorized by law and must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county for a county's tax and within a city for a city's tax. The rate of tax equals one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(3) Except as provided in subsections (4) and (5) of this section, moneys collected under this section must be used solely for the purpose of providing for the operation or delivery of chemical dependency or mental health treatment programs and services and for the operation or delivery of therapeutic court programs and services for individuals experiencing homelessness. For the purposes of this section, "programs and services" includes, but is not limited to, treatment services, case management, transportation, and housing that are a component of a coordinated chemical dependency or mental health treatment program or service for individuals experiencing homelessness.

(4)(a) For a county with a population of more than twenty-five thousand or a city with a population of more than thirty thousand, which initially imposed the tax authorized under this section before January 1, 2018, a portion of moneys collected under this section may be used to supplant existing funding for the purposes under subsection (3) of this section as follows: Up to fifty percent may be used to supplant existing funding in calendar years 2017-2018, up to forty percent may be used to supplant existing funding in calendar year 2019, up to thirty percent may be used to supplant existing funding in calendar year 2020, up to twenty percent may be used to supplant existing funding in calendar year 2021, and up to ten percent may be used to supplant existing funding in calendar year 2022.

(b) For a county with a population of more than twenty-five thousand or a city with a population of more than thirty thousand, which initially imposes the tax authorized under this section after December 31, 2017, a portion of moneys collected under this section may be used to supplant existing funding for the purposes under subsection (3) of this section as follows: Up to fifty percent may be used to supplant existing funding for up to the first three calendar years following adoption, and up to twenty-five percent may be used to supplant existing funding for the fourth and fifth years after adoption.

(c) For a county with a population of fewer than twenty-five thousand, a portion of moneys collected under this section may be used to supplant existing funding for the purposes under subsection (3) of this section as follows: Up to eighty percent may be used to supplant existing funding in calendar years 2017-2018, up to sixty percent may be used to supplant existing funding in calendar year 2019, up to forty percent may be used to supplant existing funding in calendar year 2020, up to twenty percent may be used to supplant existing funding in calendar year 2021, and up to ten percent may be used to supplant existing funding in calendar year 2022.

(5) Moneys collected under this section may be used to support the cost of the judicial officer and support staff of a therapeutic court.

NEW SECTION. **Sec.**  A new section is added to chapter 71.24 RCW to read as follows:

In addition to the services provided through RCW 71.24.385, behavioral health organizations shall develop innovative strategies to serve the homeless including, but not limited to, treatment on demand, engaging in outreach programs to encourage homeless people to receive services, and developing a process to link a homeless person with housing, ensuring that no person receiving services through a behavioral health organization is discharged into homelessness. For purposes of this section, "treatment on demand" means immediate entry into mental health or drug treatment, or both, for all who request such services.

**--- END ---**