
SUBSTITUTE HOUSE BILL 1570

State of Washington

65th Legislature

2017 Regular Session

By House Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Macri, Robinson, McBride, Kagi, Sawyer, Tharinger, Doglio, Pollet, Ortiz-Self, Chapman, Cody, Jinkins, Bergquist, Hudgins, Peterson, Senn, Stonier, Riccelli, Frame, Gregerson, Dolan, Tarleton, Ormsby, Ryu, Fey, Fitzgibbon, Goodman, Slatter, Pettigrew, Kloba, Orwall, Appleton, Clibborn, Farrell, and Stanford)

READ FIRST TIME 02/17/17.

1 AN ACT Relating to expanding access to homeless housing and
2 assistance; amending RCW 36.22.179, 43.185C.030, 43.185C.040,
3 43.185C.060, 43.185C.061, 43.185C.160, and 43.185C.240; adding a new
4 section to chapter 43.185C RCW; and creating new sections.

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

6 NEW SECTION. **Sec. 1.** The legislature recognizes that all of the
7 people of the state should have the opportunity to live in a safe,
8 healthy, and affordable home. The legislature further recognizes that
9 homelessness in Washington is unacceptable and that action needs to
10 be taken to protect vulnerable households including families with
11 children, youth and young adults, veterans, seniors, and people at
12 high risk of homelessness, including survivors of domestic violence
13 and people living with mental illness and other disabilities.

14 The legislature recognizes that homelessness has immediate and
15 oftentimes long-term consequences on the educational achievement of
16 public school children and disproportionately impacts students of
17 color. Additionally, the legislature recognizes that the health and
18 safety of people experiencing homelessness is immediately and often
19 times significantly compromised, and that homelessness exacerbates
20 physical and behavioral health disabilities. The legislature further
21 recognizes that homelessness is disproportionately experienced by

1 people of color and LGBTQ youth and young adults. The legislature
2 recognizes that homelessness is also disproportionately experienced
3 by people living with mental illness and that homelessness is an
4 impediment to treatment. The legislature further recognizes that
5 homelessness is disproportionately experienced by Native Americans.

6 In 2005, the Washington state legislature passed the homeless
7 housing and assistance act that outlined several bold policies to
8 address homelessness. That act also required a strategic plan by the
9 department of commerce, which was first submitted in 2006 and
10 subsequently updated. Since the first statewide plan, the state has
11 succeeded in housing over five hundred fifty-six thousand people
12 experiencing homelessness. These people were previously living in
13 places not meant for human habitation, living in emergency shelters,
14 or at imminent risk of becoming homeless. Although the overall
15 prevalence of homelessness is down more than seventeen percent, the
16 recent increase in homelessness, due in large part to surging housing
17 costs, remains a crisis and more must be done.

18 Therefore, the legislature intends to improve resources available
19 to aid with increasing access and removing barriers to housing for
20 individuals and families in Washington.

21 **Sec. 2.** RCW 36.22.179 and 2014 c 200 s 1 are each amended to
22 read as follows:

23 (1) In addition to the surcharge authorized in RCW 36.22.178, and
24 except as provided in subsection ~~((+2))~~ (3) of this section, an
25 additional surcharge of ~~((ten))~~ forty dollars shall be charged by the
26 county auditor for each document recorded, which will be in addition
27 to any other charge allowed by law. ~~((From September 1, 2012, through~~
28 ~~June 30, 2019, the surcharge shall be forty dollars.))~~ The funds
29 collected pursuant to this ~~((section))~~ subsection are to be
30 distributed and used as follows:

31 (a) The auditor shall retain two percent for collection of the
32 fee, and of the remainder shall remit sixty percent to the county to
33 be deposited into a fund that must be used by the county and its
34 cities and towns to accomplish the purposes of chapter 484, Laws of
35 2005, six percent of which may be used by the county for
36 administrative costs related to its homeless housing plan, and the
37 remainder for programs which directly accomplish the goals of the
38 county's local homeless housing plan, except that for each city in
39 the county which elects as authorized in RCW 43.185C.080 to operate

1 its own local homeless housing program, a percentage of the surcharge
2 assessed under this section equal to the percentage of the city's
3 local portion of the real estate excise tax collected by the county
4 shall be transmitted at least quarterly to the city treasurer,
5 without any deduction for county administrative costs, for use by the
6 city for program costs which directly contribute to the goals of the
7 city's local homeless housing plan; of the funds received by the
8 city, it may use six percent for administrative costs for its
9 homeless housing program.

10 (b) The auditor shall remit the remaining funds to the state
11 treasurer for deposit in the home security fund account(~~(-)~~) to be
12 used as follows:

13 (i) The department may use twelve and one-half percent of this
14 amount for administration of the program established in RCW
15 43.185C.020, including the costs of creating the statewide homeless
16 housing strategic plan, measuring performance, providing technical
17 assistance to local governments, and managing the homeless housing
18 grant program. (~~(0f)~~)

19 (ii) The remaining eighty-seven and one-half percent(~~(-)~~) of this
20 amount must be used as follows:

21 (A) At least forty-five percent must be set aside for the use of
22 private rental housing payments(~~(-)~~); and (~~the remainder is~~)

23 (B) All remaining funds are to be used by the department to:

24 (~~(+)~~) (I) Provide housing and shelter for homeless people
25 including, but not limited to: Grants to operate, repair, and staff
26 shelters; grants to operate transitional housing; partial payments
27 for rental assistance; consolidated emergency assistance; overnight
28 youth shelters; grants and vouchers designated for victims of human
29 trafficking and their families; and emergency shelter assistance; and
30 (~~(+)~~) (II) Fund the homeless housing grant program.

31 (2) In addition to the surcharge authorized in subsection (1) of
32 this section, and except as provided in subsection (3) of this
33 section, a county legislative authority may charge an additional
34 surcharge of no more than fifty dollars. Any additional amount
35 charged by a county under this subsection may be retained by the
36 county to accomplish the purposes set out in subsection (1) of this
37 section. If a county has not imposed the full fee authorized under
38 this subsection within two years of the effective date of this
39 section, any city legislative authority located in that county may
40 charge the whole or remainder of the additional surcharge authorized

1 in this subsection. Any additional amount charged by a city under
2 this subsection may be retained by the city to accomplish the
3 purposes set out in subsection (1) of this section.

4 (3) The surcharges imposed in this section (~~does~~) do not apply
5 to: (a) Assignments or substitutions of previously recorded deeds of
6 trust((τ)); (b) documents recording a birth, marriage, divorce, or
7 death((τ)); (c) any recorded documents otherwise exempted from a
8 recording fee or additional surcharges under state law((τ)); (d)
9 marriage licenses issued by the county auditor((τ)); or (e) documents
10 recording a state, county, or city lien or satisfaction of lien.

11 (4) For purposes of this section, "private rental housing" means
12 housing owned by a private landlord and includes housing owned by a
13 nonprofit housing entity.

14 **Sec. 3.** RCW 43.185C.030 and 2013 c 200 s 25 are each amended to
15 read as follows:

16 (1) The department shall annually conduct a Washington homeless
17 census or count consistent with the requirements of RCW 43.185C.180.
18 The census shall make every effort to count all homeless individuals
19 living outdoors, in shelters, and in transitional housing,
20 coordinated, when reasonably feasible, with already existing homeless
21 census projects including those funded in part by the United States
22 department of housing and urban development under the McKinney-Vento
23 homeless assistance program. The department shall determine, in
24 consultation with local governments, the data to be collected. Data
25 on subpopulations and other characteristics of the homeless must, at
26 a minimum, be consistent with the United States department of housing
27 and urban development's point-in-time requirements.

28 (2) All personal information collected in the census is
29 confidential, and the department and each local government shall take
30 all necessary steps to protect the identity and confidentiality of
31 each person counted.

32 (3) The department and each local government are prohibited from
33 disclosing any personally identifying information about any homeless
34 individual when there is reason to believe or evidence indicating
35 that the homeless individual is an adult or minor victim of domestic
36 violence, dating violence, sexual assault, or stalking or is the
37 parent or guardian of a child victim of domestic violence, dating
38 violence, sexual assault, or stalking; or revealing other
39 confidential information regarding HIV/AIDS status, as found in RCW

1 70.02.220. The department and each local government shall not ask any
2 homeless housing provider to disclose personally identifying
3 information about any homeless individuals when the providers
4 implementing those programs have reason to believe or evidence
5 indicating that those clients are adult or minor victims of domestic
6 violence, dating violence, sexual assault, or stalking or are the
7 parents or guardians of child victims of domestic violence, dating
8 violence, sexual assault, or stalking. Summary data for the
9 provider's facility or program may be substituted.

10 (4) The Washington homeless census shall be conducted annually on
11 a schedule created by the department. The department shall make
12 summary data by county available to the public each year. This data,
13 and its analysis, shall be included in the department's annual
14 updated homeless housing program strategic plan.

15 (5) Based on the annual census and provider information from the
16 local government plans, the department shall, by the end of year
17 four, implement an online information and referral system to enable
18 local governments and providers to identify available housing for a
19 homeless person. The department shall work with local governments and
20 their providers to develop a capacity for continuous case management
21 to assist homeless persons.

22 (6) By the end of year four, the department shall implement an
23 organizational quality management system.

24 (7)(a) Subject to the availability of amounts appropriated for
25 this specific purpose, the department, in collaboration with the
26 Washington state institute for public policy, must conduct a
27 statewide homeless study every ten years to better understand the
28 causes and characteristics of the homeless in Washington state and
29 help decision makers promote efforts toward housing stability. The
30 purpose of the study is to: Supplement the current point-in-time
31 census and homeless client management information system by
32 conducting face-to-face interviews with people who are homeless or
33 have recently received homelessness assistance to gather an in-depth
34 assessment of why the individual is among the chronically homeless,
35 unaccompanied homeless youth, and unsheltered populations; review the
36 efficacy of current programs and services; and provide
37 recommendations on the type and timing of health and human service
38 interventions needed for these populations to gain housing stability.
39 The department and the Washington state institute for public policy

1 must consider, when completing the statewide homeless study, the
2 following socioeconomic factors relating to:

3 (i) Local and statewide housing markets, including rent costs,
4 vacancy rates, and availability of affordable housing relative to
5 income;

6 (ii) Income, including unemployment rates, income levels and
7 disparities, and wage workers' ability to afford rent at fair market
8 rates; and

9 (iii) Barriers to accessing the private rental market, including
10 the cost of screening fees and rental applications; screening factors
11 such as source of income, minimum income requirements, and criminal
12 records; and illegal discrimination as established in RCW 49.60.030.

13 (b) The department and the Washington state institute for public
14 policy must develop a study proposal defining the study scope,
15 methodology, and costs for the legislature to review by January 1,
16 2019.

17 **Sec. 4.** RCW 43.185C.040 and 2015 c 69 s 25 are each amended to
18 read as follows:

19 ~~((Six months after the first Washington homeless census,))~~
20 The department shall, in consultation with the interagency council on
21 homelessness ~~((and)),~~ the affordable housing advisory board, and the
22 state advisory council on homelessness, prepare and publish a ~~((ten))~~
23 five-year homeless housing strategic plan which ~~((shall))~~ must
24 outline statewide goals and performance measures ~~((and shall be~~
25 coordinated with the plan for homeless families with children
26 required under RCW 43.63A.650)). The state homeless housing strategic
27 plan must be submitted to the legislature by July 1, 2018, and every
28 five years thereafter. The plan must include:

29 (a) Performance measures and goals to reduce homelessness,
30 including long-term and short-term goals;

31 (b) An analysis of the services and programs being offered at the
32 state and county level and an identification of those representing
33 best practices and outcomes;

34 (c) Recognition of services and programs targeted to certain
35 homeless populations or geographic areas in recognition of the
36 diverse needs across the state;

37 (d) New or innovative funding, program, or service strategies to
38 pursue;

1 (e) An analysis of either current drivers of homelessness or
2 improvements to housing security, or both, such as increases and
3 reductions to employment opportunities, housing scarcity and
4 affordability, health and behavioral health services, chemical
5 dependency treatment, and incarceration rates; and

6 (f) An implementation strategy outlining the roles and
7 responsibilities at the state and local level and timelines to
8 achieve a reduction in homelessness at the statewide level during
9 periods of the five-year homeless housing strategic plan.

10 (2) The department must coordinate its efforts on the state
11 homeless housing strategic plan with the office of homeless youth
12 prevention and protection programs advisory committee under RCW
13 43.330.705. The state homeless housing strategic plan must not
14 conflict with the strategies, planning, data collection, and
15 performance and outcome measures developed under RCW 43.330.705 and
16 43.330.706 to reduce the state's homeless youth population.

17 (3) To guide local governments in preparation of ((their first))
18 local homeless housing plans due December ((31, 2005)) 1, 2018, the
19 department shall issue by ((October 15, 2005, temporary)) December 1,
20 2017, guidelines consistent with this chapter and including the best
21 available data on each community's homeless population. ((Local
22 governments' ten-year homeless housing plans shall not be
23 substantially inconsistent with the goals and program recommendations
24 of the temporary guidelines and, when amended after 2005, the state
25 strategic plan.

26 ((2)) Program outcomes ((and)), performance measures, and goals
27 ((shall)) must be created by the department ((and reflected in the
28 department's homeless housing strategic plan as well as interim
29 goals)) in collaboration with local governments against which state
30 and local governments' performance ((may)) will be measured((, including:

32 ((a) By the end of year one, completion of the first census as
33 described in RCW 43.185C.030;

34 ((b) By the end of each subsequent year, goals common to all local
35 programs which are measurable and the achievement of which would move
36 that community toward housing its homeless population; and

37 ((c) By July 1, 2015, reduction of the homeless population
38 statewide and in each county by fifty percent)).

39 ((3)) (4) The department shall develop a consistent statewide
40 data gathering instrument to monitor the performance of cities and

1 counties receiving grants in order to determine compliance with the
2 terms and conditions set forth in the grant application or required
3 by the department.

4 ~~((The department shall, in consultation with the interagency
5 council on homelessness and the affordable housing advisory board,
6 report biennially to the governor and the appropriate committees of
7 the legislature an assessment of the state's performance in
8 furthering the goals of the state ten-year homeless housing strategic
9 plan and the performance of each participating local government in
10 creating and executing a local homeless housing plan which meets the
11 requirements of this chapter. The annual report may include
12 performance measures such as:~~

13 ~~(a) The reduction in the number of homeless individuals and
14 families from the initial count of homeless persons;~~

15 ~~(b) The reduction in the number of unaccompanied homeless youth.
16 "Unaccompanied homeless youth" has the same meaning as in RCW
17 43.330.702;~~

18 ~~(c) The number of new units available and affordable for homeless
19 families by housing type;~~

20 ~~(d) The number of homeless individuals identified who are not
21 offered suitable housing within thirty days of their request or
22 identification as homeless;~~

23 ~~(e) The number of households at risk of losing housing who
24 maintain it due to a preventive intervention;~~

25 ~~(f) The transition time from homelessness to permanent housing;~~

26 ~~(g) The cost per person housed at each level of the housing
27 continuum;~~

28 ~~(h) The ability to successfully collect data and report
29 performance;~~

30 ~~(i) The extent of collaboration and coordination among public
31 bodies, as well as community stakeholders, and the level of community
32 support and participation;~~

33 ~~(j) The quality and safety of housing provided; and~~

34 ~~(k) The effectiveness of outreach to homeless persons, and their
35 satisfaction with the program.~~

36 ~~(4) Based on the performance of local homeless housing programs
37 in meeting their interim goals, on general population changes and on
38 changes in the homeless population recorded in the annual census, the
39 department may revise the performance measures and goals of the state
40 homeless housing strategic plan, set goals for years following the~~

1 ~~initial ten-year period, and recommend changes in local governments'~~
2 ~~plans.)~~)

3 **Sec. 5.** RCW 43.185C.060 and 2014 c 200 s 2 are each amended to
4 read as follows:

5 (1) The home security fund account is created in the ((state
6 treasury, subject to appropriation. The state's portion of the
7 surcharge established in RCW 36.22.179 and 36.22.1791 must be
8 deposited in the account. Expenditures from the account may be used
9 only for homeless housing programs as described in this chapter. If
10 an independent audit finds that the department has failed to set
11 aside at least forty-five percent of funds received under RCW
12 36.22.179(1)(b) after June 12, 2014, for the use of private rental
13 housing payments, the department must submit a corrective action plan
14 to the office of financial management within thirty days of receipt
15 of the independent audit. The office of financial management must
16 monitor the department's corrective action plan and expenditures from
17 this account for the remainder of the fiscal year. If the department
18 is not in compliance with RCW 36.22.179(1)(b) in any month of the
19 fiscal year following submission of the corrective action plan, the
20 office of financial management must reduce the department's
21 allotments from this account and hold in reserve status a portion of
22 the department's appropriation equal to the expenditures made during
23 the month not in compliance with RCW 36.22.179(1)(b).)) custody of
24 the state treasurer. All receipts from the surcharge established in
25 RCW 36.22.179 and 36.22.1791 must be deposited into the account.
26 Expenditures from the account may be used only for homeless housing
27 programs as described in this chapter. Only the director or the
28 director's designee may authorize expenditures from the account. The
29 account is subject to allotment procedures under chapter 43.88 RCW,
30 but an appropriation is not required for expenditures.

31 (2) The department must distinguish allotments from the account
32 made to carry out the activities in RCW 43.330.167, 43.330.700
33 through 43.330.715, 43.330.911, 43.185C.010, 43.185C.250 through
34 43.185C.320, and 36.22.179(1)(b).

35 (3) The office of financial management must secure an independent
36 expenditure review of state funds received under RCW 36.22.179(1)(b)
37 on a biennial basis. The purpose of the review is to assess the
38 consistency in achieving policy priorities within the private market
39 rental housing segment for housing persons experiencing homelessness.

1 The independent reviewer must notify the department and the office of
2 financial management of its findings. The first biennial expenditure
3 review, for the 2017-2019 fiscal biennium, is due February 1, 2020.
4 Independent reviews conducted thereafter are due February 1st of each
5 even-numbered year.

6 **Sec. 6.** RCW 43.185C.061 and 2015 c 69 s 27 are each amended to
7 read as follows:

8 Home security fund account funds (~~appropriated~~) allotted to
9 carry out the activities of RCW 43.330.700 through 43.330.715,
10 43.330.911, 43.185C.010, 43.185C.250 through 43.185C.320, and
11 43.330.167 are not subject to the set aside under RCW
12 36.22.179(1)(b).

13 **Sec. 7.** RCW 43.185C.160 and 2005 c 485 s 1 are each amended to
14 read as follows:

15 (1) Each county shall create a homeless housing task force to
16 develop a (~~ten~~) five-year homeless housing plan addressing short-
17 term and long-term housing for homeless persons.

18 Membership on the task force may include representatives of the
19 counties, cities, towns, housing authorities, civic and faith
20 organizations, schools, community networks, human services providers,
21 law enforcement personnel, criminal justice personnel, including
22 prosecutors, probation officers, and jail administrators, substance
23 abuse treatment providers, mental health care providers, emergency
24 health care providers, businesses, at large representatives of the
25 community, and a homeless or formerly homeless individual.

26 In lieu of creating a new task force, a local government may
27 designate an existing governmental or nonprofit body which
28 substantially conforms to this section and which includes at least
29 one homeless or formerly homeless individual to serve as its homeless
30 representative. As an alternative to a separate plan, two or more
31 local governments may work in concert to develop and execute a joint
32 homeless housing plan, or to contract with another entity to do so
33 according to the requirements of this chapter. While a local
34 government has the authority to subcontract with other entities, the
35 local government continues to maintain the ultimate responsibility
36 for the homeless housing program within its borders.

37 A county may decline to participate in the program authorized in
38 this chapter by forwarding to the department a resolution adopted by

1 the county legislative authority stating the intention not to
2 participate. A copy of the resolution shall also be transmitted to
3 the county auditor and treasurer. If a county declines to
4 participate, the department shall create and execute a local homeless
5 housing plan for the county meeting the requirements of this chapter.

6 (2) In addition to developing a (~~ten~~) five-year homeless
7 housing plan, each task force shall establish guidelines consistent
8 with the statewide homeless housing strategic plan, as needed, for
9 the following:

- 10 (a) Emergency shelters;
- 11 (b) Short-term housing needs;
- 12 (c) Temporary encampments;
- 13 (d) Supportive housing for chronically homeless persons; and
- 14 (e) Long-term housing.

15 Guidelines must include, when appropriate, standards for health
16 and safety and notifying the public of proposed facilities to house
17 the homeless.

18 (3) Each county, including counties exempted from creating a new
19 task force under subsection (1) of this section, shall report to the
20 department (~~of community, trade, and economic development~~) such
21 information as may be needed to ensure compliance with this chapter,
22 including the annual report required in section 8 of this act.

23 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.185C
24 RCW to read as follows:

25 (1) By December 1st of each year, the department must provide an
26 update on the state's homeless housing strategic plan and its
27 activities for the prior fiscal year. The report must include, but
28 not be limited to, the following information:

29 (a) An assessment of the current condition of homelessness in
30 Washington state and the state's performance in meeting the goals in
31 the state homeless housing strategic plan;

32 (b) A report on the results of the annual homeless point-in-time
33 census conducted statewide under RCW 43.185C.030;

34 (c) The amount of federal, state, local, and private funds spent
35 on homelessness assistance, categorized by funding source and the
36 following major assistance types:

- 37 (i) Emergency shelter;
- 38 (ii) Homelessness prevention and rapid rehousing;
- 39 (iii) Permanent housing;

1 (iv) Permanent supportive housing;
2 (v) Transitional housing;
3 (vi) Services only; and
4 (vii) Any other activity in which more than five hundred thousand
5 dollars of category funds were expended;

6 (d) A report on the expenditures, performance, and outcomes of
7 state funds distributed through the consolidated homeless grant
8 program, including the grant recipient, award amount expended, use of
9 the funds, counties served, and households served;

10 (e) A report on state and local homelessness document recording
11 fee expenditure by county, including the total amount of fee
12 spending, percentage of total spending from fees, number of people
13 served by major assistance type, and amount of expenditures for
14 private rental payments required in RCW 36.22.179;

15 (f) A report on the expenditures, performance, and outcomes of
16 the essential needs and housing support program meeting the
17 requirements of RCW 43.185C.220; and

18 (g) A report on the expenditures, performance, and outcomes of
19 the independent youth housing program meeting the requirements of RCW
20 43.63A.311.

21 (2) The report required in subsection (1) of this section must be
22 posted to the department's web site and may include links to updated
23 or revised information contained in the report.

24 (3) Any local government receiving state funds for homelessness
25 assistance or state or local homelessness document recording fees
26 under RCW 36.22.178, 36.22.179, or 36.22.1791 must provide an annual
27 report on the current condition of homelessness in its jurisdiction,
28 its performance in meeting the goals in its local homeless housing
29 plan, and any significant changes made to the plan. The annual report
30 must be posted on the department's web site. Along with each local
31 government annual report, the department must produce and post
32 information on the local government's homelessness spending from all
33 sources by project during the prior state fiscal year in a format
34 similar to the department's report under subsection (1)(c) of this
35 section. If a local government fails to report or provides an
36 inadequate or incomplete report, the department must take corrective
37 action, which may include withholding state funding for homelessness
38 assistance to the local government to enable the department to use
39 such funds to contract with other public or nonprofit entities to
40 provide homelessness assistance within the jurisdiction.

1 **Sec. 9.** RCW 43.185C.240 and 2015 c 69 s 26 are each amended to
2 read as follows:

3 (1) As a means of efficiently and cost-effectively providing
4 housing assistance to very-low income and homeless households:

5 (a) Any local government that has the authority to issue housing
6 vouchers, directly or through a contractor, using document recording
7 surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, or
8 36.22.1791 must:

9 (i)(A) Maintain an interested landlord list, which at a minimum,
10 includes information on rental properties in buildings with fewer
11 than fifty units;

12 (B) Update the list at least once per quarter;

13 (C) Distribute the list to agencies providing services to
14 individuals and households receiving housing vouchers;

15 (D) Ensure that a copy of the list or information for accessing
16 the list online is provided with voucher paperwork; and

17 (E) Communicate and interact with landlord and tenant
18 associations located within its jurisdiction to facilitate
19 development, maintenance, and distribution of the list to private
20 rental housing landlords. The department must make reasonable efforts
21 to ensure that local providers conduct outreach to private rental
22 housing landlords each calendar quarter regarding opportunities to
23 provide rental housing to the homeless and the availability of funds;

24 (ii) Using cost-effective methods of communication, convene, on a
25 semiannual or more frequent basis, landlords represented on the
26 interested landlord list and agencies providing services to
27 individuals and households receiving housing vouchers to identify
28 successes, barriers, and process improvements. The local government
29 is not required to reimburse any participants for expenses related to
30 attendance;

31 (iii) Produce data, limited to document recording fee uses and
32 expenditures, on a (~~calendar~~) fiscal year basis in consultation
33 with landlords represented on the interested landlord list and
34 agencies providing services to individuals and households receiving
35 housing vouchers, that include the following: Total amount expended
36 from document recording fees; amount expended on, number of
37 households that received, and number of housing vouchers issued in
38 each of the private, public, and nonprofit markets; amount expended
39 on, number of households that received, and number of housing
40 placement payments provided in each of the private, public, and

1 nonprofit markets; amount expended on and number of eviction
2 prevention services provided in the private market; amount expended
3 on and number of other tenant-based rent assistance services provided
4 in the private market; and amount expended on and number of services
5 provided to unaccompanied homeless youth. If these data elements are
6 not readily available, the reporting government may request the
7 department to use the sampling methodology established pursuant to
8 (c)(iii) of this subsection to obtain the data; and

9 (iv) Annually submit the (~~calendar~~) fiscal year data to the
10 department (~~by October 1st, with preliminary data submitted by~~
11 ~~October 1, 2012, and full calendar year data submitted beginning~~
12 ~~October 1, 2013~~)).

13 (b) Any local government receiving more than three million five
14 hundred thousand dollars during the previous (~~calendar~~) fiscal year
15 from document recording surcharge funds collected pursuant to RCW
16 36.22.178, 36.22.179, and 36.22.1791, must apply to the Washington
17 state quality award program, or similar Baldrige assessment
18 organization, for an independent assessment of its quality
19 management, accountability, and performance system. The first
20 assessment may be a lite assessment. After submitting an application,
21 a local government is required to reapply at least every two years.

22 (c) The department must:

23 (i) Require contractors that provide housing vouchers to
24 distribute the interested landlord list created by the appropriate
25 local government to individuals and households receiving the housing
26 vouchers;

27 (ii) Convene a stakeholder group by March 1, 2017, consisting of
28 landlords, homeless housing advocates, real estate industry
29 representatives, cities, counties, and the department to meet to
30 discuss long-term funding strategies for homeless housing programs
31 that do not include a surcharge on document recording fees. The
32 stakeholder group must provide a report of its findings to the
33 legislature by December 1, 2017;

34 (iii) Develop a sampling methodology to obtain data required
35 under this section when a local government or contractor does not
36 have such information readily available. The process for developing
37 the sampling methodology must include providing notification to and
38 the opportunity for public comment by local governments issuing
39 housing vouchers, landlord association representatives, and agencies

1 providing services to individuals and households receiving housing
2 vouchers;

3 (iv) Develop a report, limited to document recording fee uses and
4 expenditures, on a (~~calendar~~) fiscal year basis that may include
5 consultation with local governments, landlord association
6 representatives, and agencies providing services to individuals and
7 households receiving housing vouchers, that includes the following:
8 Total amount expended from document recording fees; amount expended
9 on, number of households that received, and number of housing
10 vouchers issued in each of the private, public, and nonprofit
11 markets; amount expended on, number of households that received, and
12 number of housing placement payments provided in each of the private,
13 public, and nonprofit markets; amount expended on and number of
14 eviction prevention services provided in the private market; the
15 total amount of funds set aside for private rental housing payments
16 as required in RCW 36.22.179(1)(b); and amount expended on and number
17 of other tenant-based rent assistance services provided in the
18 private market. The information in the report must include data
19 submitted by local governments and data on all additional document
20 recording fee activities for which the department contracted that
21 were not otherwise reported. The data, samples, and sampling
22 methodology used to develop the report must be made available upon
23 request and for the audits required in this section;

24 (v) Annually submit the (~~calendar~~) fiscal year report to the
25 legislature by December (~~15th, with a preliminary report submitted~~
26 ~~by December 15, 2012, and full calendar year reports submitted~~
27 ~~beginning December 15, 2013~~) 1st of each year; and

28 (vi) Work with the Washington state quality award program, local
29 governments, and any other organizations to ensure the appropriate
30 scheduling of assessments for all local governments meeting the
31 criteria described in subsection (1)(b) of this section.

32 (d) The office of financial management must secure an independent
33 audit of the department's data and expenditures of state funds
34 received under RCW 36.22.179(1)(b) on an annual basis. The
35 independent audit must review a random sample of local governments,
36 contractors, and housing providers that is geographically and
37 demographically diverse. The independent auditor must meet with the
38 department and a landlord representative to review the preliminary
39 audit and provide the department and the landlord representative with
40 the opportunity to include written comments regarding the findings

1 that must be included with the audit. The first audit of the
2 department's data and expenditures will be for calendar year 2014 and
3 is due July 1, 2015. Each audit thereafter will be due July 1st
4 following the department's submission of the report to the
5 legislature. If the independent audit finds that the department has
6 failed to set aside at least forty-five percent of the funds received
7 under RCW 36.22.179(1)(b) after June 12, 2014, for private rental
8 housing payments, the independent auditor must notify the department
9 and the office of financial management of its finding. In addition,
10 the independent auditor must make recommendations to the office of
11 financial management and the legislature on alternative means of
12 distributing the funds to meet the requirements of RCW
13 36.22.179(1)(b).

14 (e) The office of financial management must contract with an
15 independent auditor to conduct a performance audit of the programs
16 funded by document recording surcharge funds collected pursuant to
17 RCW 36.22.178, 36.22.179, and 36.22.1791. The audit must provide
18 findings to determine if the funds are being used effectively,
19 efficiently, and for their intended purpose. The audit must review
20 the department's performance in meeting all statutory requirements
21 related to document recording surcharge funds including, but not
22 limited to, the data the department collects, the timeliness and
23 quality of required reports, and whether the data and required
24 reports provide adequate information and accountability for the use
25 of the document recording surcharge funds. The audit must include
26 recommendations for policy and operational improvements to the use of
27 document recording surcharges by counties and the department. The
28 performance audit must be submitted to the legislature by December 1,
29 2016.

30 (2) For purposes of this section:

31 (a) "Housing placement payments" means one-time payments, such as
32 first and last month's rent and move-in costs, funded by document
33 recording surcharges collected pursuant to RCW 36.22.178, 36.22.179,
34 or 36.22.1791 that are made to secure a unit on behalf of a tenant.

35 (b) "Housing vouchers" means payments, including private rental
36 housing payments, funded by document recording surcharges collected
37 pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made by
38 a local government or contractor to secure: (i) A rental unit on
39 behalf of an individual tenant; or (ii) a block of units on behalf of
40 multiple tenants.

1 (c) "Interested landlord list" means a list of landlords who have
2 indicated to a local government or contractor interest in renting to
3 individuals or households receiving a housing voucher funded by
4 document recording surcharges.

5 (d) "Private rental housing" means housing owned by a private
6 landlord and (~~does not~~) includes housing owned by a nonprofit
7 housing entity (~~or government entity~~).

8 (3) This section expires June 30, 2019.

9 NEW SECTION. **Sec. 10.** This act may be known and cited as the
10 Washington housing opportunities act.

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