

SENATE BILL REPORT

SB 5612

As Passed Senate, March 16, 2005

Title: An act relating to housing assistance grants and loans.

Brief Description: Expanding programs eligible for housing assistance grants and loans.

Sponsors: Senators Berkey, Schmidt, Keiser, Roach, Kohl-Welles, Oke, Pridemore, Fairley, Kline, Shin and McAuliffe.

Brief History:

Committee Activity: Financial Institutions, Housing & Consumer Protection: 2/9/05, 2/17/05 [DP, DNP].

Passed Senate: 3/16/05, 29-18.

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Berkey, Vice Chair; Franklin, Keiser, Prentice and Spanel.

Minority Report: Do not pass.

Signed by Senators Benson, Brandland and Delvin.

Staff: Jennifer Arnold (786-7471)

Background: There are concerns that the number of apprenticeships offered in carpentry and other related professions is declining.

The Housing Trust Fund (HTF) was created by the legislature in 1987 for the purpose of establishing a continuously renewable resource to help Washington communities meet the basic housing needs of low-income and special needs populations.

Today, according to the Department of Community, Trade and Economic Development (CTED), more than 405,000 low-income Washington households pay a disproportionate share of their incomes for housing. These households have incomes below 80 percent of the area's median income and spend more than 30 percent of their income on housing costs. Further, it is believed that there is a critical need for housing for special needs populations, such as people with chronic mental illness, developmental disabilities, homeless families, frail elderly people, and farm workers.

HTF, which is administered by CTED, provides financial assistance in the form of grants and loans to eligible local governments, housing authorities, non-profit community and neighborhood-based organizations, and federally recognized Indian tribes within our state. The projects and activities of applicants are given preference for financial assistance eligibility on the basis of 13 statutory criteria, as follows:

- degree to which the grant or loan will cause other funds to be leveraged;
- level of commitment from other programs to provide support services, if focusing on a special needs project;
- recipient contributions to the total project cost;
- ownership, management, and other project-related responsibilities are encouraged;
- low-income or special needs group are high likely to be served for at least 25 years;
- applicant has a demonstrated the ability, stability, and resources to complete the project;
- project demonstrates serving the greatest need;
- persons and families with the lowest incomes are served;
- project serves a special needs population that is under statutory mandate to develop community housing;
- proximity and access to local employment centers.

Summary of Bill: : An additional factor is added to the HTF evaluation process; CTED must also consider whether a project provides employment and training opportunities in a Washington State certified apprenticeship program.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: It's a good idea to give contractors credit for hiring apprentices. This is an important training opportunity for those providing affordable housing and helps address the shortage of skilled workers. It would enable us to be smarter in how we spend public dollars and improves communities, as a whole. This does not diminish any of the other existing criteria.

Testimony Against: None.

Who Testified: PRO: Rocky Marshall, Pacific NW Regional Council of Carpenters; Jose Palilla, Pacific NW Regional Council of Carpenters; Eric Barn, Pacific NW Regional Council of Carpenters; Ed Triezenburg, Pacific NW Regional Council of Carpenters; Philip Lindquist, International Union of Painters and Allied Trades.