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## **E2SHB 1359** - S COMM AMD By Committee on Ways & Means

## ADOPTED 04/12/2007

1 Strike everything after the enacting clause and insert the 2 following:

- "NEW SECTION. Sec. 1. (1) The legislature finds that there is a large, unmet need for affordable housing in the state of Washington. The legislature declares that a decent, appropriate, and affordable home in a healthy, safe environment for every household should be a state goal. Furthermore, this goal includes increasing the percentage of households who are able to obtain and retain housing without government subsidies or other public support.
  - (2) The legislature finds that there are many root causes of the affordable housing shortage and declares that these causal factors should be eliminated.
  - (3) The legislature finds that the support and commitment of all sectors of the statewide community is critical to accomplishing the state's affordable housing for all goal. The legislature finds that the provision of housing and housing-related services should be administered at the local level. However, the state should play a primary role in: Providing financial resources to achieve the goal at all levels of government; researching and evaluating statewide housing data; developing a state plan that integrates the strategies, goals, and objectives of all other state housing plans and programs; and coordinating and supporting county government plans and activities.
  - (4) The legislature declares that there is a state affordable housing goal of a decent, appropriate, and affordable home in a healthy, safe environment for every household in the state by 2020, as part of the statewide effort to end the affordable housing crisis.
- NEW SECTION. Sec. 2. This chapter may be known and cited as the Washington affordable housing for all act.

NEW SECTION. Sec. 3. There is created within the department the 1 2 state affordable housing for all program, which shall be funded by the affordable housing for all program surcharge provided for in RCW 3 36.22.178 (as recodified by this act) and all other sources directed to 4 5 the affordable housing for all program. The goal of the program is a decent, appropriate, and affordable home in a healthy, safe environment 6 7 for every very low-income household in the state by 2020. A priority must be placed upon achieving this goal for extremely low-income 8 households. This goal includes increasing the percentage of households 9 10 who access housing that is affordable for their income or wage level without government assistance by increasing the number of previously 11 12 very low-income households who achieve self-sufficiency and economic 13 independence. The goal also includes implementing strategies to keep the rising cost of housing below the relative rise in wages. 14 department shall develop and administer the affordable housing for all 15 In the development and implementation of the program, the 16 17 department shall consider: The funding level, number of county staff available to implement the program, and competency of each county to 18 meet the goals of the program; and establish program guidelines and 19 reporting requirements appropriate to the existing capacity of the 20 21 participating counties.

NEW SECTION. Sec. 4. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

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- (1) "Affordable housing" means residential housing, with monthly rental housing costs, including utilities other than telephone, which do not exceed thirty percent of the household's monthly income, that has a sales price within the means of a household that may occupy low, very low, and extremely low-income housing. The department shall adopt policies for residential homeownership housing, occupied by extremely low, very low, and low-income households, that specify the percentage of household income that may be spent on monthly housing costs, including utilities other than telephone, to qualify as affordable housing.
- 35 (2) "Department" means the department of community, trade, and 36 economic development.

1 (3) "Director" means the director of the department of community, 2 trade, and economic development.

- (4) "First-time home buyer" means an individual or his or her spouse who have not owned a home during the three-year period prior to purchase of a home.
- (5) "Nonprofit organization" means any public or private nonprofit organization that: (a) Is organized under federal, state, or local laws; (b) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; and (c) has among its purposes, significant activities related to the provision of decent housing that is affordable to extremely low-income, very low-income, low-income, or moderate-income households and special needs populations.
- (6) "Regulatory barriers to affordable housing" and "regulatory barriers" mean any public policies, including those embodied in statutes, ordinances, regulations, or administrative procedures or processes, required to be identified by the state, cities, towns, or counties in connection with strategies under section 105(b)(4) of the Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec. 12701 et seq.).
- (7) "Affordable housing for all account" means the account in the custody of the state treasurer receiving the state's portion of income from the revenue of sources established by RCW 36.22.178 (as recodified by this act) and all other sources directed to the affordable housing for all program.
- (8) "Performance evaluation" means the process of evaluating the performance by established objective, measurable criteria according to the achievement of outlined goals, measures, targets, standards, or other outcomes using a ranked scorecard from highest to lowest performance which employs a scale of one to one hundred, one hundred being the optimal score.
- (9) "Affordable housing for all program" means the program authorized under this chapter, utilizing the funding from the affordable housing for all program surcharge in RCW 36.22.178 (as recodified by this act), and all other sources directed to the affordable housing for all program, as administered by the department at the state level and by each county at the local level.

1 (10) "State affordable housing for all plan" or "state plan" means 2 the plan developed by the department in collaboration with the 3 affordable housing advisory board with the goal of ensuring that every 4 very low-income household in Washington has a decent, appropriate, and 5 affordable home in a healthy, safe environment by 2020.

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- (11) "Low-income household," for the purposes of the affordable housing for all program, means a single person, family, or unrelated persons living together whose adjusted income is less than eighty percent of the median household income, adjusted for household size for the county where the project is located.
- (12) "Very low-income household" means a single person, 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 project is located.
- 15 (13) "Extremely low-income household" means a single person, 16 family, or unrelated persons living together whose adjusted income is 17 less than thirty percent of the median family income, adjusted for 18 household size for the county where the project is located.
  - (14) "County" means a county government in the state of Washington or, except under RCW 36.22.178 (as recodified by this act), a city government or collaborative of city governments within that county if the county government declines to participate in the affordable housing program.
  - (15) "Local government" means a county or city government in the state of Washington or, except under RCW 36.22.178 (as recodified by this act), a city government or collaborative of city governments within that county if the county government declines to participate in the affordable housing program.
- 29 (16) "Authority" or "housing authority" means any of the public 30 corporations created by RCW 35.82.030.
- 31 **Sec. 5.** RCW 43.185B.040 and 1993 c 478 s 12 are each amended to read as follows:
- 33 (1) The department shall, in consultation with the affordable
  34 housing advisory board created in RCW 43.185B.020, prepare and, from
  35 time to time, amend a ((five-year)) state affordable housing
  36 ((advisory)) for all plan. The state plan must incorporate strategies,
  37 objectives, and goals, including those required for the state homeless

- housing strategic plan required under RCW 43.185C.040. The state 1 2 affordable housing for all plan may be combined with the state homeless housing strategic plan required under RCW 43.185C.040 or any other 3 existing state housing plan as long as the requirements of all of the 4 plans to be merged are met. 5
  - (2) The purpose of the state affordable housing for all plan is to: (a) Document the need for affordable housing in the state and the extent to which that need is being met through public and private

sector programs((, to)); 9

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- (b) Evaluate and report upon all counties' use of the affordable housing for all program surcharge funds provided for in RCW 36.22.178 (as recodified by this act) and all other sources directed to the counties' affordable housing for all programs;
- 14 (c) Report upon housing trust fund awards within the previous fiveyear period; and 15
  - (d) Facilitate state and county government planning to meet the state affordable housing ((needs of the state, and to enable the development of sound strategies and programs for affordable housing)) for all goal.
- (3) The information in the ((five-year)) state affordable housing 20 21 ((advisory)) for all plan must include:
  - (a) An assessment of the state's housing market trends;
  - (b) An assessment of the housing needs for ((all)) economic segments of the state by low-income, very low-income, and extremely low-income households and special needs populations, including a report on the number and percentage of additional affordable rental housing units that are needed statewide and in each county to house low-income, very low-income, and extremely low-income households;
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  - (c) An inventory of the supply and geographic distribution of affordable housing rental units made available through public and private sector programs;
  - (d) A summary of the activities of all state housing programs, as well as all housing programs operated by or coordinated by city and county governments, including local housing-related levy initiatives, housing-related tax exemption programs, and federally funded programs operated or coordinated by the state or local governments;
- 37 (e) A status report on the degree of progress made by the public 38 and private sector toward meeting the housing needs of the state,

including each county or city required by the United States department
of housing and urban development to produce a consolidated plan, and
any other city or county where information is readily available;

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- ((<del>(e)</del>)) <u>(f)</u> An identification of state and local regulatory barriers to affordable housing and proposed regulatory and administrative techniques designed to remove barriers to the development and placement of affordable housing; ((<del>and</del>)
- (f)) (g) An analysis, statewide and within each county and major city, of the primary contributors to the cost of housing and an outline of potential strategies to keep the increasing cost of housing below the relative rise in wages;
- 12 <u>(h)</u> Specific recommendations, policies, or proposals for meeting 13 the affordable housing needs of the state<u>;</u>
- (i) A report on the growth in the population of low-income, very low-income, and extremely low-income households statewide and for each county;
- 17 <u>(j) A determination of the cost to the state of the affordable</u> 18 housing shortage;
  - (k) A report of any differences in the rates of inflation between median house prices, median rent for a two-bedroom apartment, and median family income for low-income, very low-income, and extremely low-income households; and
- 23 (1) A summary of the recommendations of the affordable housing 24 advisory board report as required in RCW 43.185B.030.
  - $((\frac{2}{2})(\frac{3}{2}))$  (4) The  $((\frac{1}{2})(\frac{3}{2}))$  state affordable housing  $((\frac{3}{2})(\frac{3}{2}))$  for all plan required under  $((\frac{3}{2})(\frac{3}{2}))$  this section must be submitted to the appropriate committees of the legislature on or before  $((\frac{3}{2})(\frac{3}{2}))$  December 31, 2010, and subsequent updated plans must be submitted by December 31st every five years thereafter.
  - (((b) Each February 1st, beginning February 1, 1995, the department shall submit an annual progress report, to the legislature, detailing the extent to which the state's affordable housing needs were met during the preceding year and recommendations for meeting those needs))
- 35 (5) Based on changes to the general population and in the housing 36 market, the department may revise the goals of the state affordable 37 housing for all plan and set goals for years following December 31, 38 2020.

Sec. 6. RCW 36.22.178 and 2005 c 484 s 18 are each amended to read as follows:

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The surcharge provided for in this section shall be named the affordable housing for all program surcharge.

- (1) Except as provided in subsection  $((\frac{2}{2}))$  of this section, a surcharge of ten dollars per instrument shall be charged by the county auditor for each document recorded, which will be in addition to any other charge authorized by law. The county may retain up to five percent of these funds collected solely for the collection, administration, and local distribution of these funds. remaining funds, forty percent of the revenue generated through this surcharge will be transmitted monthly to the state treasurer who will deposit the funds into the ((Washington housing trust account)) affordable housing for all account created in section 7 of this act. ((The office of community development of the department of community, trade, and economic development will develop guidelines for the use of these funds to support)) The department of community, trade, and economic development must use these funds to provide housing and shelter for extremely low-income households, including but not limited to grants for building operation and maintenance costs of housing projects or units within housing projects that are affordable to extremely low-income ((persons)) households with incomes at or below thirty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses.
- (2) All of the remaining funds generated by this surcharge will be retained by the county and be deposited into a fund that must be used by the county and its cities and towns for <a href="eligible">eligible</a> housing ((projects or units within housing projects that are affordable to)) <a href="mailto:activities as described">activities as described in this subsection that serve</a> very low-income ((persons)) <a href="households">households</a> with incomes at or below fifty percent of the area median income. The portion of the surcharge retained by a county shall be allocated to <a href="mailto:eligible housing activities that serve extremely low and very low-income">housing projects</a> or units within such housing <a href="mailto:projects">projects</a>)) <a href="households">households</a> in the county and the cities within a county according to an interlocal agreement between the county and the cities within the county consistent with countywide and local housing needs and policies. ((The funds generated with this surcharge shall not be used for construction of new housing if at any time the vacancy rate

for available low-income housing within the county rises above ten percent. The vacancy rate for each county shall be developed using the state low-income vacancy rate standard developed under subsection (3) of this section. Uses of)) A priority must be given to eligible housing activities that serve extremely low-income households with incomes at or below thirty percent of the area median income. Eligible housing activities to be funded by these ((local)) county funds are limited to:

- (a) Acquisition, construction, or rehabilitation of housing projects or units within housing projects that are affordable to very low-income ((persons)) households with incomes at or below fifty percent of the area median income, including units for homeownership, rental units, seasonal and permanent farm worker housing units, and single room occupancy units;
- (b) Supporting building operation and maintenance costs of housing projects or units within housing projects eligible to receive housing trust funds, that are affordable to very low-income ((persons)) households with incomes at or below fifty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses;
- (c) Rental assistance vouchers for housing ((projects or)) units ((within housing projects)) that are affordable to very low-income ((persons)) households with incomes at or below fifty percent of the area median income, to be administered by a local public housing authority or other local organization that has an existing rental assistance voucher program, consistent with or similar to the United States department of housing and urban development's section 8 rental assistance voucher program standards; and
- 29 (d) Operating costs for emergency shelters and licensed overnight 30 youth shelters.
  - ((+2))) (3) The surcharge imposed in this section does not apply to assignments or substitutions of previously recorded deeds of trust.
  - (((3) The real estate research center at Washington State University shall develop a vacancy rate standard for low-income housing in the state as described in RCW 18.85.540(1)(i))
  - (4) All counties shall report at least annually upon receipts and expenditures of the affordable housing for all program surcharge funds created in this section to the department. The department may require

- 1 more frequent reports. The report must include the amount of funding
- 2 generated by the surcharge, the total amount of funding distributed to
- 3 date, the amount of funding allocated to each eligible housing
- 4 <u>activity</u>, a description of each eligible housing activity funded,
- 5 <u>including information on the income or wage level and numbers of</u>
- 6 extremely low, very low, and low-income households the eligible housing
- 7 <u>activity is intended to serve</u>, and the outcome or anticipated outcome
- 8 of each eligible housing activity.
- 9 <u>NEW SECTION.</u> **Sec. 7.** The affordable housing for all account is
- 10 created in the state treasury, subject to appropriation. The state's
- 11 portion of the surcharges established in RCW 36.22.178 (as recodified
- 12 by this act) shall be deposited in the account, as well as all other
- 13 sources directed to the affordable housing for all program
- 14 Expenditures from the account may only be used for affordable housing
- 15 programs.
- 16 <u>NEW SECTION.</u> **Sec. 8.** This chapter does not require either the
- 17 department or any local government to expend any funds to accomplish
- 18 the goals of this chapter other than the revenues authorized in this
- 19 act and other revenue that may be appropriated by the legislature for
- 20 these purposes. However, neither the department nor any local
- 21 government may use any funds authorized in this act to supplant or
- 22 reduce any existing expenditures of public money to address the
- 23 affordable housing shortage.
- NEW SECTION. Sec. 9. (1) The department, the Washington state
- 25 housing finance commission, the affordable housing advisory board, and
- 26 all county governments, housing authorities, and other nonprofit
- 27 organizations receiving state funds, county affordable housing for all
- 28 surcharge funds, county homeless housing surcharge funds as authorized
- in RCW 36.22.179 (as recodified by this act), or financing through the
- 30 housing finance commission shall, by December 31, 2007, and annually
- 31 thereafter, review current housing reporting requirements related to
- 32 housing programs and services and give recommendations to the
- 33 legislature to streamline and simplify all planning and reporting
- 34 requirements. The entities listed in this section shall also give

- recommendations for additional legislative actions that could promote the affordable housing for all goal.
- (2) The department shall collaborate with the Washington state 3 finance commission and representatives 4 housing from statewide organizations representing counties, cities, housing authorities, 5 nonprofit groups involved in affordable housing, and other interested 6 7 parties, to create a strategy to streamline and, when possible, consolidate state, city, town, and county reporting requirements to 8 inefficiencies associated with multiple 9 the 10 requirements. The department shall present the strategy to the appropriate committees of the legislature by December 31, 2007. 11
- 12 **Sec. 10.** RCW 43.63A.650 and 1999 c 267 s 3 are each amended to 13 read as follows:

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- (1) The department shall be the principal state department responsible for coordinating federal and state resources and activities in housing, except for programs administered by the Washington state housing finance commission under chapter 43.180 RCW, and for evaluating the operations and accomplishments of other state departments and agencies as they affect housing, except for programs administered by the Washington state housing finance commission under chapter 43.180 RCW.
- (2) The department shall work with ((local governments)) cities, towns, counties, tribal organizations, local housing authorities, nonprofit community or neighborhood-based organizations, and regional or statewide nonprofit housing assistance organizations, for the purpose of coordinating federal and state resources with local resources for housing.
- (3) The department shall be the principal state department responsible for providing shelter and housing services to homeless families with children. The department shall have the principal responsibility to coordinate, plan, and oversee the state's activities for developing a coordinated and comprehensive plan to serve homeless families with children. The plan shall be developed collaboratively with the department of social and health services. The department shall include community organizations involved in the delivery of services to homeless families with children, and experts in the development and ongoing evaluation of the plan. The department shall

follow professionally recognized standards and procedures. The plan shall be implemented within amounts appropriated by the legislature for that specific purpose in the operating and capital budgets. department shall submit the plan to the appropriate committees of the senate and house of representatives no later than September 1, 1999, and shall update the plan and submit it to the appropriate committees of the legislature by January 1st of every odd-numbered year through 2007. The plan shall address at least the following: (a) The need for prevention assistance; (b) the need for emergency shelter; (c) the need for transitional assistance to aid families into permanent housing; (d) the need for linking services with shelter or housing; and (e) the need for ongoing monitoring of the efficiency and effectiveness of the plan's design and implementation.

**Sec. 11.** RCW 43.185C.005 and 2005 c 484 s 1 are each amended to read as follows:

Despite laudable efforts by all levels of government, private individuals, nonprofit organizations, and charitable foundations to end homelessness, the number of homeless persons in Washington is unacceptably high. The state's homeless population, furthermore, includes a large number of families with children, youth, and employed persons. The legislature finds that the fiscal and societal costs of homelessness are high for both the public and private sectors, and that ending homelessness ((should)) must be a goal for state and local government.

The legislature finds that there are many causes of homelessness, including a shortage of affordable housing; a shortage of family-wage jobs which undermines housing affordability; a lack of an accessible and affordable health care system available to all who suffer from physical and mental illnesses and chemical and alcohol dependency; domestic violence; ((and)) a lack of education and job skills necessary to acquire adequate wage jobs in the economy of the twenty-first century; inadequate availability of services for citizens with mental illness and developmental disabilities living in the community; and the difficulties faced by formerly institutionalized persons in reintegrating to society and finding stable employment and housing.

The support and commitment of all sectors of the statewide community is critical to the chances of success in ending homelessness

in Washington. While the provision of housing and housing-related 1 2 services to the homeless should be administered at the local level to best address specific community needs, the legislature also recognizes 3 the need for the state to play a primary coordinating, supporting, 4 ((and)) monitoring, and evaluating role. There must be a clear 5 assignment of responsibilities and a clear statement of achievable and 6 7 quantifiable goals. Systematic statewide data collection ((homelessness)) homeless individuals in Washington must be a critical 8 component of such a program enabling the state to work with local 9 governments not only to count all homeless people in the state, but to 10 record and manage information about homeless persons ((and)) in order 11 12 to assist them in finding housing and other supportive services.

The systematic collection and rigorous evaluation of homeless data, a <u>nationwide</u> search for and implementation through adequate resource allocation of best practices, and the systematic measurement of progress toward interim goals and the ultimate goal of ending homelessness are all necessary components of a statewide effort to end homelessness in Washington by July 1, 2015.

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- 19 **Sec. 12.** RCW 43.185C.040 and 2005 c 484 s 7 are each amended to 20 read as follows:
  - (1) ((Six months after the first Washington homeless census,)) The department shall, in consultation with the interagency council on homelessness, the state advisory council on homelessness, and the affordable housing advisory board, prepare and ((publish a ten-year homeless housing)) annually update a state homeless housing strategic plan which ((shall)) <u>must</u> outline statewide goals and performance measures ((and shall be coordinated with the plan for homeless families with children required under RCW 43.63A.650. To quide local governments in preparation of their first local homeless housing plans due December 31, 2005, the department shall issue by October 15, 2005, temporary quidelines consistent with this chapter and including the best available data on each community's homeless population)). governments' ((ten-year homeless housing)) homeless housing plans ((shall not)) must include all of the performance measures included in the state homeless housing strategic plan and must be substantially ((inconsistent)) consistent with the goals and program recommendations

of ((the temporary guidelines and, when amended after 2005,)) the state homeless housing strategic plan.

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- (2) Program outcomes and performance measures and goals ((shall)) must be created by the department and reflected in the department's ((homeless housing)) state homeless housing strategic plan ((as well as)) and all local homeless housing plans.
- (3) Interim goals against which state and local governments' performance may be measured must also be described and reported upon in the state homeless housing strategic plan, including:
- (a) ((By the end of year one, completion of the first census as described in RCW 43.185C.030;
- (b))) By the end of each subsequent year, goals common to all state and local programs which are measurable and the achievement of which would move that community toward housing its homeless population; and
- (((c))) (b) By July 1, 2015, reduction of the homeless population statewide and in each county by fifty percent.
  - $((\frac{3}{1}))$  (4) The department shall develop a consistent statewide data gathering instrument to monitor the performance of cities and counties receiving homeless housing grants in order to determine compliance with the terms and conditions set forth in the <a href="homeless">homeless</a> housing grant application or required by the department.
  - (5) The department shall, in consultation with the interagency council on homelessness, the state advisory council on homelessness, and the affordable housing advisory board, report annually to the governor and the appropriate committees of the legislature ((an assessment of)) the fiscal and societal costs of the homeless crisis, including identifying, to the extent practical, savings in state and local program costs that could be obtained through the achievement of stable housing for the clients served by those programs.
- (6) The department shall also deliver a summary annual report, including information about:
  - (a) All state programs addressing homeless housing and services;
  - (b) The state's performance in furthering the goals of the state ((ten-year)) homeless housing strategic plan; and
- (c) The performance of each participating local government in creating and executing a local homeless housing plan ((which)) that meets the requirements of this chapter. ((The annual report may include performance measures such as:

- 1 (a) The reduction in the number of homeless individuals and 2 families from the initial count of homeless persons;
- 3 (b) The number of new units available and affordable for homeless 4 families by housing type;

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- (c) The number of homeless individuals identified who are not offered suitable housing within thirty days of their request or identification as homeless;
- 8 (d) The number of households at risk of losing housing who maintain 9 it due to a preventive intervention;
  - (e) The transition time from homelessness to permanent housing;
- 11 (f) The cost per person housed at each level of the housing
  12 continuum;
- 13 (g) The ability to successfully collect data and report 14 performance;
- 15 (h) The extent of collaboration and coordination among public 16 bodies, as well as community stakeholders, and the level of community 17 support and participation;
  - (i) The quality and safety of housing provided; and
- 19 (j) The effectiveness of outreach to homeless persons, and their 20 satisfaction with the program.
  - (4))) (7) The state homeless housing plan must also include a response to each recommendation included in the local homeless housing plans for policy changes to assist in ending homelessness and a summary of the recommendations to the legislature to streamline and simplify all housing planning and reporting requirements, as required in section 9 of this act.
  - (8) Based on the performance of local homeless housing programs in meeting their interim goals, on general population changes and on changes in the homeless population recorded in the ((annual)) census, the department may revise the performance measures and goals of the state homeless housing strategic plans, set goals for years following the initial ten-year period, and recommend changes in local governments' homeless housing plans.
- 34 **Sec. 13.** RCW 43.185C.050 and 2005 c 484 s 8 are each amended to read as follows:
- 36 (1)(a)(i) Each local homeless housing task force shall prepare and 37 recommend to its local government legislative authority a ((ten year))

<u>local</u> homeless housing plan for its jurisdictional area ((which shall 1 be not inconsistent)) that is consistent with the department's 2 ((statewide temporary quidelines, for the December 31, 2005, plan, and 3 thereafter the department's ten-year homeless housing)) state homeless 4 housing strategic plan and ((which shall be)) is aimed at eliminating 5 homelessness, with a minimum goal of reducing homelessness by fifty 6 7 percent by July 1, 2015. ((The local government may amend the proposed local plan and shall adopt a plan by December 31, 2005. Performance in 8 meeting the goals of this local plan shall be assessed annually in 9 10 terms of the performance measures published by the department.))

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- (ii) Local plans must include specific strategic objectives, consistent with the state plan, and must include corresponding action plans. Local plans must address identified strategies to meet the needs of all homeless populations, including chronic homeless, short-term homeless, families, individuals, and youth. Each local plan must include the total estimated cost of accomplishing the goals of the plan to reduce homelessness by fifty percent by July 1, 2015, and must include an accounting of total committed funds for this purpose.
- (b)(i) The department must conduct an annual performance evaluation of each local plan by December 31st of each year beginning in 2007. The department must also conduct an annual performance evaluation of each local government's performance related to its local plan by December 31st of each year beginning in 2007.
- (ii) Local plans may include specific local performance measures adopted by the local government legislative authority( $(\tau)$ ) and ((may)) must include recommendations for ((any)) state legislation needed to meet the state or local plan goals. The recommendations must be specific and must, if funding is required, include an estimated amount of funding required and suggestions for an appropriate funding source.
  - (2) Eligible activities under the local plans include:
- 31 (a) Rental and furnishing of dwelling units for the use of homeless 32 persons;
- 33 (b) Costs of developing affordable housing for homeless persons, 34 and services for formerly homeless individuals and families residing in 35 transitional housing or permanent housing and still at risk of 36 homelessness;
- 37 (c) Operating subsidies for transitional housing or permanent 38 housing serving formerly homeless families or individuals;

1 (d) Services to prevent homelessness, such as emergency eviction 2 prevention programs, including temporary rental subsidies to prevent 3 homelessness;

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- (e) Temporary services to assist persons leaving state institutions and other state programs to prevent them from becoming or remaining homeless;
  - (f) Outreach services for homeless individuals and families;
- 8 (g) Development and management of local homeless <u>housing</u> plans, 9 including homeless census data collection((÷)) <u>and information</u>, 10 identification of goals, performance measures, strategies, and costs, 11 and evaluation of progress towards established goals;
- (h) Rental vouchers payable to landlords for persons who are homeless or below thirty percent of the median income or in immediate danger of becoming homeless; and
- 15 (i) Other activities to reduce and prevent homelessness as 16 identified for funding in the local plan.
- 17 **Sec. 14.** RCW 43.185C.080 and 2005 c 484 s 12 are each amended to 18 read as follows:
  - (1) ((Only a local government is eligible to receive a homeless housing grant from the homeless housing account. Any city may assert responsibility for homeless housing within its borders if it so chooses, by forwarding a resolution to the legislative authority of the county stating its intention and its commitment to operate a separate homeless housing program. The city shall then receive a percentage of the surcharge assessed under RCW 36.22.179 equal to the percentage of the city's local portion of the real estate excise tax collected by the county. A participating city may also then apply separately for homeless housing program grants. A city choosing to operate a separate homeless housing program shall be responsible for complying with all of the same requirements as counties and shall adopt a local homeless housing plan meeting the requirements of this chapter for county local plans. However, the city may by resolution of its legislative authority accept the county's homeless housing task force as its own and based on that task force's recommendations adopt a homeless housing plan specific to the city.
- 36 (2))) Local governments ((applying for homeless housing funds)) may 37 subcontract with any other local government, housing authority,

community action agency, or other nonprofit organization for the 1 2 execution of programs contributing to the overall goal of ending homelessness within a defined service area. All subcontracts ((shall)) 3 must be consistent with the local homeless housing plan adopted by the 4 legislative authority of the local government, time limited, and filed 5 with the department, and ((shall)) must have specific performance 6 7 terms. While a local government has the authority to subcontract with other entities, the local government continues to maintain the ultimate 8 responsibility for the homeless housing program within its ((borders)) 9 10 jurisdiction.

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(((3))) (2) A county may decline to participate in the <u>homeless</u> housing program authorized in this chapter by forwarding to the department a resolution adopted by the county legislative authority stating the intention not to participate. A copy of the resolution ((shall)) <u>must</u> also be transmitted to the county auditor and treasurer. If ((such a)) the resolution is adopted, all of the funds otherwise due to the county under RCW ((43.185C.060 shall)) 36.22.179 (as recodified by this act) and section 17 of this act, minus funds due to any city that has chosen to participate through the process established in subsection (3) of this section, must be remitted monthly to the state treasurer for deposit in the ((homeless housing)) home security fund account, without any reduction by the county for collecting or administering the funds. Upon receipt of the resolution, the department shall promptly begin to identify and contract with one or more entities eligible under this section to create and execute a local homeless housing plan for the county meeting the requirements of this chapter. The department shall expend all of the funds received from the county under this subsection to carry out the purposes of this chapter ((484, Laws of 2005)) in the county, ((provided that)) but the department may retain six percent of these funds to offset the cost of managing the county's program.

(3) Any city may assert responsibility for homeless housing within its borders, by forwarding a resolution to the legislative authority of the county stating its intention and its commitment to operate a separate homeless housing program. A city choosing to operate a separate homeless housing program receives a percentage of the surcharge assessed under RCW 36.22.179 (as recodified by this act) and under section 17 of this act equal to the percentage of the city's

- 1 <u>local portion of the real estate excise tax collected by the county.</u>
- 2 A participating city may also then apply separately for homeless
- 3 housing grants. A city choosing to operate a separate homeless housing
- 4 program must comply with all of the same requirements as counties and
- 5 shall adopt a local homeless housing plan meeting the requirements of
- 6 this chapter for local homeless housing plans.
- 7 (4) A resolution by the county declining to participate in the 8 program ((shall have)) has no effect on the ((ability)) authority of 9 each city in the county to assert its right to manage its own program
- 10 under this chapter, and the county shall monthly transmit to ((the))
- 11  $\underline{\text{any such}}$  city the funds due under (( $\underline{\text{this chapter}}$ ))  $\underline{\text{RCW 36.22.179}}$  (as
- 12 <u>recodified by this act) and section 17 of this act</u>.

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- 13 **Sec. 15.** 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-year)) homeless housing plan addressing short-term and 17 long-term services and housing ((for homeless persons)) to prevent and 18 reduce homelessness by fifty percent by 2015.
  - Membership on the task force may include representatives of the counties, cities, towns, housing authorities, civic and faith organizations, schools, community networks, human services providers, law enforcement personnel, criminal justice personnel, including prosecutors, probation officers, and jail administrators, substance abuse treatment providers, mental health care providers, emergency health care providers, businesses, at-large representatives of the community, and a homeless or formerly homeless individual.
  - In lieu of creating a new task force, a local government may designate an existing governmental or nonprofit body ((which)) that substantially conforms to this section and ((which)) includes at least one homeless or formerly homeless individual to serve as its homeless representative. As an alternative to a separate plan, two or more local governments may work in concert to develop and execute a joint homeless housing plan, or to contract with another entity to do so according to the requirements of this chapter. While a local government has the authority to subcontract with other entities, the local government continues to maintain the ultimate responsibility for the homeless housing program within its borders.

- ((A county may decline to participate in the program authorized in this chapter by forwarding to the department a resolution adopted by the county legislative authority stating the intention not to participate. A copy of the resolution shall also be transmitted to the county auditor and treasurer. If a county declines to participate, the department shall create and execute a local homeless housing plan for the county meeting the requirements of this chapter.))
- (2) In addition to developing a ((ten-year)) homeless housing plan, each task force shall establish guidelines consistent with the ((statewide)) state homeless housing strategic plan, as needed, for the following:
- 12 (a) Emergency shelters;

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- 13 (b) Short-term housing needs;
- 14 (c) Temporary encampments;
- 15 (d) <u>Rental voucher programs;</u>
- 16 (e) Supportive housing for chronically homeless persons; ((and
- 17 (e))) (f) Long-term housing; and
- 18 (g) Prevention services.
- 19 Guidelines must include, when appropriate, standards for health and 20 safety and notifying the public of proposed facilities to house the 21 homeless.
- (3) Each county((, including counties exempted from creating a new task force under subsection (1) of this section,)) shall report to the department of community, trade, and economic development ((such)) any information ((as may be)) needed to ensure compliance with this chapter.
- 27 **Sec. 16.** RCW 36.22.179 and 2005 c 484 s 9 are each amended to read 28 as follows:
- 29 (1) In addition to the surcharge authorized in RCW 36.22.178 (as recodified by this act), and except as provided in subsection (2) of this section, an additional surcharge of ten dollars shall be charged by the county auditor for each document recorded, which will be in addition to any other charge allowed by law. The funds collected pursuant to this section are to be distributed and used as follows:
- 35 (a) The auditor shall retain two percent for collection of the fee, 36 and of the remainder shall remit sixty percent to the county to be 37 deposited into a fund that must be used by the county and its cities

- and towns to accomplish the purposes of this chapter ((484, Laws of 1 2 2005)), six percent of which may be used by the county for administrative costs related to its homeless housing plan, and the 3 remainder for programs which directly accomplish the goals of the 4 5 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 6 7 local homeless housing program, a percentage of the surcharge assessed under this section equal to the percentage of the city's local portion 8 9 of the real estate excise tax collected by the county shall be transmitted at least quarterly to the city treasurer, without any 10 deduction for county administrative costs, for use by the city for 11 program costs which directly contribute to the goals of the city's 12 <u>local</u> homeless housing plan; of the funds received by the city, it may 13 use six percent for administrative costs for its homeless housing 14 15 program.
  - (b) The auditor shall remit the remaining funds to the state treasurer for deposit in the ((homeless housing)) home security fund The department may use twelve and one-half percent of this for administration of the program established in amount 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. The remaining eighty-seven and one-half percent is to be ((distributed by the department to local governments through the homeless housing grant program)) used by the department to:
  - (i) Provide housing and shelter for homeless people including, but not limited to: Grants to operate, repair, and staff shelters; grants to operate transitional housing; partial payments for rental assistance; consolidated emergency assistance; overnight youth shelters; and emergency shelter assistance; and
- 31 (ii) Fund the homeless housing grant program.

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- 32 (2) The surcharge imposed in this section does not apply to 33 assignments or substitutions of previously recorded deeds of trust.
- NEW SECTION. Sec. 17. A new section is added to chapter 43.185C RCW to read as follows:
- 36 (1) In addition to the surcharges authorized in RCW 36.22.178 and 36.22.179 (as recodified by this act), and except as provided in

subsection (2) of this section, the county auditor shall charge an additional surcharge of two dollars for each document recorded, which is in addition to any other charge allowed by law. The funds collected under this section are to be distributed and used as follows:

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- (a) The auditor shall remit ninety percent to the county to be deposited into a fund six percent of which may be used by the county for administrative costs related to its homeless housing plan, and the remainder for programs that directly accomplish the goals of the county's local homeless housing plan, except that for each city in the county that elects, as authorized in RCW 43.185C.080(3), to operate its own 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 must be transmitted at least quarterly to the city treasurer for use by the city for program costs that directly contribute to the goals of the city's homeless housing plan.
- (b) The auditor shall remit the remaining funds to the state treasurer for deposit in the home security fund account. department may use the funds for administering the program established in RCW 43.185C.020, including the costs of creating and updating the statewide homeless housing strategic plan, implementing and managing information the Washington homeless client management established in RCW 43.185C.180, measuring performance, providing technical assistance to local governments, and managing the homeless housing grant program. Remaining funds may also be used to:
- (i) Provide housing and shelter for homeless people including, but not limited to: Grants to operate, repair, and staff shelters; grants operate transitional housing; partial payments for rental assistance; consolidated emergency assistance; overnight youth shelters; and emergency shelter assistance; and
  - (ii) Fund the homeless housing grant program.
- 32 (2) The surcharge imposed in this section does not apply to assignments or substitutions of previously recorded deeds of trust. 33
- 34 Sec. 18. RCW 36.18.010 and 2005 c 484 s 19 and 2005 c 374 s 1 are each reenacted and amended to read as follows: 35
- 36 County auditors or recording officers shall collect the following 37 fees for their official services:

(1) For recording instruments, for the first page eight and one-half by fourteen inches or less, five dollars; for each additional page eight and one-half by fourteen inches or less, one dollar. The fee for recording multiple transactions contained in one instrument will be calculated for each transaction requiring separate indexing as required under RCW 65.04.050 as follows: The fee for each title or transaction is the same fee as the first page of any additional recorded document; the fee for additional pages is the same fee as for any additional pages for any recorded document; the fee for the additional pages may be collected only once and may not be collected for each title or transaction;

- (2) For preparing and certifying copies, for the first page eight and one-half by fourteen inches or less, three dollars; for each additional page eight and one-half by fourteen inches or less, one dollar;
- (3) For preparing noncertified copies, for each page eight and one-half by fourteen inches or less, one dollar;
- (4) For administering an oath or taking an affidavit, with or without seal, two dollars;
- (5) For issuing a marriage license, eight dollars, (this fee includes taking necessary affidavits, filing returns, indexing, and transmittal of a record of the marriage to the state registrar of vital statistics) plus an additional five-dollar fee for use and support of the prevention of child abuse and neglect activities to be transmitted monthly to the state treasurer and deposited in the state general fund plus an additional ten-dollar fee to be transmitted monthly to the state treasurer and deposited in the state general fund. The legislature intends to appropriate an amount at least equal to the revenue generated by this fee for the purposes of the displaced homemaker act, chapter 28B.04 RCW;
  - (6) For searching records per hour, eight dollars;
- (7) For recording plats, fifty cents for each lot except cemetery plats for which the charge shall be twenty-five cents per lot; also one dollar for each acknowledgment, dedication, and description: PROVIDED, That there shall be a minimum fee of twenty-five dollars per plat;
- 36 (8) For recording of miscellaneous records not listed above, for 37 the first page eight and one-half by fourteen inches or less, five

- dollars; for each additional page eight and one-half by fourteen inches 1 2 or less, one dollar;
- (9) For modernization and improvement of the recording and indexing 3 system, a surcharge as provided in RCW 36.22.170; 4
- (10) For recording an emergency nonstandard document as provided in 5 RCW 65.04.047, fifty dollars, in addition to all other applicable 6 7 recording fees;
- (11) For recording instruments, a surcharge as provided in RCW 8 36.22.178 (as recodified by this act); ((and 9
- $\frac{\{(12)\}}{\{(12)\}}$ ) (12) For recording instruments, except for documents 10 recording a birth, marriage, divorce, or death or any documents 11 12 otherwise exempted from a recording fee under state law, a surcharge as 13 provided in RCW 36.22.179 (as recodified by this act); and
- 14 (13) For recording instruments, except for documents recorded by the department of revenue, the department of labor and industries, and 15 the employment security department and for documents recording a birth, 16 17 marriage, divorce, or death or any documents otherwise exempted from a recording fee under state law, a surcharge as provided in section 17 of 18 this act. 19
- 20 Sec. 19. RCW 43.185C.150 and 2005 c 484 s 21 are each amended to 21 read as follows:

This chapter does not require either the department or any local 22 23 government to expend any funds to accomplish the goals of this chapter 24 other than the revenues authorized in ((chapter 484, Laws of 2005)) RCW 36.22.179 (as recodified by this act) and the revenues authorized in 25 26 section 17 of this act. However, neither the department nor any local government may use any funds authorized in ((chapter 484, Laws of 27 2005)) RCW 36.22.179 (as recodified by this act) or the revenues 28 authorized in section 17 of this act to supplant or reduce any existing 29 expenditures of public money for the reduction or prevention of 30 31 homelessness or services for homeless persons. Any costs associated with any new planning, evaluating, and reporting requirements of the 32 department for the homeless housing and assistance program included in 33 this chapter shall not be funded by the document recording fee 34 35 surcharges authorized by RCW 36.22.178 and 36.22.179 (as recodified by 36 this act).

- 1 **Sec. 20.** RCW 43.185C.060 and 2005 c 484 s 10 are each amended to 2 read as follows:
- 3 The ((homeless housing)) home security fund account is created in
- 4 the ((<del>custody of the</del>)) state ((<del>treasurer</del>)) <u>treasury</u>, <u>subject to</u>
- 5 appropriation. The state's portion of the surcharge established in RCW
- 6 36.22.179 (as recodified by this act) and section 17 of this act must
- 7 be deposited in the account. Expenditures from the account may be used
- 8 only for ((the)) homeless housing programs ((as described in this
- 9 chapter. Only the director or the director's designee may authorize
- 10 expenditures from the account. The account is subject to allotment
- 11 procedures under chapter 43.88 RCW, but an appropriation is not
- 12 required for expenditures)).
- 13 <u>NEW SECTION.</u> **Sec. 21.** RCW 36.22.179 and 43.20A.790 are each
- 14 recodified as sections in chapter 43.185C RCW.
- NEW SECTION. Sec. 22. RCW 36.22.178, 43.63A.650, and 43.185B.040
- 16 are each recodified as sections in chapter 43.--- RCW (created in
- 17 section 23 of this act).
- 18 <u>NEW SECTION.</u> **Sec. 23.** Sections 1 through 4 and 7 through 9 of
- 19 this act constitute a new chapter in Title 43 RCW.
- 20 <u>NEW SECTION.</u> **Sec. 24.** If specific funding for the purposes of
- 21 sections 1 through 10 of this act, referencing sections 1 through 10 of
- this act by bill or chapter number and section number, is not provided
- 23 by June 30, 2007, in the omnibus appropriations act, sections 1 through
- 24 10 of this act are null and void."

## **E2SHB 1359** - S COMM AMD

By Committee on Ways & Means

ADOPTED 04/12/2007

- On page 1, line 1 of the title, after "all;" strike the remainder
- 26 of the title and insert "amending RCW 43.185B.040, 36.22.178,

- 43.63A.650, 43.185C.005, 43.185C.040, 43.185C.050, 43.185C.080, 1
- 43.185C.160, 36.22.179, 43.185C.150, and 43.185C.060; reenacting and 2
- amending RCW 36.18.010; adding new sections to chapter 43.185C RCW; 3
- adding a new chapter to Title 43 RCW; creating a new section; and 4
- recodifying RCW 36.22.179, 43.20A.790, 36.22.178, 43.63A.650, and 5
- 6 43.185B.040."

--- END ---