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## Appropriations Committee

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### HB 2348

**Brief Description:** Streamlining reporting for recipients of housing-related state funding by removing Washington state quality award program requirements.

**Sponsors:** Representatives Duerr, Ormsby and Macri; by request of Department of Commerce.

#### Brief Summary of Bill

- Removes the requirement for eligible organizations receiving over \$500,000 from specified housing and homelessness-related programs and fund sources to apply to the Washington State Quality Award program.

**Hearing Date:** 1/20/20

**Staff:** Jessica Van Horne (786-7288).

#### Background:

##### *Transitional Housing Operating and Rent Program*

The Department of Commerce (Department) administers the Transitional Housing Operating and Rent (THOR) program under the state homeless housing program. The THOR program provides grants to eligible organizations to provide services to individuals and families who are at risk of becoming homeless. Grant funding must be used for rental assistance, case management services, operating expenses of transitional housing facilities, and administrative costs.

Eligible organizations are local governments, local housing authorities, behavioral health administrative services organizations, nonprofit community or neighborhood-based organizations, federally recognized Indian tribes, and regional or statewide nonprofit housing assistance organizations.

##### *State Housing-Related Funding Sources*

The Department administers a range of affordable housing, homeless housing, and housing assistance programs that provide state housing-related funds to local governments and other

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organizations. Examples of state housing-related funding sources include the Washington State Housing Trust Account, the Home Security Fund Account, and the Affordable Housing for All Account.

#### *Surcharges on Recorded Documents*

The state and local governments each receive funding to support housing and homelessness programs from certain surcharges collected by each county auditor when a document is recorded. These surcharges include the \$13 Affordable Housing for All surcharge, the \$62 local homeless housing and assistance surcharge, and the \$8 local homeless housing and assistance surcharge. These surcharges are in addition to any other authorized surcharges and administrative fees collected by the county auditor and apply to most recorded documents.

#### *Washington State Quality Award*

The Washington State Quality Award (WSQA) program was established in statute in 1994. The purpose of the WSQA program is to improve the overall competitiveness of the state's economy by stimulating industries, businesses, and organizations to bring about measurable success by setting standards of organization of excellence, encouraging organizational self-assessment, identifying successful organizations, and promoting and strengthening a commitment to continuous quality improvement.

Eligible organizations are required to apply to the WSQA program once every three years for an independent assessment of their quality management, accountability, and performance system if they receive over \$500,000 per calendar year from the following sources: the THOR program; state housing-related funding sources; the Affordable Housing for All surcharge; the local homeless housing and assistance surcharges; and any other surcharges imposed to fund homelessness programs or other housing programs.

#### **Summary of Bill:**

The requirement for eligible organizations to apply to the WSQA program if they receive over \$500,000 in a calendar year from the THOR program and other specified funding sources is removed.

**Appropriation:** None.

**Fiscal Note:** Requested on January 13, 2020.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.