

# HOUSE BILL REPORT

## HB 1724

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**As Reported by House Committee On:**  
Housing, Human Services & Veterans  
Appropriations

**Title:** An act relating to ensuring oversight and coordination of permanent supportive housing resources to maximize the creation of high quality housing opportunities for people living with disabling conditions in communities across Washington.

**Brief Description:** Ensuring oversight and coordination of permanent supportive housing resources to maximize the creation of high quality housing opportunities for people living with disabling conditions in communities across Washington.

**Sponsors:** Representatives Macri, Ryu, Berry, Taylor, Wicks, Valdez, Morgan, Bateman, Davis, Goodman, Gregerson, Peterson, Santos, Simmons, Chopp, Pollet, Stonier, Ormsby, Harris-Talley and Kloba.

**Brief History:**

**Committee Activity:**

Housing, Human Services & Veterans: 1/11/22, 1/20/22 [DPS];  
Appropriations: 2/4/22, 2/5/22 [DPS(HHSV)].

**Brief Summary of Substitute Bill**

- Adds an operator of permanent supportive housing and services to the Affordable Housing Advisory Board.
- Establishes an advisory committee on permanent supportive housing within the Department of Commerce.

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### HOUSE COMMITTEE ON HOUSING, HUMAN SERVICES & VETERANS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Peterson, Chair; Taylor, Vice Chair; Caldier, Ranking Minority Member; Gilday, Assistant Ranking Minority Member; Barkis, Bateman,

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

Chopp, Donaghy and Leavitt.

**Staff:** Serena Dolly (786-7150).

**Background:**

Affordable Housing Advisory Board.

The Affordable Housing Advisory Board (AHAB) advises the Department of Commerce (Commerce) on housing and housing-related issues. The AHAB is comprised of 22 members representing public entities, local governments, housing industries, and other stakeholders.

Permanent Supportive Housing.

Permanent supportive housing is subsidized, leased housing with no limit on the length of stay that prioritizes people who need comprehensive support services to retain tenancy. Permanent supportive housing uses admissions practices designed to lower barriers to entry that would be typical for other rental housing, especially related to rental history, criminal history, and personal behaviors, and is paired with voluntary on or off-site supportive services.

The state provides funding for the construction, operations, maintenance, and service costs for permanent supportive housing through document recording surcharges and other appropriations. Commerce is the state agency primarily responsible for administering funding for permanent supportive housing.

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**Summary of Substitute Bill:**

Affordable Housing Advisory Board.

The AHAB is expanded by one representative of organizations that operate site-based permanent supportive housing and deliver onsite supportive housing services.

Permanent Supportive Housing.

An advisory committee on permanent supportive housing (advisory committee) is established to provide guidance and recommendations to Commerce on the administration of permanent supportive housing resources, including recommendations to ensure alignment of capital, services, and operating investments.

The advisory committee must meet no less than quarterly with its first meeting to be convened by Commerce no later than October 1, 2022. The Director of Commerce and the director of Commerce's Office of Supportive Housing must regularly consult with the advisory committee. Commerce will provide staff support to the advisory committee.

**Substitute Bill Compared to Original Bill:**

The substitute bill modifies membership of the advisory committee as follows:

- removes the four legislators and a representative of the Governor's office;
- adds the following members:
  - one representative of the Developmental Disabilities Administration;
  - one representative from a city with the largest number of chronically homeless households;
  - one representative from a county with the largest number of chronically homeless households;
  - one representative of communities of color; and
- replaces the representative of the disability community with representatives of each of the following:
  - the intellectual and developmental disability community;
  - the mental health disability community;
  - the substance use disorder community; and
  - the physical disability community.

The substitute bill also changes the appointment authority for members of the advisory committee from the Governor to the Director of the Department.

In addition, the substitute bill eliminates the provision that members of the advisory committee must serve without compensation, terminates the advisory committee's annual reporting requirement on December 31, 2027, and changes the date by which the Department must convene the first meeting from October 1, 2022, to November 1, 2022.

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**Appropriation:** None.

**Fiscal Note:** Preliminary fiscal note available.

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

**Staff Summary of Public Testimony:**

(In support) Permanent supportive housing is a key intervention to ending chronic homelessness. It is an evidence-based practice for ending homelessness for people living with behavioral health and other disabling conditions. Challenges exist in operating permanent supportive housing, but it is more cost effective than some of the other options, such as emergency rooms, hospitals, and jails. The Office of Financial Management estimates the need for permanent supportive housing in the state is 16,000 apartments. The advisory committee will help facilitate additional permanent supportive housing more quickly. The bill supports the current structure and strong investments the state is making. It will provide for the coordination of local, state, and federal funding and bring together key stakeholders to collaborate and share best practices. This coordination will help

permanent supportive housing providers figure out how to put the puzzle of funding together, including in smaller and more rural communities.

(Opposed) None.

(Other) Most of the homeless community has disabilities, and the advisory committee needs to include additional representatives of the disability community, including representatives of the intellectual and developmental disability community. The language in the bill should be clarified to ensure the committee is advisory as opposed to providing formal oversight.

**Persons Testifying:** (In support) Representative Nicole Macri, prime sponsor; Cynthia Stewart, League of Women Voters of Washington; Amanda Herrera, Washington Build-Back Black Alliance; Cathy Murahashi, Community Homes; Lauren Fay, Downtown Emergency Service Center; Michael Parker, Opportunity Council; and MJ Kiser, Lotus Development.

(Other) Tedd Kelleher, Department of Commerce; and Ramona Hattendorf, The Arc of King County.

**Persons Signed In To Testify But Not Testifying:** None.

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill by Committee on Housing, Human Services & Veterans be substituted therefor and the substitute bill do pass. Signed by 33 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Stokesbary, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Corry, Assistant Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Boehnke, Caldier, Chandler, Chopp, Cody, Dolan, Dye, Fitzgibbon, Frame, Hansen, Harris, Hoff, Jacobsen, Johnson, J., Lekanoff, Pollet, Rude, Ryu, Schmick, Senn, Springer, Steele, Stonier, Sullivan and Tharinger.

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

### **Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Housing, Human Services & Veterans:**

No new changes were recommended.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of the

session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) Permanent supportive housing (PSH) is an evidence-based approach to provide housing and services for homeless persons with behavioral health issues. These PSH projects receive multiple layers of funding through the state capital and operating budgets for building homes and providing services. Establishing an advisory committee on supportive housing will help strengthen the state's current investments in PSH projects by reviewing ways to maximize the use of state funding and improve stewardship of the funds. It will also help improve coordination between local communities and the Department of Commerce for future investments in PSH projects.

(Opposed) None.

**Persons Testifying:** Lauren Fay, Downtown Emergency Service Center.

**Persons Signed In To Testify But Not Testifying:** None.