

SENATE BILL REPORT

SB 5669

**AS REPORTED BY COMMITTEE ON HEALTH & LONG-TERM CARE,
MARCH 5, 1991**

Brief Description: Establishing housing trust fund priorities for projects submitted by regional support networks.

SPONSORS: Senators Niemi and West.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 5669 be substituted therefor, and the substitute bill do pass.

Signed by Senators West, Chairman; L. Smith, Vice Chairman; Amondson, Johnson, L. Kreidler, Niemi, and Wojahn.

Staff: Don Sloma (786-7414)

Hearing Dates: February 26, 1991; March 5, 1991

BACKGROUND:

The housing trust fund (HTF) program, administered by the Department of Community Development (DCD), provides loans and grants to local governments, nonprofit organizations, and public housing organizations to increase the availability and affordability of safe, decent, and sanitary low-income and special needs housing. Households benefiting from HTF dollars may not earn more than 50 percent of the median income for the area in which the project is located. Thirty percent of all HTF dollars must be spent in rural areas of the state.

The Community Mental Health Act authorizes groups of counties to develop regional support networks (RSN) to contract with the state for the treatment of mentally ill persons. The RSNs allow local authorities the flexibility to develop comprehensive mental health systems which are most appropriate and effective for each locality. Current law also requires that RSNs provide services to underserved populations including children, elderly, minorities and the disabled.

SUMMARY:

The Legislature finds it is a major duty of regional support networks (RSN) to plan and develop community support systems for mentally ill persons which have housing and housing support at their center.

RSNs are added to the organizations which may receive assistance from the Department of Community Development (DCD) under the housing trust fund (HTF) program.

Applications to the HTF submitted by RSNs before July 1, 1995 which support the housing needs of state priority mentally ill persons must be given first priority by DCD.

Leveraging RSN funds in any application to the HTF is emphasized as a criteria when evaluating HTF applications.

In addition, RSN submitted projects are excepted from other criteria in the housing trust fund application review process. These include criteria concerning the level of local government contributions, encouragement of project responsibility opportunities for beneficiaries, the probability of 15 years of useful service, and a need to benefit persons of the lowest income.

Persons seeking to construct, rehabilitate, or finance housing-related services for mentally ill persons are added to those who may receive funds for preconstruction technical assistance and planning from the DCD.

The director of DCD must include a listing of housing support projects funded for the mentally ill in the department's annual report. Copies of the report must be given to the House Health Care Committee and the Senate Health and Long-Term Care Committee.

Regional support networks may receive technical assistance from the HTF and may identify and submit projects for housing and housing support services to the HTF. Projects identified or submitted must be fully integrated with the RSN six-year operating and capital plan, timeline, and budget.

EFFECT OF PROPOSED SUBSTITUTE:

Exceptions from the state housing trust fund project selection criteria for RSN projects are removed. First priority for state housing trust fund approval for RSN projects is deleted.

Two new criteria are added to those which must be considered in granting applications for state housing trust funds. They are the degree of commitment from programs to provide funding or support services for projects focusing on special needs populations, and projects proposed by groups with statutory mandates to develop community housing.

Applications for state housing trust fund projects targeting the mentally ill may only be approved if they are consistent with regional support network plans.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

The state housing trust fund should work more closely with RSNs and other publicly authorized organizations to develop housing for the chronically disabled.

TESTIMONY AGAINST:

The original bill would result in virtually all of the housing trust fund being devoted to the mentally ill. This would be unfair to other intended beneficiaries of the program.

TESTIFIED: PRO: Jeanne Duncan, South Sound Advocates for Disabled Citizens; Cheryl Strange, Thurston/Mason Community Mental Health; Patricia DeBoer, AMI; Alex Baxendell, Capital Clubhouse; Ross Kane, NSRSN; Nancy Caldwell, Greater Columbia RSN; Peter M. Bruce, Community Psychiatric Clinic; Susan Caverly, WSNA; CON: Sally Hunter, Housing Trust Fund, Department of Community Development