CERTIFICATION OF ENROLLMENT

HOUSE BILL 1720

Chapter 50, Laws of 2015

64th Legislature 2015 Regular Session

HOUSING--HEALTH AND SAFETY

EFFECTIVE DATE: 7/24/2015

Passed by the House March 10, 2015 Yeas 74 Nays 23

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 8, 2015 Yeas 48 Nays 1

BRAD OWEN

President of the Senate

Approved April 22, 2015 11:17 AM

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1720** as passed by House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

April 22, 2015

JAY INSLEE

Secretary of State State of Washington

Governor of the State of Washington

HOUSE BILL 1720

Passed Legislature - 2015 Regular Session

State of Washington 64th Legislature 2015 Regular Session

By Representatives Robinson, Peterson, Stanford, Riccelli, Gregerson, Senn, Appleton, Ortiz-Self, Tarleton, Jinkins, and Santos

Read first time 01/27/15. Referred to Committee on Community Development, Housing & Tribal Affairs.

- AN ACT Relating to healthy housing; and amending RCW 70.164.010,
- 2 70.164.020, and 70.164.040.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 70.164.010 and 2010 c 287 s 1 are each amended to read as follows:
- 6 (1) The legislature finds and declares that weatherization of the will 7 residences of low-income households help conserve energy resources in this state and can reduce the need to obtain energy from 8 9 more costly conventional energy resources. The legislature also finds 10 that while many efforts have been made by the federal government and 11 by the state, including its cities, counties, and utilities, 12 increase both the habitability and the energy efficiency 13 residential structures within the state, stronger coordination of these efforts will result in even greater energy efficiencies, 14 increased cost savings to the state's residents in the form of lower 15 16 utility bills, improvements in health and safety, lower greenhouse 17 gas emissions and associated climate impacts, as well as increased employment for the state's workforce. The legislature further finds 18 that there is emerging scientific evidence linking residents' health 19 outcomes such as asthma, lead poisoning, and unintentional injuries 20
- 21 to substandard housing.

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- 1 (2) Therefore, it is the intent of the legislature that state funds be dedicated to weatherization and energy efficiency activities 2 as well as the moderate to significant repair and rehabilitation of 3 residential structures that are required as a necessary antecedent to 4 those activities. It is also the intent of the legislature that the 5 6 department prioritize weatherization, energy efficiency activities, and structural repair of residential structures to facilitate the 7 expeditious allocation of funds from federal energy efficiency 8 programs including, but not limited to, the weatherization assistance 9 program, the weatherization plus health initiative, the energy 10 efficiency and conservation block grant program, residential energy 11 12 efficiency components of the state energy program, and the retrofit ramp-up program for energy efficiency projects. The 13 legislature further intends to allocate future distributions of energy-related 14 federal jobs stimulus funding to strengthen these programs, and to 15 coordinate energy retrofit and rehabilitation improvements 16 17 authorized by chapter 287, Laws of 2010 to increase the number of structures qualifying for assistance under these multiple state and 18 19 federal energy efficiency programs.
- (3) The program implementing the policy of this chapter 20 21 necessary to support the poor and infirm and also to benefit the 22 health, safety, and general welfare of all citizens of the state.
- RCW 70.164.020 and 2010 c 287 s 2 are each amended to 23 Sec. 2. 24 read as follows:
 - The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
 - (1) "Department" means the department of commerce.
- 28 (2) "Direct outreach" means:

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- (a) The use of door-to-door contact, community events, and other 29 30 methods of direct interaction with customers to inform them of energy 31 efficiency and weatherization opportunities; and
 - (b) The performance of energy audits.
 - "Energy audit" means an analysis of a dwelling unit to determine the need for cost-effective energy conservation measures as determined by the department.
- (4) "Healthy housing improvements" means increasing the health and safety of a home by integrating energy efficiency activities and 37 indoor environmental quality measures, consistent with the weatherization plus health initiative of the federal department of

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- (5) "Household" means an individual or group of individuals living in a dwelling unit as defined by the department.
- $((\frac{5}{}))(6)$ "Low income" means household income as defined by the department, provided that the definition may not exceed eighty percent of median household income, adjusted for household size, for the county in which the dwelling unit to be weatherized is located.
- 9 ((\(\frac{(+(+)}{6})\))(7) "Nonutility sponsor" means any sponsor other than a 10 public service company, municipality, public utility district, mutual 11 or cooperative, furnishing gas or electricity used to heat low-income 12 residences.
- $((\frac{7}{}))(8)$ "Residence" means a dwelling unit as defined by the department.
 - ((+8))(9) "Sponsor" means any entity that submits a proposal under RCW 70.164.040, including but not limited to any local community action agency, tribal nation, community service agency, or any other participating agency or any public service company, municipality, public utility district, mutual or cooperative, or any combination of such entities that jointly submits a proposal.
- (((+9)))(10) "Sponsor match" means the share of the cost of 22 weatherization to be paid by the sponsor.
 - "weatherization" means activities that use funds administered by the department for one or more of the following: (a) Energy and resource conservation; (b) energy efficiency improvements; (c) repairs, indoor air quality improvements, and health and safety improvements; and (d) client education. Funds administered by the department for activities authorized under this subsection may only be used for the preservation of a dwelling unit occupied by a low-income household and must, to the extent feasible, be used to support and advance sustainable technologies.
 - $((\frac{11}{11}))(12)$ "Weatherizing agency" means any approved department grantee, tribal nation, or any public service company, municipality, public utility district, mutual or cooperative, or other entity that bears the responsibility for ensuring the performance of weatherization of residences under this chapter and has been approved by the department.

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1 **Sec. 3.** RCW 70.164.040 and 2010 c 287 s 4 are each amended to 2 read as follows:

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- (1) The department shall solicit proposals for low-income weatherization programs from potential sponsors. A proposal shall state the amount of the sponsor match, the amount requested, the name of the weatherizing agency, and any other information required by the department.
- (2)(a) A sponsor may use its own moneys, including corporate or ratepayer moneys, or moneys provided by landlords, charitable groups, government programs, the Bonneville power administration, or other sources to pay the sponsor match.
- (b) Moneys provided by a sponsor pursuant to requirements in this section shall be in addition to and shall not supplant any funding for low-income weatherization that would otherwise have been provided by the sponsor or any other entity enumerated in (a) of this subsection.
- 17 (c) No proposal may require any contribution as a condition of 18 weatherization from any household whose residence is weatherized 19 under the proposal.
 - (d) Proposals shall provide that full levels of all cost-effective, structurally feasible, sustainable residential weatherization materials, measures, and practices, as determined by the department, shall be installed when a low-income residence is weatherized.
 - (3) Sponsors may propose to utilize grant awards and matching funds to make healthy housing improvements to homes undergoing weatherization.
- (4)(a) The department may in its discretion accept, accept in part, or reject proposals submitted.
- (b) The department shall prioritize allocating funds from the 30 31 low-income weatherization and (([structural]))<u>structural</u> 32 rehabilitation (([assistance]))<u>assistance</u> account to projects that maximize energy efficiency ((and)), extend the usable life of an 33 affordable home, and improve the health and safety of its residents 34 by: (i) Installing energy efficiency measures; and (ii) providing 35 36 structural rehabilitation and repairs, so that funding from federal 37 energy efficiency programs such as the weatherization assistance program, the weatherization plus health initiative, the energy 38 39 efficiency and conservation block grant program, residential energy

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efficiency components of the state energy program, and the retrofit ramp-up program is distributed expeditiously.

- (c) When allocating funds from the low-income weatherization and (([structural]))structural rehabilitation (([assistance]))assistance account, the department shall, to the extent feasible, consider local and state benefits including pledged sponsor match, available energy efficiency, repair, and rehabilitation funds from other sources, the preservation of affordable housing, and balance of participation in proportion to population among low-income households for: (i) Geographic regions in the state; (ii) types of fuel used for heating, except that the department shall encourage the use of energy efficient sustainable technologies; (iii) owner-occupied and rental residences; and (iv) single-family and multifamily dwellings.
- (d) The department shall then allocate funds appropriated from the low-income weatherization and structural rehabilitation assistance account for energy efficiency and repair activities among proposals accepted or accepted in part.
- (e) The department shall develop policies to ensure prudent, cost-effective investments are made in homes and buildings requiring energy efficiency, repair, and rehabilitation improvements that will maximize energy savings ((and)), extend the life of a home, and improve the health and safety of its residents.
- (f) The department shall give priority to the structural rehabilitation and weatherization of dwelling units occupied by low-income households with incomes at or below one hundred twenty-five percent of the federally established poverty level.
- (g) The department may allocate funds to a nonutility sponsor without requiring a sponsor match if the department determines that such an allocation is necessary to provide the greatest benefits to low-income residents of the state.
- (h) The department shall require weatherizing agencies to employ individuals trained from workforce training and apprentice programs established under chapter 536, Laws of 2009 if these workers are available, pay prevailing wages under chapter 39.12 RCW, hire from the community in which the program is located, and create employment opportunities for veterans, members of the national guard, and lowincome and disadvantaged populations.
- (((4)))(5)(a) A sponsor may elect to: (i) Pay a sponsor match as a lump sum at the time of structural rehabilitation or 40 weatherization; or (ii) make yearly payments to the low-income

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- weatherization and structural rehabilitation assistance account over a period not to exceed ten years. If a sponsor elects to make yearly payments, the value of the payments shall not be less than the value of the lump sum payment that would have been made under (a)(i) of this subsection.
- 6 (b) The department may permit a sponsor to meet its match 7 requirement in whole or in part through providing labor, materials, 8 or other in-kind expenditures.
- (((5)))(6) Service providers receiving funding under this section 9 must report to the department at least quarterly, or in alignment 10 with federal reporting, whichever is the greater frequency, the 11 12 project costs, and the number of dwelling units repaired, rehabilitated, and weatherized, the number of jobs created or 13 maintained, and the number of individuals trained through workforce 14 training and apprentice programs. The director of the department 15 shall review the accuracy of these reports. 16
- 17 $((\frac{(6)}{(6)}))(\frac{7}{(6)})$ The department shall adopt rules to carry out this 18 section.

Passed by the House March 10, 2015. Passed by the Senate April 8, 2015. Approved by the Governor April 22, 2015. Filed in Office of Secretary of State April 22, 2015.

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