

CERTIFICATION OF ENROLLMENT
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1570

Chapter 85, Laws of 2018

65th Legislature
2018 Regular Session

HOMELESS HOUSING AND ASSISTANCE--DOCUMENT RECORDING SURCHARGE

EFFECTIVE DATE: June 7, 2018

Passed by the House March 3, 2018
Yeas 54 Nays 42

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate February 28, 2018
Yeas 27 Nays 21

CYRUS HABIB

President of the Senate

Approved March 15, 2018 11:53 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1570** as passed by House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

March 16, 2018

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1570

AS AMENDED BY THE SENATE

Passed Legislature - 2018 Regular Session

State of Washington

65th Legislature

2018 Regular Session

By House Appropriations (originally sponsored by Representatives Macri, Robinson, McBride, Kagi, Sawyer, Tharinger, Doglio, Pollet, Ortiz-Self, Chapman, Cody, Jinkins, Bergquist, Hudgins, Peterson, Senn, Stonier, Riccelli, Frame, Gregerson, Dolan, Tarleton, Ormsby, Ryu, Fey, Fitzgibbon, Goodman, Slatter, Pettigrew, Kloba, Orwall, Appleton, Clibborn, Farrell, and Stanford)

READ FIRST TIME 01/26/18.

1 AN ACT Relating to expanding access to homeless housing and
2 assistance; amending RCW 36.22.179, 43.185C.030, 43.185C.040,
3 43.185C.050, 43.185C.060, 43.185C.160, 43.185C.010, and 43.185C.240;
4 adding a new section to chapter 43.185C RCW; and creating new
5 sections.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The legislature recognizes that all of the
8 people of the state should have the opportunity to live in a safe,
9 healthy, and affordable home. The legislature further recognizes that
10 homelessness in Washington is unacceptable and that action needs to
11 be taken to protect vulnerable households including families with
12 children, youth and young adults, veterans, seniors, and people at
13 high risk of homelessness, including survivors of domestic violence
14 and people living with mental illness and other disabilities.

15 The legislature recognizes that homelessness has immediate and
16 often times long-term consequences on the educational achievement of
17 public school children and disproportionately impacts students of
18 color. Additionally, the legislature recognizes that the health and
19 safety of people experiencing homelessness is immediately and
20 oftentimes significantly compromised, and that homelessness
21 exacerbates physical and behavioral health disabilities. The

1 legislature further recognizes that homelessness is
2 disproportionately experienced by people of color and LGBTQ youth and
3 young adults. The legislature recognizes that homelessness is also
4 disproportionately experienced by people living with mental illness
5 and that homelessness is an impediment to treatment. The legislature
6 further recognizes that homelessness is disproportionately
7 experienced by Native Americans.

8 In 2005, the Washington state legislature passed the homeless
9 housing and assistance act that outlined several bold policies to
10 address homelessness. That act also required a strategic plan by the
11 department of commerce, which was first submitted in 2006 and
12 subsequently updated. Since the first statewide plan, the state has
13 succeeded in housing over five hundred fifty-six thousand people
14 experiencing homelessness. These people were previously living in
15 places not meant for human habitation, living in emergency shelters,
16 or at imminent risk of becoming homeless. Although the overall
17 prevalence of homelessness is down more than seventeen percent, the
18 recent increase in homelessness, due in large part to surging housing
19 costs, remains a crisis and more must be done.

20 Therefore, the legislature intends to improve resources available
21 to aid with increasing access and removing barriers to housing for
22 individuals and families in Washington.

23 **Sec. 2.** RCW 36.22.179 and 2017 3rd sp.s. c 16 s 5 are each
24 amended to read as follows:

25 (1) In addition to the surcharge authorized in RCW 36.22.178, and
26 except as provided in subsection ~~((+2))~~ (3) of this section, an
27 additional surcharge of ~~((ten))~~ sixty-two dollars shall be charged by
28 the county auditor for each document recorded, which will be in
29 addition to any other charge allowed by law. ~~((From September 1,~~
30 ~~2012, through June 30, 2023, the surcharge shall be forty dollars.))~~
31 Except as provided in subsection (4) of this section, the funds
32 collected pursuant to this section are to be distributed and used as
33 follows:

34 (a) The auditor shall retain two percent for collection of the
35 fee, and of the remainder shall remit sixty percent to the county to
36 be deposited into a fund that must be used by the county and its
37 cities and towns to accomplish the purposes of chapter 484, Laws of
38 2005, six percent of which may be used by the county for the
39 collection and local distribution of these funds and administrative

1 costs related to its homeless housing plan, and the remainder for
2 programs which directly accomplish the goals of the county's local
3 homeless housing plan, except that for each city in the county which
4 elects as authorized in RCW 43.185C.080 to operate its own local
5 homeless housing program, a percentage of the surcharge assessed
6 under this section equal to the percentage of the city's local
7 portion of the real estate excise tax collected by the county shall
8 be transmitted at least quarterly to the city treasurer, without any
9 deduction for county administrative costs, for use by the city for
10 program costs which directly contribute to the goals of the city's
11 local homeless housing plan; of the funds received by the city, it
12 may use six percent for administrative costs for its homeless housing
13 program.

14 (b) The auditor shall remit the remaining funds to the state
15 treasurer for deposit in the home security fund account(~~(-)~~) to be
16 used as follows:

17 (i) The department may use twelve and one-half percent of this
18 amount for administration of the program established in RCW
19 43.185C.020, including the costs of creating the statewide homeless
20 housing strategic plan, measuring performance, providing technical
21 assistance to local governments, and managing the homeless housing
22 grant program. (~~(0f)~~)

23 (ii) The remaining eighty-seven and one-half percent(~~(-)~~) of this
24 amount must be used as follows:

25 (A) At least forty-five percent must be set aside for the use of
26 private rental housing payments(~~(-)~~); and (~~the remainder is~~)

27 (B) All remaining funds are to be used by the department to:

28 (~~(+)~~) (I) Provide housing and shelter for homeless people
29 including, but not limited to: Grants to operate, repair, and staff
30 shelters; grants to operate transitional housing; partial payments
31 for rental assistance; consolidated emergency assistance; overnight
32 youth shelters; grants and vouchers designated for victims of human
33 trafficking and their families; and emergency shelter assistance; and

34 (~~(+)~~) (II) Fund the homeless housing grant program.

35 (2) A county issuing general obligation bonds pursuant to RCW
36 36.67.010, to carry out the purposes of subsection (1)(a) of this
37 section, may provide that such bonds be made payable from any
38 surcharge provided for in subsection (1)(a) of this section and may
39 pledge such surcharges to the repayment of the bonds.

1 (3) The surcharge imposed in this section does not apply to (a)
2 assignments or substitutions of previously recorded deeds of trust,
3 (b) documents recording a birth, marriage, divorce, or death, (c) any
4 recorded documents otherwise exempted from a recording fee or
5 additional surcharges under state law, (d) marriage licenses issued
6 by the county auditor, or (e) documents recording a state, county, or
7 city lien or satisfaction of lien(~~(, or (f) documents recording a~~
8 ~~water sewer district lien or satisfaction of a lien for delinquent~~
9 ~~utility payments)~~).

10 (4) Ten dollars of the surcharge imposed under subsection (1) of
11 this section must be distributed to the counties to carry out the
12 purposes of subsection (1)(a) of this section.

13 (5) For purposes of this section, "private rental housing" means
14 housing owned by a private landlord and includes housing owned by a
15 nonprofit housing entity.

16 **Sec. 3.** RCW 43.185C.030 and 2013 c 200 s 25 are each amended to
17 read as follows:

18 (1) The department shall annually conduct a Washington homeless
19 census or count consistent with the requirements of RCW 43.185C.180.
20 The census shall make every effort to count all homeless individuals
21 living outdoors, in shelters, and in transitional housing,
22 coordinated, when reasonably feasible, with already existing homeless
23 census projects including those funded in part by the United States
24 department of housing and urban development under the McKinney-Vento
25 homeless assistance program. The department shall determine, in
26 consultation with local governments, the data to be collected. Data
27 on subpopulations and other characteristics of the homeless must, at
28 a minimum, be consistent with the United States department of housing
29 and urban development's point-in-time requirements.

30 (2) All personal information collected in the census is
31 confidential, and the department and each local government shall take
32 all necessary steps to protect the identity and confidentiality of
33 each person counted.

34 (3) The department and each local government are prohibited from
35 disclosing any personally identifying information about any homeless
36 individual when there is reason to believe or evidence indicating
37 that the homeless individual is an adult or minor victim of domestic
38 violence, dating violence, sexual assault, or stalking or is the
39 parent or guardian of a child victim of domestic violence, dating

1 violence, sexual assault, or stalking; or revealing other
2 confidential information regarding HIV/AIDS status, as found in RCW
3 70.02.220. The department and each local government shall not ask any
4 homeless housing provider to disclose personally identifying
5 information about any homeless individuals when the providers
6 implementing those programs have reason to believe or evidence
7 indicating that those clients are adult or minor victims of domestic
8 violence, dating violence, sexual assault, or stalking or are the
9 parents or guardians of child victims of domestic violence, dating
10 violence, sexual assault, or stalking. Summary data for the
11 provider's facility or program may be substituted.

12 (4) The Washington homeless census shall be conducted annually on
13 a schedule created by the department. The department shall make
14 summary data by county available to the public each year. This data,
15 and its analysis, shall be included in the department's annual
16 updated homeless housing program strategic plan.

17 (5) Based on the annual census and provider information from the
18 local government plans, the department shall, by the end of year
19 four, implement an online information and referral system to enable
20 local governments and providers to identify available housing for a
21 homeless person. The department shall work with local governments and
22 their providers to develop a capacity for continuous case management
23 to assist homeless persons.

24 (6) By the end of year four, the department shall implement an
25 organizational quality management system.

26 **Sec. 4.** RCW 43.185C.040 and 2017 3rd sp.s. c 15 s 2 are each
27 amended to read as follows:

28 (1) ~~((Six months after the first Washington homeless census,))~~
29 The department shall, in consultation with the interagency council on
30 homelessness ((and)), the affordable housing advisory board, and the
31 state advisory council on homelessness, prepare and publish a ((ten))
32 five-year homeless housing strategic plan which ((shall)) must
33 outline statewide goals and performance measures ((and shall be
34 coordinated with the plan for homeless families with children
35 required under RCW 43.63A.650)). The state homeless housing strategic
36 plan must be submitted to the legislature by July 1, 2019, and every
37 five years thereafter. The plan must include:

38 (a) Performance measures and goals to reduce homelessness,
39 including long-term and short-term goals;

1 (b) An analysis of the services and programs being offered at the
2 state and county level and an identification of those representing
3 best practices and outcomes;

4 (c) Recognition of services and programs targeted to certain
5 homeless populations or geographic areas in recognition of the
6 diverse needs across the state;

7 (d) New or innovative funding, program, or service strategies to
8 pursue;

9 (e) An analysis of either current drivers of homelessness or
10 improvements to housing security, or both, such as increases and
11 reductions to employment opportunities, housing scarcity and
12 affordability, health and behavioral health services, chemical
13 dependency treatment, and incarceration rates; and

14 (f) An implementation strategy outlining the roles and
15 responsibilities at the state and local level and timelines to
16 achieve a reduction in homelessness at the statewide level during
17 periods of the five-year homeless housing strategic plan.

18 (2) The department must coordinate its efforts on the state
19 homeless housing strategic plan with the office of homeless youth
20 prevention and protection programs advisory committee under RCW
21 43.330.705. The state homeless housing strategic plan must not
22 conflict with the strategies, planning, data collection, and
23 performance and outcome measures developed under RCW 43.330.705 and
24 43.330.706 to reduce the state's homeless youth population.

25 (3) To guide local governments in preparation of ((their first))
26 local homeless housing plans due December ((31, 2005)) 1, 2019, the
27 department shall issue by ((October 15, 2005, temporary)) December 1,
28 2018, guidelines consistent with this chapter and including the best
29 available data on each community's homeless population. ((Local
30 governments' ten-year homeless housing plans shall not be
31 substantially inconsistent with the goals and program recommendations
32 of the temporary guidelines and, when amended after 2005, the state
33 strategic plan.

34 ((2)) Program outcomes ((and)), performance measures, and goals
35 ((shall)) must be created by the department ((and reflected in the
36 department's homeless housing strategic plan as well as interim
37 goals)) in collaboration with local governments against which state
38 and local governments' performance ((may)) will be measured((,
39 including:

1 ~~(a) By the end of year one, completion of the first census as~~
2 ~~described in RCW 43.185C.030;~~

3 ~~(b) By the end of each subsequent year, goals common to all local~~
4 ~~programs which are measurable and the achievement of which would move~~
5 ~~that community toward housing its homeless population; and~~

6 ~~(c) By July 1, 2015, reduction of the homeless population~~
7 ~~statewide and in each county by fifty percent)).~~

8 ~~((3)(a) The department shall work in consultation with the~~
9 ~~interagency council on homelessness, the affordable housing advisory~~
10 ~~board, and the state advisory council on homelessness to develop~~
11 ~~performance measures that address the limitations of the annual~~
12 ~~point-in-time count on measuring the effectiveness of the document~~
13 ~~recording fee surcharge funds in supporting homeless programs. The~~
14 ~~department must report its findings and recommendations regarding the~~
15 ~~new performance measures to the appropriate committees of the~~
16 ~~legislature by December 1, 2017.~~

17 ~~(b) The department must implement at least three performance~~
18 ~~metrics, in addition to the point-in-time measurement, that measure~~
19 ~~the impact of surcharge funding on reducing homelessness by July 1,~~
20 ~~2018.~~

21 ~~(c) The joint legislative audit and review committee must review~~
22 ~~how the surcharge fees are expended to address homelessness,~~
23 ~~including a review of the related program performance measures and~~
24 ~~targets. The joint legislative audit and review committee must report~~
25 ~~its review findings by December 1, 2022, and update the review every~~
26 ~~five years thereafter.))~~

27 (4) The department shall develop a consistent statewide data
28 gathering instrument to monitor the performance of cities and
29 counties receiving grants in order to determine compliance with the
30 terms and conditions set forth in the grant application or required
31 by the department.

32 The department shall, in consultation with the interagency
33 council on homelessness and the affordable housing advisory board,
34 report biennially to the governor and the appropriate committees of
35 the legislature an assessment of the state's performance in
36 furthering the goals of the state ~~((ten-year))~~ five-year homeless
37 housing strategic plan and the performance of each participating
38 local government in creating and executing a local homeless housing
39 plan which meets the requirements of this chapter. To increase the
40 effectiveness of the report, the department must develop a process to

1 ensure consistent presentation, analysis, and explanation in the
2 report, including year-to-year comparisons, highlights of program
3 successes and challenges, and information that supports recommended
4 strategy or operational changes. The ((annual)) report may include
5 performance measures such as:

6 (a) The reduction in the number of homeless individuals and
7 families from the initial count of homeless persons;

8 (b) The reduction in the number of unaccompanied homeless youth.
9 "Unaccompanied homeless youth" has the same meaning as in RCW
10 43.330.702;

11 (c) The number of new units available and affordable for homeless
12 families by housing type;

13 (d) The number of homeless individuals identified who are not
14 offered suitable housing within thirty days of their request or
15 identification as homeless;

16 (e) The number of households at risk of losing housing who
17 maintain it due to a preventive intervention;

18 (f) The transition time from homelessness to permanent housing;

19 (g) The cost per person housed at each level of the housing
20 continuum;

21 (h) The ability to successfully collect data and report
22 performance;

23 (i) The extent of collaboration and coordination among public
24 bodies, as well as community stakeholders, and the level of community
25 support and participation;

26 (j) The quality and safety of housing provided; and

27 (k) The effectiveness of outreach to homeless persons, and their
28 satisfaction with the program.

29 ~~((5) Based on the performance of local homeless housing programs
30 in meeting their interim goals, on general population changes and on
31 changes in the homeless population recorded in the annual census, the
32 department may revise the performance measures and goals of the state
33 homeless housing strategic plan, set goals for years following the
34 initial ten-year period, and recommend changes in local governments'
35 plans.))~~

36 **Sec. 5.** RCW 43.185C.050 and 2005 c 484 s 8 are each amended to
37 read as follows:

38 (1) Each local homeless housing task force shall prepare and
39 recommend to its local government legislative authority a ((ten))

1 five-year homeless housing plan for its jurisdictional area, which
2 shall be not inconsistent with the department's statewide
3 (~~temporary~~) guidelines(~~(, for the)~~) issued by December (~~(31, 2005,~~
4 ~~plan)~~) 1, 2018, and thereafter the department's (~~ten~~) five-year
5 homeless housing strategic plan, and which shall be aimed at
6 eliminating homelessness(~~(, with a minimum goal of reducing~~
7 ~~homelessness by fifty percent by July 1, 2015)~~). The local government
8 may amend the proposed local plan and shall adopt a plan by December
9 (~~(31, 2005)~~) 1, 2019. Performance in meeting the goals of this local
10 plan shall be assessed annually in terms of the performance measures
11 published by the department. Local plans may include specific local
12 performance measures adopted by the local government legislative
13 authority, and may include recommendations for any state legislation
14 needed to meet the state or local plan goals.

15 (2) Eligible activities under the local plans include:

16 (a) Rental and furnishing of dwelling units for the use of
17 homeless persons;

18 (b) Costs of developing affordable housing for homeless persons,
19 and services for formerly homeless individuals and families residing
20 in transitional housing or permanent housing and still at risk of
21 homelessness;

22 (c) Operating subsidies for transitional housing or permanent
23 housing serving formerly homeless families or individuals;

24 (d) Services to prevent homelessness, such as emergency eviction
25 prevention programs including temporary rental subsidies to prevent
26 homelessness;

27 (e) Temporary services to assist persons leaving state
28 institutions and other state programs to prevent them from becoming
29 or remaining homeless;

30 (f) Outreach services for homeless individuals and families;

31 (g) Development and management of local homeless plans including
32 homeless census data collection; identification of goals, performance
33 measures, strategies, and costs and evaluation of progress towards
34 established goals;

35 (h) Rental vouchers payable to landlords for persons who are
36 homeless or below thirty percent of the median income or in immediate
37 danger of becoming homeless; and

38 (i) Other activities to reduce and prevent homelessness as
39 identified for funding in the local plan.

1 **Sec. 6.** RCW 43.185C.060 and 2014 c 200 s 2 are each amended to
2 read as follows:

3 (1) The home security fund account is created in the state
4 treasury, subject to appropriation. The state's portion of the
5 surcharge established in RCW 36.22.179 and 36.22.1791 must be
6 deposited in the account. Expenditures from the account may be used
7 only for homeless housing programs as described in this chapter. ((If
8 an independent audit finds that the department has failed to set
9 aside at least forty-five percent of funds received under RCW
10 36.22.179(1)(b) after June 12, 2014, for the use of private rental
11 housing payments, the department must submit a corrective action plan
12 to the office of financial management within thirty days of receipt
13 of the independent audit. The office of financial management must
14 monitor the department's corrective action plan and expenditures from
15 this account for the remainder of the fiscal year. If the department
16 is not in compliance with RCW 36.22.179(1)(b) in any month of the
17 fiscal year following submission of the corrective action plan, the
18 office of financial management must reduce the department's
19 allotments from this account and hold in reserve status a portion of
20 the department's appropriation equal to the expenditures made during
21 the month not in compliance with RCW 36.22.179(1)(b).))

22 (2) The department must distinguish allotments from the account
23 made to carry out the activities in RCW 43.330.167, 43.330.700
24 through 43.330.715, 43.330.911, 43.185C.010, 43.185C.250 through
25 43.185C.320, and 36.22.179(1)(b).

26 (3) The office of financial management must secure an independent
27 expenditure review of state funds received under RCW 36.22.179(1)(b)
28 on a biennial basis. The purpose of the review is to assess the
29 consistency in achieving policy priorities within the private market
30 rental housing segment for housing persons experiencing homelessness.
31 The independent reviewer must notify the department and the office of
32 financial management of its findings. The first biennial expenditure
33 review, for the 2017-2019 fiscal biennium, is due February 1, 2020.
34 Independent reviews conducted thereafter are due February 1st of each
35 even-numbered year.

36 **Sec. 7.** RCW 43.185C.160 and 2005 c 485 s 1 are each amended to
37 read as follows:

1 (1) Each county shall create a homeless housing task force to
2 develop a ((ten)) five-year homeless housing plan addressing short-
3 term and long-term housing for homeless persons.

4 Membership on the task force may include representatives of the
5 counties, cities, towns, housing authorities, civic and faith
6 organizations, schools, community networks, human services providers,
7 law enforcement personnel, criminal justice personnel, including
8 prosecutors, probation officers, and jail administrators, substance
9 abuse treatment providers, mental health care providers, emergency
10 health care providers, businesses, real estate professionals, at
11 large representatives of the community, and a homeless or formerly
12 homeless individual.

13 In lieu of creating a new task force, a local government may
14 designate an existing governmental or nonprofit body which
15 substantially conforms to this section and which includes at least
16 one homeless or formerly homeless individual to serve as its homeless
17 representative. As an alternative to a separate plan, two or more
18 local governments may work in concert to develop and execute a joint
19 homeless housing plan, or to contract with another entity to do so
20 according to the requirements of this chapter. While a local
21 government has the authority to subcontract with other entities, the
22 local government continues to maintain the ultimate responsibility
23 for the homeless housing program within its borders.

24 A county may decline to participate in the program authorized in
25 this chapter by forwarding to the department a resolution adopted by
26 the county legislative authority stating the intention not to
27 participate. A copy of the resolution shall also be transmitted to
28 the county auditor and treasurer. If a county declines to
29 participate, the department shall create and execute a local homeless
30 housing plan for the county meeting the requirements of this chapter.

31 (2) In addition to developing a ((ten)) five-year homeless
32 housing plan, each task force shall establish guidelines consistent
33 with the statewide homeless housing strategic plan, as needed, for
34 the following:

- 35 (a) Emergency shelters;
- 36 (b) Short-term housing needs;
- 37 (c) Temporary encampments;
- 38 (d) Supportive housing for chronically homeless persons; and
- 39 (e) Long-term housing.

1 Guidelines must include, when appropriate, standards for health
2 and safety and notifying the public of proposed facilities to house
3 the homeless.

4 (3) Each county, including counties exempted from creating a new
5 task force under subsection (1) of this section, shall report to the
6 department (~~(of community, trade, and economic development)~~) such
7 information as may be needed to ensure compliance with this chapter,
8 including the annual report required in section 9 of this act.

9 **Sec. 8.** RCW 43.185C.010 and 2017 c 277 s 2 are each amended to
10 read as follows:

11 The definitions in this section apply throughout this chapter
12 unless the context clearly requires otherwise.

13 (1) "Administrator" means the individual who has the daily
14 administrative responsibility of a crisis residential center.

15 (2) "Child in need of services petition" means a petition filed
16 in juvenile court by a parent, child, or the department of social and
17 health services seeking adjudication of placement of the child.

18 (3) "Community action agency" means a nonprofit private or public
19 organization established under the economic opportunity act of 1964.

20 (4) "Crisis residential center" means a secure or semi-secure
21 facility established pursuant to chapter 74.13 RCW.

22 (5) "Department" means the department of commerce.

23 (6) "Director" means the director of the department of commerce.

24 (7) "Home security fund account" means the state treasury account
25 receiving the state's portion of income from revenue from the sources
26 established by RCW 36.22.179(~~(, RCW)~~) and 36.22.1791, and all other
27 sources directed to the homeless housing and assistance program.

28 (8) "Homeless housing grant program" means the vehicle by which
29 competitive grants are awarded by the department, utilizing moneys
30 from the home security fund account, to local governments for
31 programs directly related to housing homeless individuals and
32 families, addressing the root causes of homelessness, preventing
33 homelessness, collecting data on homeless individuals, and other
34 efforts directly related to housing homeless persons.

35 (9) "Homeless housing plan" means the (~~ten~~) five-year plan
36 developed by the county or other local government to address housing
37 for homeless persons.

38 (10) "Homeless housing program" means the program authorized
39 under this chapter as administered by the department at the state

1 level and by the local government or its designated subcontractor at
2 the local level.

3 (11) "Homeless housing strategic plan" means the ~~((ten))~~ five-
4 year plan developed by the department, in consultation with the
5 interagency council on homelessness ~~((and))~~, the affordable housing
6 advisory board, and the state advisory council on homelessness.

7 (12) "Homeless person" means an individual living outside or in a
8 building not meant for human habitation or which they have no legal
9 right to occupy, in an emergency shelter, or in a temporary housing
10 program which may include a transitional and supportive housing
11 program if habitation time limits exist. This definition includes
12 substance abusers, people with mental illness, and sex offenders who
13 are homeless.

14 (13) "HOPE center" means an agency licensed by the secretary of
15 the department of social and health services to provide temporary
16 residential placement and other services to street youth. A street
17 youth may remain in a HOPE center for thirty days while services are
18 arranged and permanent placement is coordinated. No street youth may
19 stay longer than thirty days unless approved by the department and
20 any additional days approved by the department must be based on the
21 unavailability of a long-term placement option. A street youth whose
22 parent wants him or her returned to home may remain in a HOPE center
23 until his or her parent arranges return of the youth, not longer. All
24 other street youth must have court approval under chapter 13.34 or
25 13.32A RCW to remain in a HOPE center up to thirty days.

26 (14) "Housing authority" means any of the public corporations
27 created by chapter 35.82 RCW.

28 (15) "Housing continuum" means the progression of individuals
29 along a housing-focused continuum with homelessness at one end and
30 homeownership at the other.

31 (16) "Interagency council on homelessness" means a committee
32 appointed by the governor and consisting of, at least, policy level
33 representatives of the following entities: (a) The department of
34 commerce; (b) the department of corrections; (c) the department of
35 social and health services; (d) the department of veterans affairs;
36 and (e) the department of health.

37 (17) "Local government" means a county government in the state of
38 Washington or a city government, if the legislative authority of the
39 city affirmatively elects to accept the responsibility for housing
40 homeless persons within its borders.

1 (18) "Local homeless housing task force" means a voluntary local
2 committee created to advise a local government on the creation of a
3 local homeless housing plan and participate in a local homeless
4 housing program. It must include a representative of the county, a
5 representative of the largest city located within the county, at
6 least one homeless or formerly homeless person, such other members as
7 may be required to maintain eligibility for federal funding related
8 to housing programs and services and if feasible, a representative of
9 a private nonprofit organization with experience in low-income
10 housing.

11 (19) "Long-term private or public housing" means subsidized and
12 unsubsidized rental or owner-occupied housing in which there is no
13 established time limit for habitation of less than two years.

14 (20) "Performance measurement" means the process of comparing
15 specific measures of success against ultimate and interim goals.

16 (21) "Secure facility" means a crisis residential center, or
17 portion thereof, that has locking doors, locking windows, or a
18 secured perimeter, designed and operated to prevent a child from
19 leaving without permission of the facility staff.

20 (22) "Semi-secure facility" means any facility including, but not
21 limited to, crisis residential centers or specialized foster family
22 homes, operated in a manner to reasonably assure that youth placed
23 there will not run away. Pursuant to rules established by the
24 facility administrator, the facility administrator shall establish
25 reasonable hours for residents to come and go from the facility such
26 that no residents are free to come and go at all hours of the day and
27 night. To prevent residents from taking unreasonable actions, the
28 facility administrator, where appropriate, may condition a resident's
29 leaving the facility upon the resident being accompanied by the
30 administrator or the administrator's designee and the resident may be
31 required to notify the administrator or the administrator's designee
32 of any intent to leave, his or her intended destination, and the
33 probable time of his or her return to the center.

34 (23) "Staff secure facility" means a structured group care
35 facility licensed under rules adopted by the department of social and
36 health services with a ratio of at least one adult staff member to
37 every two children.

38 (24) "Washington homeless census" means an annual statewide
39 census conducted as a collaborative effort by towns, cities,
40 counties, community-based organizations, and state agencies, with the

1 technical support and coordination of the department, to count and
2 collect data on all homeless individuals in Washington.

3 (25) "Washington homeless client management information system"
4 means a database of information about homeless individuals in the
5 state used to coordinate resources to assist homeless clients to
6 obtain and retain housing and reach greater levels of self-
7 sufficiency or economic independence when appropriate, depending upon
8 their individual situations.

9 NEW SECTION. **Sec. 9.** A new section is added to chapter 43.185C
10 RCW to read as follows:

11 (1) By December 1st of each year, the department must provide an
12 update on the state's homeless housing strategic plan and its
13 activities for the prior fiscal year. The report must include, but
14 not be limited to, the following information:

15 (a) An assessment of the current condition of homelessness in
16 Washington state and the state's performance in meeting the goals in
17 the state homeless housing strategic plan;

18 (b) A report on the results of the annual homeless point-in-time
19 census conducted statewide under RCW 43.185C.030;

20 (c) The amount of federal, state, local, and private funds spent
21 on homelessness assistance, categorized by funding source and the
22 following major assistance types:

23 (i) Emergency shelter;

24 (ii) Homelessness prevention and rapid rehousing;

25 (iii) Permanent housing;

26 (iv) Permanent supportive housing;

27 (v) Transitional housing;

28 (vi) Services only; and

29 (vii) Any other activity in which more than five hundred thousand
30 dollars of category funds were expended;

31 (d) A report on the expenditures, performance, and outcomes of
32 state funds distributed through the consolidated homeless grant
33 program, including the grant recipient, award amount expended, use of
34 the funds, counties served, and households served;

35 (e) A report on state and local homelessness document recording
36 fee expenditure by county, including the total amount of fee
37 spending, percentage of total spending from fees, number of people
38 served by major assistance type, and amount of expenditures for
39 private rental housing payments required in RCW 36.22.179;

1 (f) A report on the expenditures, performance, and outcomes of
2 the essential needs and housing support program meeting the
3 requirements of RCW 43.185C.220; and

4 (g) A report on the expenditures, performance, and outcomes of
5 the independent youth housing program meeting the requirements of RCW
6 43.63A.311.

7 (2) The report required in subsection (1) of this section must be
8 posted to the department's web site and may include links to updated
9 or revised information contained in the report.

10 (3) Any local government receiving state funds for homelessness
11 assistance or state or local homelessness document recording fees
12 under RCW 36.22.178, 36.22.179, or 36.22.1791 must provide an annual
13 report on the current condition of homelessness in its jurisdiction,
14 its performance in meeting the goals in its local homeless housing
15 plan, and any significant changes made to the plan. The annual report
16 must be posted on the department's web site. Along with each local
17 government annual report, the department must produce and post
18 information on the local government's homelessness spending from all
19 sources by project during the prior state fiscal year in a format
20 similar to the department's report under subsection (1)(c) of this
21 section. If a local government fails to report or provides an
22 inadequate or incomplete report, the department must take corrective
23 action, which may include withholding state funding for homelessness
24 assistance to the local government to enable the department to use
25 such funds to contract with other public or nonprofit entities to
26 provide homelessness assistance within the jurisdiction.

27 **Sec. 10.** RCW 43.185C.240 and 2015 c 69 s 26 are each amended to
28 read as follows:

29 (1) As a means of efficiently and cost-effectively providing
30 housing assistance to very-low income and homeless households:

31 (a) Any local government that has the authority to issue housing
32 vouchers, directly or through a contractor, using document recording
33 surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, or
34 36.22.1791 must:

35 (i)(A) Maintain an interested landlord list, which at a minimum,
36 includes information on rental properties in buildings with fewer
37 than fifty units;

38 (B) Update the list at least once per quarter;

1 (C) Distribute the list to agencies providing services to
2 individuals and households receiving housing vouchers;

3 (D) Ensure that a copy of the list or information for accessing
4 the list online is provided with voucher paperwork; and

5 (E) Communicate and interact with landlord and tenant
6 associations located within its jurisdiction to facilitate
7 development, maintenance, and distribution of the list to private
8 rental housing landlords. The department must make reasonable efforts
9 to ensure that local providers conduct outreach to private rental
10 housing landlords each calendar quarter regarding opportunities to
11 provide rental housing to the homeless and the availability of funds;

12 (ii) Using cost-effective methods of communication, convene, on a
13 semiannual or more frequent basis, landlords represented on the
14 interested landlord list and agencies providing services to
15 individuals and households receiving housing vouchers to identify
16 successes, barriers, and process improvements. The local government
17 is not required to reimburse any participants for expenses related to
18 attendance;

19 (iii) Produce data, limited to document recording fee uses and
20 expenditures, on a ~~((calendar))~~ fiscal year basis in consultation
21 with landlords represented on the interested landlord list and
22 agencies providing services to individuals and households receiving
23 housing vouchers, that include the following: Total amount expended
24 from document recording fees; amount expended on, number of
25 households that received, and number of housing vouchers issued in
26 each of the private, public, and nonprofit markets; amount expended
27 on, number of households that received, and number of housing
28 placement payments provided in each of the private, public, and
29 nonprofit markets; amount expended on and number of eviction
30 prevention services provided in the private market; amount expended
31 on and number of other tenant-based rent assistance services provided
32 in the private market; and amount expended on and number of services
33 provided to unaccompanied homeless youth. If these data elements are
34 not readily available, the reporting government may request the
35 department to use the sampling methodology established pursuant to
36 (c)(iii) of this subsection to obtain the data; and

37 (iv) Annually submit the ~~((calendar))~~ fiscal year data to the
38 department ~~((by October 1st, with preliminary data submitted by
39 October 1, 2012, and full calendar year data submitted beginning
40 October 1, 2013))~~.

1 (b) Any local government receiving more than three million five
2 hundred thousand dollars during the previous (~~calendar~~) fiscal year
3 from document recording surcharge funds collected pursuant to RCW
4 36.22.178, 36.22.179, and 36.22.1791, must apply to the Washington
5 state quality award program, or similar Baldrige assessment
6 organization, for an independent assessment of its quality
7 management, accountability, and performance system. The first
8 assessment may be a lite assessment. After submitting an application,
9 a local government is required to reapply at least every two years.

10 (c) The department must:

11 (i) Require contractors that provide housing vouchers to
12 distribute the interested landlord list created by the appropriate
13 local government to individuals and households receiving the housing
14 vouchers;

15 (ii) Convene a stakeholder group by March 1, 2017, consisting of
16 landlords, homeless housing advocates, real estate industry
17 representatives, cities, counties, and the department to meet to
18 discuss long-term funding strategies for homeless housing programs
19 that do not include a surcharge on document recording fees. The
20 stakeholder group must provide a report of its findings to the
21 legislature by December 1, 2017;

22 (iii) Develop a sampling methodology to obtain data required
23 under this section when a local government or contractor does not
24 have such information readily available. The process for developing
25 the sampling methodology must include providing notification to and
26 the opportunity for public comment by local governments issuing
27 housing vouchers, landlord association representatives, and agencies
28 providing services to individuals and households receiving housing
29 vouchers;

30 (iv) Develop a report, limited to document recording fee uses and
31 expenditures, on a (~~calendar~~) fiscal year basis that may include
32 consultation with local governments, landlord association
33 representatives, and agencies providing services to individuals and
34 households receiving housing vouchers, that includes the following:
35 Total amount expended from document recording fees; amount expended
36 on, number of households that received, and number of housing
37 vouchers issued in each of the private, public, and nonprofit
38 markets; amount expended on, number of households that received, and
39 number of housing placement payments provided in each of the private,
40 public, and nonprofit markets; amount expended on and number of

1 eviction prevention services provided in the private market; the
2 total amount of funds set aside for private rental housing payments
3 as required in RCW 36.22.179(1)(b); and amount expended on and number
4 of other tenant-based rent assistance services provided in the
5 private market. The information in the report must include data
6 submitted by local governments and data on all additional document
7 recording fee activities for which the department contracted that
8 were not otherwise reported. The data, samples, and sampling
9 methodology used to develop the report must be made available upon
10 request and for the audits required in this section;

11 (v) Annually submit the (~~calendar~~) fiscal year report to the
12 legislature by December (~~15th, with a preliminary report submitted~~
13 ~~by December 15, 2012, and full calendar year reports submitted~~
14 ~~beginning December 15, 2013~~) 1st of each year; and

15 (vi) Work with the Washington state quality award program, local
16 governments, and any other organizations to ensure the appropriate
17 scheduling of assessments for all local governments meeting the
18 criteria described in subsection (1)(b) of this section.

19 (d) The office of financial management must secure an independent
20 audit of the department's data and expenditures of state funds
21 received under RCW 36.22.179(1)(b) on an annual basis. The
22 independent audit must review a random sample of local governments,
23 contractors, and housing providers that is geographically and
24 demographically diverse. The independent auditor must meet with the
25 department and a landlord representative to review the preliminary
26 audit and provide the department and the landlord representative with
27 the opportunity to include written comments regarding the findings
28 that must be included with the audit. The first audit of the
29 department's data and expenditures will be for calendar year 2014 and
30 is due July 1, 2015. Each audit thereafter will be due July 1st
31 following the department's submission of the report to the
32 legislature. If the independent audit finds that the department has
33 failed to set aside at least forty-five percent of the funds received
34 under RCW 36.22.179(1)(b) after June 12, 2014, for private rental
35 housing payments, the independent auditor must notify the department
36 and the office of financial management of its finding. In addition,
37 the independent auditor must make recommendations to the office of
38 financial management and the legislature on alternative means of
39 distributing the funds to meet the requirements of RCW
40 36.22.179(1)(b).

1 (e) The office of financial management must contract with an
2 independent auditor to conduct a performance audit of the programs
3 funded by document recording surcharge funds collected pursuant to
4 RCW 36.22.178, 36.22.179, and 36.22.1791. The audit must provide
5 findings to determine if the funds are being used effectively,
6 efficiently, and for their intended purpose. The audit must review
7 the department's performance in meeting all statutory requirements
8 related to document recording surcharge funds including, but not
9 limited to, the data the department collects, the timeliness and
10 quality of required reports, and whether the data and required
11 reports provide adequate information and accountability for the use
12 of the document recording surcharge funds. The audit must include
13 recommendations for policy and operational improvements to the use of
14 document recording surcharges by counties and the department. The
15 performance audit must be submitted to the legislature by December 1,
16 2016.

17 (2) For purposes of this section:

18 (a) "Housing placement payments" means one-time payments, such as
19 first and last month's rent and move-in costs, funded by document
20 recording surcharges collected pursuant to RCW 36.22.178, 36.22.179,
21 or 36.22.1791 that are made to secure a unit on behalf of a tenant.

22 (b) "Housing vouchers" means payments, including private rental
23 housing payments, funded by document recording surcharges collected
24 pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made by
25 a local government or contractor to secure: (i) A rental unit on
26 behalf of an individual tenant; or (ii) a block of units on behalf of
27 multiple tenants.

28 (c) "Interested landlord list" means a list of landlords who have
29 indicated to a local government or contractor interest in renting to
30 individuals or households receiving a housing voucher funded by
31 document recording surcharges.

32 (d) "Private rental housing" means housing owned by a private
33 landlord and (~~does not~~) includes housing owned by a nonprofit
34 housing entity (~~or government entity~~).

35 (3) This section expires June 30, 2019.

36 NEW SECTION. **Sec. 11.** This act may be known and cited as the
37 Washington housing opportunities act.

Passed by the House March 3, 2018.

Passed by the Senate February 28, 2018.

Approved by the Governor March 15, 2018.
Filed in Office of Secretary of State March 16, 2018.

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