
Housing, Human Services & Veterans Committee

HB 1987

Brief Description: Establishing a task force on creating a new state housing and homelessness department.

Sponsors: Representatives Morgan, Macri, Berry, Fitzgibbon, Gregerson, Ryu, Wicks, Santos, Pollet, Bateman and Valdez.

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">• Establishes a legislative task force on creating a state housing and homeless department.

Hearing Date: 1/25/22

Staff: Serena Dolly (786-7150).

Background:

State Housing and Homelessness Programs.

The Department of Commerce (Commerce) administers many of the state's housing and homelessness programs. These programs include funding for rental subsidies and the construction, operations, and maintenance of housing. Programs administered by Commerce include the Housing Trust Fund, the Rental Assistance Program, the Landlord Mitigation Program, the Consolidated Homeless Grant, the Manufactured/Mobile Home Relocation Assistance Program, and housing for farmworkers and people with disabilities. Commerce does not generally provide direct assistance to the public nor does it build and operate housing. Instead, Commerce provides state and federal funding to local governments, non-profit organizations, and community groups who in turn provide the housing, services, and subsidies in local communities.

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.

Other state offices also administer housing programs, including programs for tenants facing eviction. For example, the Office of Civil Legal Aid is responsible for overseeing and administering the Right to Counsel Program for indigent tenants facing eviction, and the Administrative Office of the Courts administers the Eviction Resolution Pilot Program.

Public Housing Authorities.

Authorized by state law in 1939, a public housing authority (PHA) is an independent municipal corporation established to provide affordable housing for low-income individuals, families, senior citizens, and people with disabilities. A PHA must be activated by a resolution of the governing body of a city or county, and a PHA's boundaries are coextensive with the creating city or county, unless established as a joint housing authority comprised of two or more jurisdictions.

While PHAs are created under state law, they primarily serve as a conduit for federally funded housing programs, such as tenant-based vouchers and publicly-owned housing. The PHAs also own and operate other rental housing, such as emergency and transitional housing, senior housing, and properties funded through low-income housing tax credits. The PHAs have no taxing authority, and a majority of their funding is provided by the federal government.

Housing Choice Vouchers.

The Housing Choice Voucher program is a federal program that provides tenant-based voucher subsidies to low-income households. Under the program, the U.S. Department of Housing and Urban Development (HUD) provides funding for vouchers to PHAs, who in turn issue the vouchers to qualified households. A voucher holder may choose to rent any housing that meets the program's requirements, and the PHA pays the subsidy directly to the landlord.

A household with a voucher generally pays 30% of their household income toward rent and utilities but may pay more if the rent for the unit they select is higher than the payment standard adopted by the PHA. The payment standard is the maximum subsidy a PHA can pay on behalf of a household and is based on Fair Market Rents (FMR) established by HUD. The HUD uses a combination of surveys, including U.S. Census Data, to establish FMRs on an annual basis. The FMRs are established at the 40th percentile of gross rents in a jurisdiction, which in rural areas often consist of only one county but in urban areas includes a cluster of counties.

Summary of Bill:

A legislative task force on creating a new state housing and homelessness department (task force) is established. The task force must review and make recommendations on the following issues:

- a state organizational structure to best coordinate state housing and homelessness policy and funding;
- the feasibility of the state building its own housing portfolio and partnering with PHAs to operate state housing stock;

- the need for a state eviction prevention office; and
- how the state may subsidize federal housing vouchers when fair market rents do not keep pace with rent.

The task force must submit a preliminary report with its findings and recommendations to the Governor and the appropriate committees of the Legislature by November 10, 2022, and a final report by November 10, 2023.

The task force is to be comprised of the following members:

- one member from each of the two largest caucuses of the Senate;
- one member from each of the two largest caucuses of the House of Representatives;
- a representative of the Office of the Governor;
- the Director of the Department of Commerce or the Director's designee;
- the Secretary of the Department of Social and Health Services or the Secretary's designee;
- the Director of the Health Care Authority or the Director's designee;
- the Director of the Office of Equity or the Director's designee;
- the State Treasurer or the State Treasurer's designee;
- the Attorney General or the Attorney General's designee;
- the Executive Director of the Housing Finance Commission or the Executive Director's designee;
- one representative of the Office of Civil Legal Aid;
- one representative of the Administrative Office of the Courts;
- one representative of the nonprofit housing development industry;
- one representative of an organization that represents tenants;
- one representative of homeless shelter operators;
- one representative of low-income persons;
- one representative of special needs populations;
- one representative of public housing authorities;
- one representative of the for-profit housing development industry;
- one representative of for-profit rental housing owners;
- two representatives of the Washington state association of counties, with one representative from a county that is located east of the crest of the Cascade mountains; and
- two representatives of the association of Washington cities, with one representative from a city that is located east of the crest of the Cascade mountains.

The task force must choose its chair from the legislative membership. Commerce must provide staff support to the task force.

Appropriation: None.

Fiscal Note: Not requested.

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