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**HOUSE BILL 1872**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** Representatives Graham, Walsh, Volz, Christian, Couture, Barkis, Robertson, Jacobsen, Sandlin, Caldier, and Griffey

AN ACT Relating to establishing accountability requirements for homeless housing grant programs; and adding a new section to chapter 43.185C RCW.

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

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

(1) By December 1, 2024, and by each following December 1st, the department shall require grantees and subgrantees that receive funding through any of the homeless housing and assistance grant programs administered by the department under this chapter to submit annual plans to the department specifying their goals and targets over the next calendar year related to:

(a) The number of people that the grantee or subgrantee forecasts will be helped out of homelessness with the grant money over the next calendar year; and

(b) How much money the grantee or subgrantee anticipates spending per individual to help an individual move into housing over the next calendar year.

(2) The state auditor shall conduct an annual performance audit of all homeless housing and assistance grant programs administered by the department under this chapter. As part of the audit, the state auditor shall consider whether grantees and subgrantees are spending grant funds on authorized purposes, the amount that grantees and subgrantees spend on providing authorized services compared to the amount that grantees and subgrantees spend on administrative costs, whether grantees and subgrantees are meeting the goals and targets specified in their annual plans, whether grantees and subgrantees are in compliance with this section, and the department's processes and procedures for oversight of grantees and subgrantees. As appropriate, the state auditor shall make recommendations for improving the department's processes and procedures for oversight of grantees and subgrantees.

(3)(a) By December 1, 2024, the state auditor, in coordination with the department, shall determine what information is required from grantees and subgrantees to conduct the audit. This information must include, at minimum:

(i) Documentation showing what each grantee and subgrantee spent the grant money on, including receipts for purchases; and

(ii) Data and metrics on how many people each grantee and subgrantee have helped out of homelessness, including how much money each grantee and subgrantee spent per individual to help an individual move into housing and the amount of time that each individual remained housed.

(b) The department shall require grantees and subgrantees to submit the required information to the department and the state auditor by June 1, 2025, and every six months thereafter.

(4) By December 1, 2025, and by each following December 1st, and in compliance with RCW 43.01.036, the state auditor shall submit an annual report on the audit's findings and recommendations to the appropriate committees of the legislature.

(5) A grantee or subgrantee is not eligible to apply for or participate in a grant program administered by the department under this chapter if:

(a) The grantee or subgrantee does not submit an annual plan required in subsection (1) of this section by the appropriate deadlines;

(b) The grantee or subgrantee does not provide the information required in subsection (3) of this section by the appropriate deadlines;

(c) An audit's findings show that the grantee or subgrantee has spent grant money on unauthorized purposes or otherwise misappropriated funds; or

(d) A grantee or subgrantee is found not to be in compliance with this section by an audit under subsection (4) of this section.

(6) The department shall enforce this section by entering into an appropriate agreement with each grantee to prevent a grantee or subgrantee from receiving funding through any of the homeless housing and assistance grant programs administered by the department under this chapter if the grantee or subgrantee fails to meet the requirements in this section. All requirements that apply to grantees are passed on to subgrantees. A grantee is responsible for monitoring its subgrantees for compliance with this section. A grantee is not in compliance with this section if any of its subgrantees are not in compliance with this section.

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