

SENATE BILL REPORT

SB 5224

As of January 18, 2023

Title: An act relating to performance requirements of homelessness service providers.

Brief Description: Establishing performance requirements of homelessness service providers.

Sponsors: Senators Wilson, J., Padden and Torres.

Brief History:

Committee Activity: Housing: 1/18/23.

Brief Summary of Bill

- Updates the required elements for the state five-year homeless housing strategic plan.
- Requires performance benchmarks be incorporated into the grant application and any action plan developed by services providers before finalization of contracts.
- Requires the Department of Commerce to develop a tracking tool to monitor the performance of cities and counties receiving grants and provide a county-level report on the performance of contracted providers based on established benchmarks.

SENATE COMMITTEE ON HOUSING

Staff: Melissa Van Gorkom (786-7491)

Background: State Homeless Housing Program. The Homeless Housing and Assistance Act directs Department of Commerce (Commerce) to implement a statewide homeless housing program through a five-year strategic plan developed, in consultation with the Affordable Housing Advisory Board, Interagency Council on Homelessness and state advisory council on homelessness. Commerce must coordinate its efforts on the plan with

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the Office of Homeless Youth Prevention and Protection Advisory Committee. The plan must include:

- performance measures and goals to reduce homelessness;
- an analysis of the services and programs being offered at the state and county level;
- identification of those representing best practices and outcomes;
- recognition of services and programs targeted to certain homeless populations or geographic areas in recognition of the diverse needs across the state;
- new or innovative funding, program, or service strategies to pursue;
- an analysis of current drivers of homelessness or housing security improvements, or both; and
- an implementation strategy to reduce homelessness statewide during the plan.

Local governments must also develop their own five-year homeless housing plans in coordination and consistent with the statewide plan through the creation of county homeless housing task forces. Counties may work together to develop and execute joint homeless housing plans or may contract with another entity to do so. The county will, however, retain ultimate responsibility for the homeless housing program within its borders.

Data and Reporting Requirements. Commerce must develop a consistent statewide data gathering instrument to monitor the performance of cities and counties receiving grants to determine compliance with the terms and conditions set forth in the grant application.

By December 1st of each year, Commerce must provide an update on the state homeless housing five-year strategic plan and its activities for the prior fiscal year. The report must be posted on Commerce's website and include:

- an assessment of the current condition of homelessness and the state's performance in meeting plan goals;
- the results of the annual homeless point-in-time census;
- the amount of federal, state, local, and private funds spent on homelessness assistance, categorized by funding source and major assistance types;
- reports on the expenditures, performance, and outcomes of the essential needs and housing support program, the independent youth housing program, and state funds distributed through the consolidated homeless grant program;
- a report on the state and local homeless document recording fee expenditure by county; and
- a county-level report on expenditures, performance, and outcomes of the eviction prevention rental assistance, rapid rehousing, project-based vouchers, and housing acquisition programs.

Any local government receiving state funds for homeless assistance or local homelessness document recording fees must provide an annual report on the current condition of homelessness in its jurisdiction, performance in meeting the goals in its homeless housing strategic plan, and any significant changes to the plan. Commerce must post a local government's annual report on its website along with information on the local government's

homeless spending from all sources by project during the prior state fiscal year. If a local government fails to report, or provides an inadequate report, Commerce must take corrective action, including withholding state funding for homeless assistance to allow Commerce to contract with other entities to provide homelessness assistance.

Summary of Bill: The required elements of the state five-year homeless housing strategic plan are amended to incorporate:

- a data-driven process to identify and address unmet needs for people experiencing homelessness; and
- performance measures and goals for service providers contracted to reduce homelessness, including procedures to address ongoing poor performance.

Local governments may also include performance measures, benchmarks, procedures for establishing poor performance, and the schedule of actions to be taken to address poor performance as part of their plan.

Commerce must incorporate performance benchmarks into the grant application, develop a tracking tool to monitor the performance of cities and counties receiving grants, and include a county-level report on the performance of contracted providers based on established benchmarks including any corrective action taken in its annual update on the state homeless housing five-year strategic plan and its activities for the prior fiscal year.

Performance benchmarks must also be incorporated into an action plan developed by services providers before finalization of contracts. The action plan may also include:

- a schedule of remedial actions with deadlines and milestones necessary to make improvements;
- a management plan that assigns responsibilities for carrying out remedial actions; and
- escalating options including revising programs, reallocating funds, suspending payments, cutting funding, and terminating contracts.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The report issued by the State Auditor Office emphasized how local governments can prioritize services and manage provider performance. Want to give local control to be able to address needs in each jurisdiction. This bill would provide the data that we need to realize the unmet needs to address this issue. We need performance measures so that there is a reference to how we are doing.

OTHER: Commerce contracts with local governments to address homelessness and its contracts require progress towards performance metrics since 2015 to maximize public investments. Washington is the only state that publishes performance outcomes annually on its web site at the project and county level including data regarding number served, and amount spent from all sources and we continue to expand our efforts in this area. Staffing is an issue and would need to be addressed in order to further get into performance improvement. This bill creates redundancies and additional administrative burdens.

Washington's homeless crisis is not the problem of service providers. Any inefficiencies are due to the lack of funding of homeless services and the lack of affordable housing. The audit is based on two counties and two cities which is a small sample of jurisdictions and should not be used to draw statewide conclusions. We spend a lot of money on homelessness and it is impossible to find the records because there are so many different providers. There needs to be more oversight of where the money is going but there should be one organization that oversees everything.

Persons Testifying: PRO: Senator Jeff Wilson, Prime Sponsor.

OTHER: Tedd Kelleher, Department of Commerce; Juliana Roe, Washington State Association of Counties; Arthur West; Michele Thomas, Washington Low Income Housing Alliance.

Persons Signed In To Testify But Not Testifying: No one.