
SENATE BILL 5224

State of Washington

68th Legislature

2023 Regular Session

By Senators J. Wilson, Padden, and Torres

Read first time 01/10/23. Referred to Committee on Housing.

1 AN ACT Relating to performance requirements of homelessness
2 service providers; amending RCW 43.185C.040, 43.185C.045,
3 43.185C.050, 43.185C.080, and 43.185C.160; and creating a new
4 section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that it concurs with
7 the conclusions of the state auditor in its report regarding
8 performance management of contracted homeless service providers. It
9 is important that local governments have established performance
10 benchmarks, a schedule of corrective actions, and accountability
11 measures. The legislature finds that each community must maximize the
12 public's financial investments in programs to address homelessness.
13 Service providers must be held accountable to meet a certain level of
14 performance.

15 **Sec. 2.** RCW 43.185C.040 and 2018 c 85 s 4 are each amended to
16 read as follows:

17 (1) The department shall, in consultation with the interagency
18 council on homelessness, the affordable housing advisory board, and
19 the state advisory council on homelessness, prepare and publish a
20 five-year homeless housing strategic plan which must outline

1 statewide goals and performance measures. The state homeless housing
2 strategic plan must be submitted to the legislature by July 1, 2019,
3 and every five years thereafter. The plan must include:

4 (a) A data-driven process to identify and address unmet needs for
5 people experiencing homelessness;

6 (b) Performance measures and goals for service providers
7 contracted to reduce homelessness, including long-term and short-term
8 goals and procedures to address ongoing poor performance;

9 ~~((b))~~ (c) An analysis of the services and programs being
10 offered at the state and county level and an identification of those
11 representing best practices and outcomes;

12 ~~((e))~~ (d) Recognition of services and programs targeted to
13 certain homeless populations or geographic areas in recognition of
14 the diverse needs across the state;

15 ~~((d))~~ (e) New or innovative funding, program, or service
16 strategies to pursue;

17 ~~((e))~~ (f) An analysis of either current drivers of homelessness
18 or improvements to housing security, or both, such as increases and
19 reductions to employment opportunities, housing scarcity and
20 affordability, health and behavioral health services, chemical
21 dependency treatment, and incarceration rates; and

22 ~~((f))~~ (g) An implementation strategy outlining the roles and
23 responsibilities at the state and local level and timelines to
24 achieve a reduction in homelessness at the statewide level during
25 periods of the five-year homeless housing strategic plan.

26 (2) The department must coordinate its efforts on the state
27 homeless housing strategic plan with the office of homeless youth
28 prevention and protection programs advisory committee under RCW
29 43.330.705. The state homeless housing strategic plan must not
30 conflict with the strategies, planning, data collection, and
31 performance and outcome measures developed under RCW 43.330.705 and
32 43.330.706 to reduce the state's homeless youth population.

33 (3) To guide local governments in preparation of local homeless
34 housing plans due December 1, 2019, the department shall issue by
35 December 1, 2018, guidelines consistent with this chapter and
36 including the best available data on each community's homeless
37 population. Program outcomes, performance measures, and goals must be
38 created by the department in collaboration with local governments
39 against which state and local governments' performance will be
40 measured.

1 (4) The department shall develop a consistent statewide data
2 gathering instrument and tracking tool to monitor the performance of
3 cities and counties receiving grants in order to determine compliance
4 with the terms and conditions set forth in the grant application or
5 required by the department. Performance benchmarks for cities and
6 counties must be incorporated into the grant application.

7 The department shall, in consultation with the interagency
8 council on homelessness and the affordable housing advisory board,
9 report biennially to the governor and the appropriate committees of
10 the legislature an assessment of the state's performance in
11 furthering the goals of the state five-year homeless housing
12 strategic plan and the performance of each participating local
13 government in creating and executing a local homeless housing plan
14 which meets the requirements of this chapter. To increase the
15 effectiveness of the report, the department must develop a process to
16 ensure consistent presentation, analysis, and explanation in the
17 report, including year-to-year comparisons, highlights of program
18 successes and challenges, and information that supports recommended
19 strategy or operational changes. The report may include performance
20 measures such as:

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

23 (b) The reduction in the number of unaccompanied homeless youth.
24 "Unaccompanied homeless youth" has the same meaning as in RCW
25 43.330.702;

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

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

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

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

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

36 (h) The ability to successfully collect data and report
37 performance;

38 (i) The extent of collaboration and coordination among public
39 bodies, as well as community stakeholders, and the level of community
40 support and participation;

- 1 (j) The quality and safety of housing provided; and
- 2 (k) The effectiveness of outreach to homeless persons, and their
- 3 satisfaction with the program.

4 **Sec. 3.** RCW 43.185C.045 and 2021 c 214 s 3 are each amended to
5 read as follows:

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

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

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

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

- 18 (i) Emergency shelter;
- 19 (ii) Homelessness prevention and rapid rehousing;
- 20 (iii) Permanent housing;
- 21 (iv) Permanent supportive housing;
- 22 (v) Transitional housing;
- 23 (vi) Services only; and
- 24 (vii) Any other activity in which more than (~~five hundred~~
25 ~~thousand dollars~~) \$500,000 of category funds were expended;

26 (d) A report on the expenditures, performance, and outcomes of
27 state funds distributed through the consolidated homeless grant
28 program, including the grant recipient, award amount expended, use of
29 the funds, counties served, and households served;

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

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

1 (g) A report on the expenditures, performance, and outcomes of
2 the independent youth housing program meeting the requirements of RCW
3 43.63A.311;

4 (h) A county-level report on the expenditures, performance, and
5 outcomes of the eviction prevention rental assistance program under
6 RCW 43.185C.185. The report must include, but is not limited to:

7 (i) The number of adults without minor children served in each
8 county;

9 (ii) The number of households with adults and minor children
10 served in each county; and

11 (iii) The number of unaccompanied youth and young adults who are
12 being served in each county; ~~((and))~~

13 (i) A county-level report on the expenditures, performance, and
14 outcomes of the rapid rehousing, project-based vouchers, and housing
15 acquisition programs under RCW 36.22.176. The report must include,
16 but is not limited to:

17 (i) The number of persons who are unsheltered receiving shelter
18 through a project-based voucher in each county;

19 (ii) The number of units acquired or built via rapid rehousing
20 and housing acquisition in each county; and

21 (iii) The number of adults without minor children, households
22 with adults and minor children, unaccompanied youth, and young adults
23 who are being served by the programs under RCW 36.22.176 in each
24 county; and

25 (j) A county-level report on the performance of contracted
26 providers based on established benchmarks including any corrective
27 actions taken.

28 (2) The report required in subsection (1) of this section must be
29 posted to the department's website and may include links to updated
30 or revised information contained in the report.

31 (3) Any local government receiving state funds for homelessness
32 assistance or state or local homelessness document recording fees
33 under RCW 36.22.178, 36.22.179, or 36.22.1791 must provide an annual
34 report on the current condition of homelessness in its jurisdiction,
35 its performance in meeting the goals in its local homeless housing
36 plan, and any significant changes made to the plan. The annual report
37 must be posted on the department's website. Along with each local
38 government annual report, the department must produce and post
39 information on the local government's homelessness spending from all
40 sources by project during the prior state fiscal year in a format

1 similar to the department's report under subsection (1)(c) of this
2 section. If a local government fails to report or provides an
3 inadequate or incomplete report, the department must take corrective
4 action, which may include withholding state funding for homelessness
5 assistance to the local government to enable the department to use
6 such funds to contract with other public or nonprofit entities to
7 provide homelessness assistance within the jurisdiction.

8 **Sec. 4.** RCW 43.185C.050 and 2018 c 85 s 5 are each amended to
9 read as follows:

10 (1) Each local homeless housing task force shall prepare and
11 recommend to its local government legislative authority a five-year
12 homeless housing plan for its jurisdictional area, which shall be not
13 inconsistent with the department's statewide guidelines issued by
14 December 1, 2018, and thereafter the department's five-year homeless
15 housing strategic plan, and which shall be aimed at eliminating
16 homelessness. The local government may amend the proposed local plan
17 and shall adopt a plan by December 1, 2019. Performance in meeting
18 the goals of this local plan shall be assessed annually in terms of
19 the performance measures published by the department. Local plans may
20 include specific local performance measures, benchmarks, procedures
21 for establishing poor performance, and the schedule of actions to be
22 taken to address poor performance adopted by the local government
23 legislative authority, and may include recommendations for any state
24 legislation needed to meet the state or local plan goals.

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

26 (a) Rental and furnishing of dwelling units for the use of
27 homeless persons;

28 (b) Costs of developing affordable housing for homeless persons,
29 and services for formerly homeless individuals and families residing
30 in transitional housing or permanent housing and still at risk of
31 homelessness;

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

34 (d) Services to prevent homelessness, such as emergency eviction
35 prevention programs including temporary rental subsidies to prevent
36 homelessness;

37 (e) Temporary services to assist persons leaving state
38 institutions and other state programs to prevent them from becoming
39 or remaining homeless;

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

2 (g) Development and management of local homeless plans including
3 homeless census data collection; identification of goals, performance
4 measures, strategies, and costs and evaluation of progress towards
5 established goals;

6 (h) Rental vouchers payable to landlords for persons who are
7 homeless or below (~~(thirty)~~) 30 percent of the median income or in
8 immediate danger of becoming homeless; and

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

11 **Sec. 5.** RCW 43.185C.080 and 2005 c 484 s 12 are each amended to
12 read as follows:

13 (1) Only a local government is eligible to receive a homeless
14 housing grant from the (~~(homeless housing)~~) home security fund
15 account. Any city may assert responsibility for homeless housing
16 within its borders if it so chooses, by forwarding a resolution to
17 the legislative authority of the county stating its intention and its
18 commitment to operate a separate homeless housing program. The city
19 shall then receive a percentage of the surcharge assessed under RCW
20 36.22.179 equal to the percentage of the city's local portion of the
21 real estate excise tax collected by the county. A participating city
22 may also then apply separately for homeless housing program grants. A
23 city choosing to operate a separate homeless housing program shall be
24 responsible for complying with all of the same requirements as
25 counties and shall adopt a local homeless housing plan meeting the
26 requirements of this chapter for county local plans. However, the
27 city may by resolution of its legislative authority accept the
28 county's homeless housing task force as its own and based on that
29 task force's recommendations adopt a homeless housing plan specific
30 to the city.

31 (2) Local governments applying for homeless housing funds may
32 subcontract with any other local government, housing authority,
33 community action agency or other nonprofit organization for the
34 execution of programs contributing to the overall goal of ending
35 homelessness within a defined service area.

36 (a) All subcontracts shall be consistent with the local homeless
37 housing plan adopted by the legislative authority of the local
38 government, time limited, and filed with the department and shall
39 have specific performance terms. Performance benchmarks must be

1 incorporated into an action plan developed by service providers
2 before finalization of contracts. The action plan may also include
3 the following:

4 (i) A schedule of remedial actions with deadlines and milestones
5 necessary to make improvements;

6 (ii) A management plan that assigns responsibilities for carrying
7 out remedial actions; and

8 (iii) Escalating options including revising programs,
9 reallocating funds, suspending payments, cutting funding, and
10 terminating contracts.

11 (b) While a local government has the authority to subcontract
12 with other entities, the local government continues to maintain the
13 ultimate responsibility for the homeless housing program within its
14 borders.

15 (3) A county may decline to participate in the program authorized
16 in this chapter by forwarding to the department a resolution adopted
17 by the county legislative authority stating the intention not to
18 participate. A copy of the resolution shall also be transmitted to
19 the county auditor and treasurer. If such a resolution is adopted,
20 all of the funds otherwise due to the county under RCW 43.185C.060
21 shall be remitted monthly to the state treasurer for deposit in the
22 ~~((homeless housing))~~ home security fund account, without any
23 reduction by the county for collecting or administering the funds.
24 Upon receipt of the resolution, the department shall promptly begin
25 to identify and contract with one or more entities eligible under
26 this section to create and execute a local homeless housing plan for
27 the county meeting the requirements of this chapter. The department
28 shall expend all of the funds received from the county under this
29 subsection to carry out the purposes of chapter 484, Laws of 2005 in
30 the county, provided that the department may retain six percent of
31 these funds to offset the cost of managing the county's program.

32 (4) A resolution by the county declining to participate in the
33 program shall have no effect on the ability of each city in the
34 county to assert its right to manage its own program under this
35 chapter, and the county shall monthly transmit to the city the funds
36 due under this chapter.

37 **Sec. 6.** RCW 43.185C.160 and 2018 c 85 s 7 are each amended to
38 read as follows:

1 (1) Each county shall create a homeless housing task force to
2 develop a five-year homeless housing plan addressing short-term and
3 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 five-year homeless housing plan,
32 each task force shall establish guidelines consistent with the
33 statewide homeless housing strategic plan, as needed, for the
34 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. Guidelines may include performance measures,
4 benchmarks, procedures for establishing poor performance, and the
5 schedule of actions to be taken to address poor performance.

6 (3) Each county, including counties exempted from creating a new
7 task force under subsection (1) of this section, shall report to the
8 department such information as may be needed to ensure compliance
9 with this chapter, including the annual report required in RCW
10 43.185C.045.

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