

ESSB 5301 - H COMM AMD

By Committee on Capital Budget

1 Strike everything after the enacting clause and insert the
2 following:

3 **"Sec. 1.** RCW 43.185.010 and 1991 c 356 s 1 are each amended to
4 read as follows:

5 The legislature finds that current economic conditions, federal
6 housing policies and declining resources at the federal, state, and
7 local level adversely affect the ability of low and very low-income
8 persons to obtain safe, decent, and affordable housing.

9 The legislature further finds that members of over ~~((one hundred
10 twenty thousand households live in housing units which are
11 overcrowded, lack plumbing, are otherwise threatening to health and
12 safety, and have rents and utility payments which exceed thirty
13 percent of their income))~~ 150,000 households pay more than 50 percent
14 of their income for rent and housing costs.

15 The legislature further finds that minorities, rural households,
16 and migrant farmworkers require housing assistance at a rate which
17 significantly exceeds their proportion of the general population.

18 The legislature further finds that one of the most dramatic
19 housing needs is that of persons needing special housing-related
20 services, such as ~~((the mentally ill))~~ individuals with mental
21 illness, recovering alcoholics, frail elderly persons, families with
22 members who have disabilities, and single parents. These services
23 include medical assistance, counseling, chore services, and child
24 care.

25 The legislature further finds that ~~((housing assistance programs
26 in the past have often failed to help those in greatest need))~~ state
27 investments in affordable housing, as enabled by the legislature in
28 1986, have exceeded \$1,800,000,000 to provide over 55,000 units of
29 safe and affordable housing to low-income individuals.

30 ~~((The legislature declares that it is in the public interest to
31 establish a continuously renewable resource known as the housing
32 trust fund and housing assistance program to assist low and very low-~~

1 ~~income citizens in meeting their basic housing needs, and that the~~
2 ~~needs of very low-income citizens should be given priority and that~~
3 ~~whenever feasible, assistance should be in the form of loans.))~~

4 **Sec. 2.** RCW 43.185.030 and 2016 sp.s. c 36 s 936 are each
5 amended to read as follows:

6 There is hereby created in the state treasury an account to be
7 known as the Washington housing trust fund. The housing trust fund
8 shall include revenue from the sources established by this chapter,
9 appropriations by the legislature, private contributions, repayment
10 of loans, and all other sources. ~~((During the 2015-2017 fiscal~~
11 ~~biennium, the legislature may transfer from the Washington housing~~
12 ~~trust fund to the home security fund account and to the state general~~
13 ~~fund such amounts as reflect the excess balance in the fund.))~~

14 **Sec. 3.** RCW 43.185.050 and 2021 c 332 s 7032 and 2021 c 130 s 5
15 are each reenacted and amended to read as follows:

16 (1) The department must use moneys from the housing trust fund
17 and other legislative appropriations to finance in whole or in part
18 any loan((s)) or grant projects that will provide affordable housing
19 for persons and families with special housing needs and ~~((with~~
20 ~~incomes at or below fifty percent of the median family income for the~~
21 ~~county or standard metropolitan statistical area where the project is~~
22 ~~located)) who are low-income households.~~

23 (2) At least thirty percent of these moneys used in any given
24 funding cycle must be for the benefit of projects located in rural
25 areas of the state as defined by the department. If the department
26 determines that it has not received an adequate number of suitable
27 applications for rural projects during any given funding cycle, the
28 department may allocate unused moneys for projects in nonrural areas
29 of the state.

30 ~~((2))~~ (3) The department must prioritize allocating at least,
31 but not limited to, 10 percent of these moneys used in any given
32 funding cycle to organizations that serve and are substantially
33 governed by individuals disproportionately impacted by homelessness,
34 including black, indigenous, and other people of color and, lesbian,
35 gay, bisexual, queer, transgender, and other gender-diverse
36 individuals.

1 (4) Activities eligible for assistance from the housing trust
2 fund and other legislative appropriations include, but are not
3 limited to:

4 (a) New construction, rehabilitation, or acquisition of low and
5 very low-income housing units;

6 ~~(b) ((Rent subsidies;~~

7 ~~(c) Matching funds for social services directly related to
8 providing housing for special-need tenants in assisted projects;~~

9 ~~(d) Technical))~~ Preconstruction technical assistance, design and
10 finance services and consultation, and administrative costs for
11 eligible nonprofit community or neighborhood-based organizations;

12 ~~((e))~~ (c) Administrative costs for housing assistance groups or
13 organizations when such grant or loan will substantially increase the
14 recipient's access to housing funds other than those available under
15 this chapter;

16 ~~((f))~~ (d) Shelters ~~((and related services))~~ for the homeless,
17 including emergency shelters and overnight youth shelters;

18 ~~((g) Mortgage subsidies, including temporary rental and mortgage
19 payment subsidies to prevent homelessness;~~

20 ~~(h) Mortgage insurance guarantee or payments for eligible
21 projects;~~

22 ~~(i) Down payment or closing cost assistance for eligible first-
23 time home buyers;~~

24 ~~(j))~~ (e) Down payment or closing costs assistance for low-income
25 first-time home buyers;

26 (f) Acquisition of housing units for the purpose of preservation
27 as low-income ~~((or very low-income))~~ housing;

28 ~~((k))~~ (g) Projects making affordable housing projects more
29 accessible to ~~((families))~~ low-income households with members who
30 have disabilities; and

31 ~~((l))~~ (h) Remodeling and improvements as required to meet
32 building code, licensing requirements, or legal operations to
33 residential properties owned and operated by an entity eligible under
34 RCW 43.185A.040, which were transferred as described in RCW
35 82.45.010(3)(t) by the parent of a child with developmental
36 disabilities.

37 ~~((3) Preference must be given for projects that include an early
38 learning facility, as defined in RCW 43.31.565.~~

39 ~~(4))~~ (5)(a) Legislative appropriations from capital bond proceeds
40 may be used ~~((only))~~ for the costs of projects authorized under

1 subsection (~~((2)(a), (i), and (j))~~) (4) of this section, (~~(and not~~
2 ~~for the administrative costs of the department,~~) except (~~(that~~
3 ~~during the 2021-2023 fiscal biennium, the)~~) for costs of subsection
4 (4)(c) of this section.

5 (b) The department may use up to three percent of the
6 appropriations from capital bond proceeds or other new appropriations
7 for affordable housing investments for administrative costs
8 associated with application, distribution, and project development
9 activities of the affordable housing (assistance) program.

10 (c) Reappropriations must not be included in the calculation of
11 the annual funds available for determining the administrative costs.

12 (~~((5))~~) (6)(a) Moneys received from repayment of housing trust
13 fund loans (~~(from appropriations from capital bond proceeds)~~) or
14 other affordable housing appropriations may be used for all
15 activities necessary for the proper functioning of the affordable
16 housing (~~(assistance)~~) program (~~(except for activities authorized~~
17 ~~under subsection (2)(b) and (c) of this section)~~), including, but not
18 limited to, providing preservation funding, as provided in section 12
19 of this act, and preconstruction technical assistance as provided in
20 RCW 43.185.080 (as recodified by this act).

21 (~~((6)~~) ~~Administrative costs associated with application,~~
22 ~~distribution, and project development activities of the department~~
23 ~~may not exceed three percent of the annual funds available for the~~
24 ~~housing assistance program. Reappropriations must not be included in~~
25 ~~the calculation of the annual funds available for determining the~~
26 ~~administrative costs.~~

27 ~~(7))~~ (b) Administrative costs associated with compliance and
28 monitoring activities of the department may not exceed (~~(one-~~
29 ~~quarter)~~) four-tenths of one percent annually of the contracted
30 amount of state investment in (~~(the housing assistance program)~~)
31 affordable housing programs.

32 **Sec. 4.** RCW 43.185.070 and 2019 c 325 s 5013 are each amended to
33 read as follows:

34 (1) During each calendar year in which funds from the housing
35 trust fund or other legislative appropriations are available for use
36 by the department for the affordable housing (assistance) program,
37 the department must announce to all known interested parties, and
38 (~~(through major media throughout the state)~~) on its website, a grant
39 and loan application period of at least (~~(ninety)~~) 60 days' duration.

1 This announcement must be made as often as the director deems
2 appropriate for proper utilization of resources. The department must
3 then promptly grant as many applications as will utilize available
4 funds less appropriate administrative costs of the department as
5 provided in RCW 43.185.050 (as recodified by this act).

6 (2) In awarding funds under this chapter, the department must:

7 (a) Provide for a geographic distribution on a statewide basis;
8 and

9 (b) ~~((Until June 30, 2013, consider))~~ Consider the total cost and
10 per-unit cost of each project for which an application is submitted
11 for funding ~~((under RCW 43.185.050(2) (a) and (j)))~~, as compared to
12 similar housing projects constructed or renovated within the same
13 geographic area.

14 ~~((The department, with advice and input from the affordable
15 housing advisory board established in RCW 43.185B.020, or a
16 subcommittee of the affordable housing advisory board, must report
17 recommendations for awarding funds in a cost-effective manner. The
18 report must include an implementation plan, timeline, and any other
19 items the department identifies as important to consider to the
20 legislature by December 1, 2012.~~

21 ~~((4) The department must give first priority to applications for
22 projects and activities which utilize existing privately owned
23 housing stock including privately owned housing stock purchased by
24 nonprofit public development authorities and public housing
25 authorities as created in chapter 35.82 RCW. As used in this
26 subsection, privately owned housing stock includes housing that is
27 acquired by a federal agency through a default on the mortgage by the
28 private owner. Such projects and activities must be evaluated under
29 subsection (5) of this section. Second priority must be given to
30 activities and projects which utilize existing publicly owned housing
31 stock.)) All projects and activities must be evaluated by some or all
32 of the criteria under subsection ~~((5))~~ (6) of this section, and
33 similar projects and activities shall be evaluated under the same
34 criteria.~~

35 (4) The department must use a separate application form for
36 applications to provide homeownership opportunities and evaluate
37 homeownership project applications as allowed under chapter 43.185A
38 RCW.

39 (5) The department must collaborate with public entities that
40 finance affordable housing, including the housing finance commission,

1 cities, and counties, in conducting joint application reviews and
2 coordinate funding decisions in a timely manner.

3 (6) The department must give preference for applications based on
4 some or all of the criteria under this subsection, and similar
5 projects and activities must be evaluated under the same criteria:

6 (a) The degree of leveraging of other funds that will occur;

7 (b) The degree of commitment from programs to provide necessary
8 habilitation and support services for projects focusing on special
9 needs populations;

10 (c) Recipient contributions to total project costs, including
11 allied contributions from other sources such as professional, craft
12 and trade services, and lender interest rate subsidies;

13 (d) Local government project contributions in the form of
14 infrastructure improvements, and others;

15 (e) Projects that encourage ownership, management, and other
16 project-related responsibility opportunities;

17 (f) Projects that demonstrate a strong probability of serving the
18 original target group or income level for a period of at least
19 (~~twenty-five~~) 40 years;

20 (g) The applicant has the demonstrated ability, stability and
21 resources to implement the project;

22 (h) Projects which demonstrate serving the greatest need;

23 (i) Projects that provide housing for persons and families with
24 the lowest incomes;

25 (j) Projects serving special needs populations which (~~are~~
26 ~~under~~) fulfill statutory mandates to develop community housing;

27 (k) Project location and access to employment centers in the
28 region or area;

29 (l) Projects that provide employment and training opportunities
30 for disadvantaged youth under a youthbuild or youthbuild-type program
31 as defined in RCW 50.72.020;

32 (m) Project location and access to available public
33 transportation services; (~~and~~)

34 (n) Projects involving collaborative partnerships between local
35 school districts and either public housing authorities or nonprofit
36 housing providers, that help children of low-income families succeed
37 in school. To receive this preference, the local school district must
38 provide an opportunity for community members to offer input on the
39 proposed project at the first scheduled school board meeting
40 following submission of the grant application to the department;

1 (o) The degree of funding that has already been committed to the
2 project by nonstate entities;

3 (p) Projects that demonstrate a strong readiness to proceed to
4 construction; and

5 (q) Projects that include a licensed early learning facility.

6 (7) Once the department has determined the prioritization of
7 applications, the department must award funding projects at a
8 sufficient level to complete the financing package necessary for an
9 applicant to move forward with the affordable housing project.

10 (8) The department may not establish a maximum per-applicant
11 award.

12 **Sec. 5.** RCW 43.185.074 and 1987 c 513 s 11 are each amended to
13 read as follows:

14 The director shall designate grant and loan applications for
15 approval and for funding under the revenue from remittances made
16 pursuant to RCW ~~((18.85.310. These applications shall then be~~
17 ~~reviewed for final approval by the broker's trust account board~~
18 ~~created by RCW 18.85.500.~~

19 ~~The director shall submit to the broker's trust account board~~
20 ~~within any fiscal year only such applications which in their~~
21 ~~aggregate total funding requirements do not exceed the revenue to the~~
22 ~~housing trust fund [fund] from remittances made pursuant to RCW~~
23 ~~18.85.310 for the previous fiscal year)) 18.85.285.~~

24 **Sec. 6.** RCW 43.185.080 and 1991 c 356 s 6 are each amended to
25 read as follows:

26 (1) The department may use moneys from the housing trust fund and
27 other legislative appropriations, ~~((but not appropriations from~~
28 ~~capital bond proceeds,)) to provide preconstruction technical
29 assistance to eligible recipients seeking to construct, rehabilitate,
30 or finance housing-related services for very low and low-income
31 persons. The department shall emphasize providing preconstruction
32 technical assistance services to rural areas and small cities and
33 towns, to nonprofits serving marginalized communities without a
34 history of receiving housing trust fund or other affordable housing
35 investments, and to other nonprofit community organizations led by
36 and for black, indigenous, and persons of color. The department may
37 contract with private and nonprofit organizations to provide this~~

1 technical assistance. The department may contract for any of the
2 following services:

3 (a) Financial planning and packaging for housing projects,
4 including alternative ownership programs, such as limited equity
5 partnerships and syndications;

6 (b) Project design, architectural planning, and siting;

7 (c) Compliance with planning requirements;

8 (d) Securing matching resources for project development;

9 (e) Maximizing local government contributions to project
10 development in the form of land donations, infrastructure
11 improvements, waivers of development fees, locally and state-managed
12 funds, zoning variances, or creative local planning;

13 (f) Coordination with local planning, economic development, and
14 environmental, social service, and recreational activities;

15 (g) Construction and materials management; and

16 (h) Project maintenance and management.

17 (2) The department shall publish requests for proposals which
18 specify contract performance standards, award criteria, and
19 contractor requirements. In evaluating proposals, the department
20 shall consider the ability of the contractor to provide technical
21 assistance to low and very low-income persons and to persons with
22 special housing needs.

23 **Sec. 7.** RCW 43.185A.010 and 2013 c 145 s 4 are each amended to
24 read as follows:

25 Unless the context clearly requires otherwise, the definitions in
26 this section apply throughout this chapter.

27 (1) "Affordable housing" means residential housing for rental
28 occupancy which, as long as the same is occupied by low-income
29 households, requires payment of monthly housing costs, including
30 utilities other than telephone, of no more than thirty percent of the
31 ~~((family's))~~ household's income. The department must adopt policies
32 for residential homeownership housing, occupied by low-income
33 households, which specify the percentage of family income that may be
34 spent on monthly housing costs, including utilities other than
35 telephone, to qualify as affordable housing.

36 (2) "Contracted amount" ~~((has the same meaning as provided in RCW
37 43.185.020))~~ means the aggregate amount of all state funding for
38 which the department has monitoring and compliance responsibility.

39 (3) "Department" means the department of commerce.

1 (4) "Director" means the director of the department of commerce.

2 (5) "First-time home buyer" means ~~((an individual or his or her~~
3 ~~spouse or domestic partner who have not owned a home during the~~
4 ~~three-year period prior to purchase of a home))~~;

5 (a) An individual or the individual's spouse who has had no
6 ownership in a principal residence during the three-year period
7 ending on the date of purchase of the property;

8 (b) A single parent who has only owned a home with a former
9 spouse while married;

10 (c) An individual who is a displaced homemaker as defined in 24
11 C.F.R. Sec. 93.2 as it exists on the effective date of this section,
12 or such subsequent date as may be provided by the department by rule,
13 consistent with the purposes of this section, and has only owned a
14 home with a spouse;

15 (d) An individual who has only owned a principal residence not
16 permanently affixed to a permanent foundation in accordance with
17 applicable regulations; or

18 (e) An individual who has only owned a property that is
19 determined by a licensed building inspector as being uninhabitable.

20 (6) "Low-income household" means a single person, family or
21 unrelated persons living together whose adjusted income is less than
22 eighty percent of the median family income, adjusted for household
23 size, for the county where the project is located.

24 **Sec. 8.** RCW 43.185A.020 and 1995 c 399 s 103 are each amended to
25 read as follows:

26 The affordable housing program is created in the department for
27 the purpose of developing and preserving affordable housing and
28 coordinating public and private resources targeted to meet the
29 affordable housing needs of low-income households in the state of
30 Washington. The program shall be developed and administered by the
31 department with advice and input from the affordable housing advisory
32 board established in RCW 43.185B.020.

33 **Sec. 9.** RCW 43.185A.060 and 1991 c 356 s 15 are each amended to
34 read as follows:

35 The department shall adopt policies to ensure that the state's
36 interest will be protected upon either the sale or change of use of
37 projects financed in whole or in part under RCW ~~((43.185A.030(2) (a),~~
38 ~~(b), (c), (d), and (e)))~~ 43.185.050(4) (as recodified by this act).

1 These policies may include, but are not limited to: (1) Requiring
2 payment to the state of a share of the appreciation in the project in
3 proportion to the state's contribution to the project; (2) requiring
4 a lump-sum repayment of the loan or grant upon the sale or change of
5 use of the project; or (3) requiring a deferred payment of principal
6 or principal and interest on loans after a specified time period. The
7 policies must require projects to remain as affordable housing for a
8 minimum of 40 years except for projects that provide homes for low-
9 income first-time home buyers, which must remain affordable for a
10 minimum of 25 years.

11 **Sec. 10.** RCW 43.185A.070 and 1991 c 356 s 16 are each amended to
12 read as follows:

13 ~~((The))~~ (1) To the extent funds are appropriated for this
14 purpose, the director shall monitor the activities of recipients of
15 grants and loans under this chapter to determine compliance with the
16 terms and conditions set forth in its application or stated by the
17 department in connection with the grant or loan.

18 (2) Personally identifiable information of occupants or
19 prospective tenants of affordable housing or the street address of
20 the residential real property occupied or applied for by tenants or
21 prospective tenants of affordable housing, obtained by the department
22 of commerce during monitoring activities or contract administration
23 are exempt from inspection and copying under section 11 of this act.

24 NEW SECTION. **Sec. 11.** A new section is added to chapter 42.56
25 RCW to read as follows:

26 Information obtained by the department of commerce under chapter
27 43.185A RCW during monitoring activities or contract administration
28 that reveals the name or other personal information of occupants or
29 prospective tenants of affordable housing, or the street address of
30 the residential real property occupied or applied for by tenants or
31 prospective tenants of affordable housing, is exempt from disclosure
32 under this chapter.

33 NEW SECTION. **Sec. 12.** A new section is added to chapter 43.185A
34 RCW to read as follows:

35 (1) In order to maintain the long-term viability of affordable
36 housing, using funding from the housing trust fund account
37 established under RCW 43.185.030 (as recodified by this act) or from

1 other legislative appropriations, the department may make competitive
2 grant or loan awards to projects in need of major building
3 improvements, preservation repairs, or system replacements.

4 (2) The department must solicit and review applications and
5 evaluate projects based on the following criteria:

6 (a) The age of the property, with priority given to buildings
7 that are more than 15 years old;

8 (b) The population served, with priority given to projects
9 serving persons or families with the lowest incomes;

10 (c) The degree to which the applicant demonstrates that the
11 improvements will result in a reduction of operating or utility
12 costs, or both;

13 (d) The potential for additional years added to the affordability
14 commitment period of the property; and

15 (e) Other criteria that the department considers necessary to
16 achieve the purpose of the housing trust fund program.

17 (3) The department must require an award recipient to submit a
18 property capital needs assessment, in a form acceptable to the
19 department, prior to contract execution.

20 NEW SECTION. **Sec. 13.** A new section is added to chapter 43.185A
21 RCW to read as follows:

22 (1) The department must report on its website on an annual basis,
23 for each funding cycle:

24 (a) The number of homeownership and multifamily rental projects
25 funded;

26 (b) The percentage of funding allocated to homeownership and
27 multifamily rental projects; and

28 (c) For both homeownership and multifamily rental projects, the
29 total number of households being served at up to 80 percent of the
30 area median income, up to 50 percent of the area median income, and
31 up to 30 percent of the area median income.

32 (2) All housing trust fund loan or grant recipients, except for
33 those receiving preservation awards under section 12 of this act,
34 must provide certified final development cost reports to the
35 department in a form acceptable to the department. The department
36 must use the certified final development cost reports data as part of
37 its cost containment policy and to report to the legislature.
38 Beginning December 1, 2023, and continuing every odd-numbered year,
39 the department must provide the appropriate committees of the

1 legislature with a report of its final cost data for each project
2 funded through the housing trust fund. Such cost data must, at a
3 minimum, include:

4 (a) Total development cost per unit for each project completed
5 within the past two complete fiscal years; and

6 (b) Descriptive statistics such as average and median per unit
7 costs, regional cost variation, and other costs that the department
8 deems necessary to improve cost controls and enhance understanding of
9 development costs.

10 (3) The department must coordinate with the housing finance
11 commission to identify relevant development costs data and ensure
12 that the measures are consistent across relevant agencies.

13 **Sec. 14.** RCW 18.85.311 and 2008 c 23 s 38 are each amended to
14 read as follows:

15 Remittances received by the state treasurer pursuant to RCW
16 18.85.285 shall be divided between the housing trust fund created by
17 RCW 43.185.030 (as recodified by this act), which shall receive
18 seventy-five percent and the real estate education program account
19 created by RCW 18.85.321, which shall receive twenty-five percent.

20 **Sec. 15.** RCW 31.04.025 and 2015 c 229 s 20 are each amended to
21 read as follows:

22 (1) Each loan made to a resident of this state by a licensee, or
23 persons subject to this chapter, is subject to the authority and
24 restrictions of this chapter.

25 (2) This chapter does not apply to the following:

26 (a) Any person doing business under, and as permitted by, any law
27 of this state or of the United States relating to banks, savings
28 banks, trust companies, savings and loan or building and loan
29 associations, or credit unions;

30 (b) Entities making loans under chapter 19.60 RCW (pawnbroking);

31 (c) Entities conducting transactions under chapter 63.14 RCW
32 (retail installment sales of goods and services), unless credit is
33 extended to purchase merchandise certificates, coupons, open or
34 closed loop stored value, or other similar items issued and
35 redeemable by a retail seller other than the retail seller extending
36 the credit;

37 (d) Entities making loans under chapter 31.45 RCW (check cashers
38 and sellers);

1 (e) Any person making a loan primarily for business, commercial,
2 or agricultural purposes unless the loan is secured by a lien on the
3 borrower's primary dwelling;

4 (f) Any person selling property owned by that person who provides
5 financing for the sale when the property does not contain a dwelling
6 and when the property serves as security for the financing. This
7 exemption is available for five or fewer transactions in a calendar
8 year. This exemption is not available to individuals subject to the
9 federal S.A.F.E. act or any person in the business of constructing or
10 acting as a contractor for the construction of residential dwellings;

11 (g) Any person making loans made to government or government
12 agencies or instrumentalities or making loans to organizations as
13 defined in the federal truth in lending act;

14 (h) Entities making loans under chapter (~~43.185~~) 43.185A RCW
15 (housing trust fund);

16 (i) Entities making loans under programs of the United States
17 department of agriculture, department of housing and urban
18 development, or other federal government program that provides
19 funding or access to funding for single-family housing developments
20 or grants to low-income individuals for the purchase or repair of
21 single-family housing;

22 (j) Nonprofit housing organizations making loans, or loans made,
23 under housing programs that are funded in whole or in part by federal
24 or state programs if the primary purpose of the programs is to assist
25 low-income borrowers with purchasing or repairing housing or the
26 development of housing for low-income Washington state residents;

27 (k) Entities making loans which are not residential mortgage
28 loans under a credit card plan;

29 (l) Individuals employed by a licensed residential mortgage loan
30 servicing company engaging in activities related to servicing, unless
31 licensing is required by federal law or regulation; and

32 (m) Entities licensed under chapter 18.44 RCW that process
33 payments on seller-financed loans secured by liens on real or
34 personal property.

35 (3) The director may, at his or her discretion, waive
36 applicability of the consumer loan company licensing provisions of
37 this chapter to other persons, not including individuals subject to
38 the S.A.F.E. act, making or servicing loans when the director
39 determines it necessary to facilitate commerce and protect consumers.

1 (4) The burden of proving the application for an exemption or
2 exception from a definition, or a preemption of a provision of this
3 chapter, is upon the person claiming the exemption, exception, or
4 preemption.

5 (5) The director may adopt rules interpreting this section.

6 **Sec. 16.** RCW 39.35D.080 and 2005 c 12 s 12 are each amended to
7 read as follows:

8 Except as provided in this section, affordable housing projects
9 funded out of the state capital budget are exempt from the provisions
10 of this chapter. On or before July 1, 2008, the department of
11 (~~community, trade, and economic development~~) commerce shall
12 identify, implement, and apply a sustainable building program for
13 affordable housing projects that receive housing trust fund (under
14 chapter (~~43.185~~) 43.185A RCW) funding in a state capital budget.
15 The department of (~~community, trade, and economic development~~)
16 commerce shall not develop its own sustainable building standard, but
17 shall work with stakeholders to adopt an existing sustainable
18 building standard or criteria appropriate for affordable housing. Any
19 application of the program to affordable housing, including any
20 monitoring to track the performance of either sustainable features or
21 energy standards or both, is the responsibility of the department of
22 (~~community, trade, and economic development~~) commerce. Beginning in
23 2009 and ending in 2016, the department of (~~community, trade, and
24 economic development~~) commerce shall report to the department as
25 required under RCW 39.35D.030(3)(b).

26 **Sec. 17.** RCW 43.63A.680 and 1993 c 478 s 19 are each amended to
27 read as follows:

28 (1) The department may develop and administer a home-matching
29 program for the purpose of providing grants and technical assistance
30 to eligible organizations to operate local home-matching programs.
31 For purposes of this section, "eligible organizations" are those
32 organizations eligible to receive assistance through the Washington
33 housing trust fund, chapter (~~43.185~~) 43.185A RCW.

34 (2) The department may select up to five eligible organizations
35 for the purpose of implementing a local home-matching program. The
36 local home-matching programs are designed to facilitate: (a)
37 Intergenerational homesharing involving older homeowners sharing
38 homes with younger persons; (b) homesharing arrangements that involve

1 an exchange of services such as cooking, housework, gardening, or
2 babysitting for room and board or some financial consideration such
3 as rent; and (c) the more efficient use of available housing.

4 (3) In selecting local pilot programs under this section, the
5 department shall consider:

6 (a) The eligible organization's ability, stability, and resources
7 to implement the local home-matching program;

8 (b) The eligible organization's efforts to coordinate other
9 support services needed by the individual or family participating in
10 the local home-matching program; and

11 (c) Other factors the department deems appropriate.

12 (4) The eligible organizations shall establish criteria for
13 participation in the local home-matching program. The eligible
14 organization shall make a determination of eligibility regarding the
15 individuals' or families' participation in the local home-matching
16 program. The determination shall include, but is not limited to a
17 verification of the individual's or family's history of making rent
18 payments in a consistent and timely manner.

19 **Sec. 18.** RCW 43.79.201 and 2016 sp.s. c 36 s 930 are each
20 amended to read as follows:

21 (1) The charitable, educational, penal and reformatory
22 institutions account is hereby created, in the state treasury, into
23 which account there shall be deposited all moneys arising from the
24 sale, lease or transfer of the land granted by the United States
25 government to the state for charitable, educational, penal and
26 reformatory institutions by section 17 of the enabling act, or
27 otherwise set apart for such institutions, except all moneys arising
28 from the sale, lease, or transfer of that certain one hundred
29 thousand acres of such land assigned for the support of the
30 University of Washington by chapter 91, Laws of 1903 and section 9,
31 chapter 122, Laws of 1893.

32 (2) If feasible, not less than one-half of all income to the
33 charitable, educational, penal, and reformatory institutions account
34 shall be appropriated for the purpose of providing housing, including
35 repair and renovation of state institutions, for persons with mental
36 illness or developmental disabilities, or youth who are blind, deaf,
37 or otherwise disabled. If moneys are appropriated for community-based
38 housing, the moneys shall be appropriated to the department of
39 commerce for the housing assistance program under chapter (~~43.185~~)

1 43.185A RCW. During the 2015-2017 fiscal biennium, the legislature
2 may transfer from the charitable, educational, penal and reformatory
3 institutions account to the state general fund such amounts as
4 reflect excess fund balance of the account.

5 **Sec. 19.** RCW 43.185C.200 and 2007 c 483 s 604 are each amended
6 to read as follows:

7 (1) The department of ((community, trade, and economic
8 development)) commerce shall establish a pilot program to provide
9 grants to eligible organizations, as described in RCW ((43.185.060))
10 43.185A.040, to provide transitional housing assistance to offenders
11 who are reentering the community and are in need of housing.

12 (2) There shall be a minimum of two pilot programs established in
13 two counties. The pilot programs shall be selected through a request
14 for proposal process and in consultation with the department of
15 corrections. The department shall select the pilot sites by January
16 1, 2008.

17 (3) The pilot program shall:

18 (a) Be operated in collaboration with the community justice
19 center existing in the location of the pilot site;

20 (b) Offer transitional supportive housing that includes
21 individual support and mentoring available on an ongoing basis, life
22 skills training, and close working relationships with community
23 justice centers and community corrections officers. Supportive
24 housing services can be provided directly by the housing operator, or
25 in partnership with community-based organizations;

26 (c) In providing assistance, give priority to offenders who are
27 designated as high risk or high needs as well as those determined not
28 to have a viable release plan by the department of corrections;

29 (d) Optimize available funding by utilizing cost-effective
30 community-based shared housing arrangements or other noninstitutional
31 living arrangements; and

32 (e) Provide housing assistance for a period of time not to exceed
33 twelve months for a participating offender.

34 (4) The department may also use up to twenty percent of the
35 funding appropriated in the operating budget for this section to
36 support the development of additional supportive housing resources
37 for offenders who are reentering the community.

38 (5) The department shall:

1 (a) Collaborate with the department of corrections in developing
2 criteria to determine who will qualify for housing assistance; and

3 (b) Gather data, and report to the legislature by November 1,
4 2008, on the number of offenders seeking housing, the number of
5 offenders eligible for housing, the number of offenders who receive
6 the housing, and the number of offenders who commit new crimes while
7 residing in the housing to the extent information is available.

8 (6) The department of corrections shall collaborate with
9 organizations receiving grant funds to:

10 (a) Help identify appropriate housing solutions in the community
11 for offenders;

12 (b) Where possible, facilitate an offender's application for
13 housing prior to discharge;

14 (c) Identify enhancements to training provided to offenders prior
15 to discharge that may assist an offender in effectively transitioning
16 to the community;

17 (d) Maintain communication between the organization receiving
18 grant funds, the housing provider, and corrections staff supervising
19 the offender; and

20 (e) Assist the offender in accessing resources and services
21 available through the department of corrections and a community
22 justice center.

23 (7) The state, department of (~~community, trade, and economic~~
24 ~~development~~) commerce, department of corrections, local governments,
25 local housing authorities, eligible organizations as described in RCW
26 (~~43.185.060~~) 43.185A.040, and their employees are not liable for
27 civil damages arising from the criminal conduct of an offender solely
28 due to the placement of an offender in housing provided under this
29 section or the provision of housing assistance.

30 (8) Nothing in this section allows placement of an offender into
31 housing without an analysis of the risk the offender may pose to that
32 particular community or other residents.

33 **Sec. 20.** RCW 43.185C.210 and 2020 c 155 s 1 are each amended to
34 read as follows:

35 (1) The transitional housing operating and rent program is
36 created in the department to assist individuals and families who are
37 homeless or who are at risk of becoming homeless to secure and retain
38 safe, decent, and affordable housing. The department shall provide
39 grants to eligible organizations, as described in RCW (~~43.185.060~~)

1 43.185A.040, to provide assistance to program participants. The
2 eligible organizations must use grant moneys for:

3 (a) Rental assistance, which includes security or utility
4 deposits, first and last month's rent assistance, and eligible moving
5 expenses to be determined by the department;

6 (b) Case management services designed to assist program
7 participants to secure and retain immediate housing and to transition
8 into permanent housing and greater levels of self-sufficiency;

9 (c) Operating expenses of transitional housing facilities that
10 serve homeless families with children; and

11 (d) Administrative costs of the eligible organization, which must
12 not exceed limits prescribed by the department.

13 (2) Eligible to receive assistance through the transitional
14 housing operating and rent program are:

15 (a) Families with children who are homeless or who are at risk of
16 becoming homeless and who have household incomes at or below fifty
17 percent of the median household income for their county;

18 (b) Families with children who are homeless or who are at risk of
19 becoming homeless and who are receiving services under chapter 13.34
20 RCW;

21 (c) Individuals or families without children who are homeless or
22 at risk of becoming homeless and who have household incomes at or
23 below thirty percent of the median household income for their county;

24 (d) Individuals or families who are homeless or who are at risk
25 of becoming homeless and who have a household with an adult member
26 who has a mental health or chemical dependency disorder; and

27 (e) Individuals or families who are homeless or who are at risk
28 of becoming homeless and who have a household with an adult member
29 who is an offender released from confinement within the past eighteen
30 months.

31 (3) All program participants must be willing to create and
32 actively participate in a housing stability plan for achieving
33 permanent housing and greater levels of self-sufficiency.

34 (4) Data on all program participants must be entered into and
35 tracked through the Washington homeless client management information
36 system as described in RCW 43.185C.180. For eligible organizations
37 serving victims of domestic violence or sexual assault, compliance
38 with this subsection must be accomplished in accordance with 42
39 U.S.C. Sec. 11383(a) (8).

1 (5) The department may develop rules, requirements, procedures,
2 and guidelines as necessary to implement and operate the transitional
3 housing operating and rent program.

4 (6) The department shall produce an annual transitional housing
5 operating and rent program report that must be included in the
6 department's homeless housing strategic plan as described in RCW
7 43.185C.040. The report must include performance measures to be
8 determined by the department that address, at a minimum, the
9 following issue areas:

10 (a) The success of the program in helping program participants
11 transition into permanent affordable housing and achieve self-
12 sufficiency or increase their levels of self-sufficiency, which shall
13 be defined by the department based upon the costs of living,
14 including housing costs, needed to support: (i) One adult individual;
15 and (ii) two adult individuals and one preschool-aged child and one
16 school-aged child;

17 (b) The financial performance of the program related to efficient
18 program administration by the department and program operation by
19 selected eligible organizations, including an analysis of the costs
20 per program participant served;

21 (c) The quality, completeness, and timeliness of the information
22 on program participants provided to the Washington homeless client
23 management information system database; and

24 (d) The satisfaction of program participants in the assistance
25 provided through the program.

26 **Sec. 21.** RCW 47.12.063 and 2022 c 186 s 710 are each amended to
27 read as follows:

28 (1) It is the intent of the legislature to continue the
29 department's policy giving priority consideration to abutting
30 property owners in agricultural areas when disposing of property
31 through its surplus property program under this section.

32 (2) Whenever the department determines that any real property
33 owned by the state of Washington and under the jurisdiction of the
34 department is no longer required for transportation purposes and that
35 it is in the public interest to do so, the department may sell the
36 property or exchange it in full or part consideration for land or
37 building improvements or for construction of highway improvements at
38 fair market value to any person through the solicitation of written

1 bids through public advertising in the manner prescribed under RCW
2 47.28.050 or in the manner prescribed under RCW 47.12.283.

3 (3) The department may forego the processes prescribed by RCW
4 47.28.050 and 47.12.283 and sell the real property to any of the
5 following entities or persons at fair market value:

6 (a) Any other state agency;

7 (b) The city or county in which the property is situated;

8 (c) Any other municipal corporation;

9 (d) Regional transit authorities created under chapter 81.112
10 RCW;

11 (e) The former owner of the property from whom the state acquired
12 title;

13 (f) In the case of residentially improved property, a tenant of
14 the department who has resided thereon for not less than six months
15 and who is not delinquent in paying rent to the state;

16 (g) Any abutting private owner but only after each other abutting
17 private owner (if any), as shown in the records of the county
18 assessor, is notified in writing of the proposed sale. If more than
19 one abutting private owner requests in writing the right to purchase
20 the property within 15 days after receiving notice of the proposed
21 sale, the property shall be sold at public auction in the manner
22 provided in RCW 47.12.283;

23 (h) To any other owner of real property required for
24 transportation purposes;

25 (i) In the case of property suitable for residential use, any
26 nonprofit organization dedicated to providing affordable housing to
27 very low-income, low-income, and moderate-income households as
28 defined in RCW 43.63A.510 and is eligible to receive assistance
29 through the Washington housing trust fund created in chapter
30 (~~43.185~~) 43.185A RCW;

31 (j) During the 2021-2023 fiscal biennium, any nonprofit
32 organization that identifies real property to be sold or conveyed as
33 a substitute for real property owned by the nonprofit within the city
34 of Seattle to be redeveloped for the purpose of affordable housing;
35 or

36 (k) A federally recognized Indian tribe within whose reservation
37 boundary the property is located.

38 (4) When selling real property pursuant to RCW 47.12.283, the
39 department may withhold or withdraw the property from an auction when
40 requested by one of the entities or persons listed in subsection (3)

1 of this section and only after the receipt of a nonrefundable deposit
2 equal to 10 percent of the fair market value of the real property or
3 \$5,000, whichever is less. This subsection does not prohibit the
4 department from exercising its discretion to withhold or withdraw the
5 real property from an auction if the department determines that the
6 property is no longer surplus or chooses to sell the property through
7 one of the other means listed in subsection (2) of this section. If a
8 transaction under this subsection is not completed within 60 days,
9 the real property must be put back up for sale.

10 (5) Sales to purchasers may, at the department's option, be for
11 cash, by real estate contract, or exchange of land or highway
12 improvements. Transactions involving the construction of improvements
13 must be conducted pursuant to chapter 47.28 RCW and Title 39 RCW, as
14 applicable, and must comply with all other applicable laws and rules.

15 (6) Conveyances made pursuant to this section shall be by deed
16 executed by the secretary of transportation and shall be duly
17 acknowledged.

18 (7) Unless otherwise provided, all moneys received pursuant to
19 the provisions of this section less any real estate broker
20 commissions paid pursuant to RCW 47.12.320 shall be deposited in the
21 motor vehicle fund.

22 (8) The department may not enter into equal value exchanges or
23 property acquisitions for building improvements without first
24 consulting with the office of financial management and the joint
25 transportation committee.

26 **Sec. 22.** RCW 59.24.060 and 1995 c 399 s 159 are each amended to
27 read as follows:

28 The department of (~~community, trade, and economic development~~)
29 commerce may receive such gifts, grants, or endowments from public or
30 private sources, as may be made from time to time, in trust or
31 otherwise, to be used by the department of (~~community, trade, and
32 economic development~~) commerce for its programs, including the
33 rental security deposit guarantee program. Funds from the housing
34 trust fund, chapter (~~43.185~~) 43.185A RCW, up to one hundred
35 thousand dollars, may be used for the rental security deposit
36 guarantee program by the department of (~~community, trade, and
37 economic development~~) commerce, local governments, and nonprofit
38 organizations, provided all the requirements of this chapter and
39 chapter (~~43.185~~) 43.185A RCW are met.

1 **Sec. 23.** RCW 82.14.400 and 2020 c 139 s 24 are each amended to
2 read as follows:

3 (1) Upon the joint request of a metropolitan park district, a
4 city with a population of more than one hundred fifty thousand, and a
5 county legislative authority in a county with a national park and a
6 population of more than five hundred thousand and less than one
7 million five hundred thousand, the county must submit an authorizing
8 proposition to the county voters, fixing and imposing a sales and use
9 tax in accordance with this chapter for the purposes designated in
10 subsection (4) of this section and identified in the joint request.
11 Such proposition must be placed on a ballot for a special or general
12 election to be held no later than one year after the date of the
13 joint request.

14 (2) The proposition is approved if it receives the votes of a
15 majority of those voting on the proposition.

16 (3) The tax authorized in this section is in addition to any
17 other taxes authorized by law and must be collected from those
18 persons who are taxable by the state under chapters 82.08 and 82.12
19 RCW upon the occurrence of any taxable event within the county. The
20 rate of tax must equal no more than one-tenth of one percent of the
21 selling price in the case of a sales tax, or value of the article
22 used, in the case of a use tax.

23 (4) Moneys received from any tax imposed under this section must
24 be used solely for the purpose of providing funds for:

25 (a) Costs associated with financing, design, acquisition,
26 construction, equipping, operating, maintaining, remodeling,
27 repairing, reequipping, or improvement of zoo, aquarium, and wildlife
28 preservation and display facilities that are currently accredited by
29 the American zoo and aquarium association; or

30 (b) Those costs associated with (a) of this subsection and costs
31 related to parks located within a county described in subsection (1)
32 of this section.

33 (5) The department must perform the collection of such taxes on
34 behalf of the county at no cost to the county. In lieu of the charge
35 for the administration and collection of local sales and use taxes
36 under RCW 82.14.050 from which the county is exempt under this
37 subsection (5), a percentage of the tax revenues authorized by this
38 section equal to one-half of the maximum percentage provided in RCW
39 82.14.050 must be transferred annually to the department of commerce,
40 or its successor agency, from the funds allocated under subsection

1 (6)(b) of this section for a period of twelve years from the first
2 date of distribution of funds under subsection (6)(b) of this
3 section. The department of commerce, or its successor agency, must
4 use funds transferred to it pursuant to this subsection (5) to
5 provide, operate, and maintain community-based housing under chapter
6 (~~43.185~~) 43.185A RCW for individuals with mental illness.

7 (6) If the joint request and the authorizing proposition include
8 provisions for funding those costs included within subsection (4)(b)
9 of this section, the tax revenues authorized by this section must be
10 allocated annually as follows:

11 (a) Fifty percent to the zoo and aquarium advisory authority; and

12 (b) Fifty percent to be distributed on a per capita basis as set
13 out in the most recent population figures for unincorporated and
14 incorporated areas only within that county, as determined by the
15 office of financial management, solely for parks, as follows: To any
16 metropolitan park district, to cities and towns not contained within
17 a metropolitan park district, and the remainder to the county. Moneys
18 received under this subsection (6)(b) by a county may not be used to
19 replace or supplant existing per capita funding.

20 (7) Funds must be distributed annually by the county treasurer to
21 the county, and cities and towns located within the county, in the
22 manner set out in subsection (6)(b) of this section.

23 (8) Prior to expenditure of any funds received by the county
24 under subsection (6)(b) of this section, the county must establish a
25 process which considers needs throughout the unincorporated areas of
26 the county in consultation with community advisory councils
27 established by ordinance.

28 (9) By December 31, 2005, and thereafter, the county or any city
29 with a population greater than eighty thousand must provide at least
30 one dollar match for every two dollars received under this section.

31 (10) Properties subject to a memorandum of agreement between the
32 federal bureau of land management, the advisory council on historic
33 preservation, and the Washington state historic preservation officer
34 have priority for funding from money received under subsection (6)(b)
35 of this section for implementation of the stipulations in the
36 memorandum of agreement.

37 (a) At least one hundred thousand dollars of the first four years
38 of allocations under subsection (6)(b) of this section, to be matched
39 by the county or city with one dollar for every two dollars received,
40 must be used to implement the stipulations of the memorandum of

1 agreement and for other historical, archaeological, architectural,
2 and cultural preservation and improvements related to the properties.

3 (b) The amount in (a) of this subsection must come equally from
4 the allocations to the county and to the city in which the properties
5 are located, unless otherwise agreed to by the county and the city.

6 (c) The amount in (a) of this subsection may not be construed to
7 displace or be offered in lieu of any lease payment from a county or
8 city to the state for the properties in question.

9 **Sec. 24.** RCW 82.45.100 and 2010 1st sp.s. c 23 s 211 are each
10 amended to read as follows:

11 (1) Payment of the tax imposed under this chapter is due and
12 payable immediately at the time of sale, and if not paid within one
13 month thereafter will bear interest from the time of sale until the
14 date of payment.

15 (a) Interest imposed before January 1, 1999, is computed at the
16 rate of one percent per month.

17 (b) Interest imposed after December 31, 1998, is computed on a
18 monthly basis at the rate as computed under RCW 82.32.050(2). The
19 rate so computed must be adjusted on the first day of January of each
20 year for use in computing interest for that calendar year. The
21 department must provide written notification to the county treasurers
22 of the variable rate on or before December 1st of the year preceding
23 the calendar year in which the rate applies.

24 (2) In addition to the interest described in subsection (1) of
25 this section, if the payment of any tax is not received by the county
26 treasurer or the department of revenue, as the case may be, within
27 one month of the date due, there is assessed a penalty of five
28 percent of the amount of the tax; if the tax is not received within
29 two months of the date due, there will be assessed a total penalty of
30 ten percent of the amount of the tax; and if the tax is not received
31 within three months of the date due, there will be assessed a total
32 penalty of twenty percent of the amount of the tax. The payment of
33 the penalty described in this subsection is collectible from the
34 seller only, and RCW 82.45.070 does not apply to the penalties
35 described in this subsection.

36 (3) If the tax imposed under this chapter is not received by the
37 due date, the transferee is personally liable for the tax, along with
38 any interest as provided in subsection (1) of this section, unless an
39 instrument evidencing the sale is recorded in the official real

1 property records of the county in which the property conveyed is
2 located.

3 (4) If upon examination of any affidavits or from other
4 information obtained by the department or its agents it appears that
5 all or a portion of the tax is unpaid, the department must assess
6 against the taxpayer the additional amount found to be due plus
7 interest and penalties as provided in subsections (1) and (2) of this
8 section. The department must notify the taxpayer by mail, or
9 electronically as provided in RCW 82.32.135, of the additional amount
10 and the same becomes due and must be paid within thirty days from the
11 date of the notice, or within such further time as the department may
12 provide.

13 (5) No assessment or refund may be made by the department more
14 than four years after the date of sale except upon a showing of:

15 (a) Fraud or misrepresentation of a material fact by the
16 taxpayer;

17 (b) A failure by the taxpayer to record documentation of a sale
18 or otherwise report the sale to the county treasurer; or

19 (c) A failure of the transferor or transferee to report the sale
20 under RCW 82.45.090(2).

21 (6) Penalties collected on taxes due under this chapter under
22 subsection (2) of this section and RCW 82.32.090 (2) through (8) must
23 be deposited in the housing trust fund as described in chapter
24 ((43.185)) 43.185A RCW.

25 **Sec. 25.** RCW 43.185B.020 and 2022 c 266 s 53 and 2022 c 165 s 8
26 are each reenacted and amended to read as follows:

27 (1) The department shall establish the affordable housing
28 advisory board to consist of ((23)) 25 members.

29 (a) The following ((20)) 22 members shall be appointed by the
30 governor:

31 (i) Two representatives of the residential construction industry;

32 (ii) Two representatives of the home mortgage lending profession;

33 (iii) One representative of the real estate sales profession;

34 (iv) One representative of the apartment management and operation
35 industry;

36 (v) One representative of the for-profit housing development
37 industry;

38 (vi) One representative of for-profit rental housing owners;

1 (vii) One representative of the nonprofit housing development
2 industry;

3 (viii) One representative of homeless shelter operators;

4 (ix) One representative of lower-income persons;

5 (x) One representative of special needs populations;

6 (xi) One representative of public housing authorities as created
7 under chapter 35.82 RCW;

8 (xii) Two representatives of the Washington association of
9 counties, one representative shall be from a county that is located
10 east of the crest of the Cascade mountains;

11 (xiii) Two representatives of the association of Washington
12 cities, one representative shall be from a city that is located east
13 of the crest of the Cascade mountains;

14 (xiv) One representative to serve as chair of the affordable
15 housing advisory board;

16 (xv) One representative of organizations that operate site-based
17 permanent supportive housing and deliver onsite supportive housing
18 services; (~~and~~)

19 (xvi) One representative at large; (~~and~~

20 ~~xvi~~) (xvii) One representative from a unit owners' association
21 as defined in RCW 64.34.020 or 64.90.010; and

22 (xviii) One representative from an interlocal housing
23 collaboration as established under chapter 39.34 RCW.

24 (b) The following three members shall serve as ex officio,
25 nonvoting members:

26 (i) The director or the director's designee;

27 (ii) The executive director of the Washington state housing
28 finance commission or the executive director's designee; and

29 (iii) The secretary of social and health services or the
30 secretary's designee.

31 (2) (a) The members of the affordable housing advisory board
32 appointed by the governor shall be appointed for four-year terms,
33 except that the chair shall be appointed to serve a two-year term.
34 The terms of five of the initial appointees shall be for two years
35 from the date of appointment and the terms of six of the initial
36 appointees shall be for three years from the date of appointment. The
37 governor shall designate the appointees who will serve the two-year
38 and three-year terms. The members of the advisory board shall serve
39 without compensation, but shall be reimbursed for travel expenses as
40 provided in RCW 43.03.050 and 43.03.060.

1 (b) The governor, when making appointments to the affordable
2 housing advisory board, shall make appointments that reflect the
3 cultural diversity of the state of Washington.

4 (3) The affordable housing advisory board shall serve as the
5 department's principal advisory body on housing and housing-related
6 issues, and replaces the department's existing boards and task forces
7 on housing and housing-related issues.

8 (4) The affordable housing advisory board shall meet regularly
9 and may appoint technical advisory committees, which may include
10 members of the affordable housing advisory board, as needed to
11 address specific issues and concerns.

12 (5) The department, in conjunction with the Washington state
13 housing finance commission and the department of social and health
14 services, shall supply such information and assistance as are deemed
15 necessary for the advisory board to carry out its duties under this
16 section.

17 (6) The department shall provide administrative and clerical
18 assistance to the affordable housing advisory board.

19 NEW SECTION. **Sec. 26.** (1) RCW 43.185.010, 43.185.030,
20 43.185.050, 43.185.070, 43.185.074, and 43.185.080 are each
21 recodified as sections in chapter 43.185A RCW.

22 (2) RCW 43.185.110 is recodified as a section in chapter 43.185B
23 RCW.

24 NEW SECTION. **Sec. 27.** The following acts or parts of acts are
25 each repealed:

26 (1) RCW 43.185.015 (Housing assistance program) and 1995 c 399 s
27 100 & 1991 c 356 s 2;

28 (2) RCW 43.185.020 (Definitions) and 2013 c 145 s 1, 2009 c 565 s
29 37, 1995 c 399 s 101, & 1986 c 298 s 3;

30 (3) RCW 43.185.060 (Eligible organizations) and 2019 c 325 s
31 5012, 2014 c 225 s 61, 1994 c 160 s 2, 1991 c 295 s 1, & 1986 c 298 s
32 7;

33 (4) RCW 43.185.076 (Low-income housing grants and loans—Approval
34 —License education programs) and 1988 c 286 s 3 & 1987 c 513 s 10;

35 (5) RCW 43.185.090 (Compliance monitoring) and 1986 c 298 s 10;

36 (6) RCW 43.185.100 (Rule-making authority) and 1987 c 513 s 2 &
37 1986 c 298 s 11;

- 1 (7) RCW 43.185.120 (Protection of state's interest) and 1991 c
2 356 s 7;
- 3 (8) RCW 43.185.130 (Application process—Distribution procedure)
4 and 2006 c 349 s 3;
- 5 (9) RCW 43.185.140 (Findings—Review of all housing properties—
6 Energy audits) and 2009 c 379 s 301;
- 7 (10) RCW 43.185.910 (Conflict with federal requirements—1991 c
8 356) and 1991 c 356 s 8;
- 9 (11) RCW 43.185A.030 (Activities eligible for assistance) and
10 2013 c 145 s 5 & 2011 1st sp.s. c 50 s 954;
- 11 (12) RCW 43.185A.050 (Grant and loan application process—Report)
12 and 2013 c 145 s 6, 2012 c 235 s 2, & 1991 c 356 s 14;
- 13 (13) RCW 43.185A.080 (Rules) and 1991 c 356 s 17;
- 14 (14) RCW 43.185A.090 (Application process—Distribution procedure)
15 and 2006 c 349 s 4;
- 16 (15) RCW 43.185A.100 (Housing programs and services—Review of
17 reporting requirements—Report to the legislature) and 2006 c 349 s
18 11;
- 19 (16) RCW 43.185A.110 (Affordable housing land acquisition
20 revolving loan fund program) and 2017 c 274 s 1, 2008 c 112 s 1, &
21 2007 c 428 s 2;
- 22 (17) RCW 43.185A.120 (Affordable housing and community facilities
23 rapid response loan program) and 2008 c 112 s 2; and
- 24 (18) RCW 43.185A.900 (Short title) and 1991 c 356 s 9."
- 25 Correct the title.

EFFECT: (1) Directs Commerce to prioritize at least 10 percent of the funding to organizations that serve and are governed by individuals disproportionately impacted by homelessness, including black, indigenous, and other people of color and lesbian, gay, bisexual, queer, transgender, and other gender-diverse individuals;

(2) Directs Commerce to collaborate with public entities that finance affordable housing, including the Housing Finance Commission, cities and counties in conducting joint application reviews and coordinating funding decisions in a timely manner;

(3) Moves the preference for projects that include an early learning facility to the list of application evaluation criteria;

(4) Directs Commerce to award funding to projects at a sufficient level to complete the financing package necessary for an applicant to move forward with the affordable housing project;

(5) Restricts Commerce from establishing a maximum per-applicant award; and

(6) Removes the section that declares it is in the public interest for Commerce to establish a continuously renewable resource known as the housing trust fund.

--- END ---