

1 NEW SECTION. **Sec. 6.** (1)(a) The legislature finds that
2 affordable housing, housing instability, and homelessness are
3 persistent and increasing problems throughout the state. Despite
4 significant increases in financial resources by the federal, state,
5 and local governments to address these problems, homelessness and the
6 risk of becoming homeless has worsened in Washington since the
7 legislature authorized the first homeless housing document recording
8 surcharge in 2005. The number of unsheltered homeless encampments in
9 greenbelts, under bridges, and on our streets is a visible reminder
10 that the current system is not working.

11 (b) The legislature finds that the COVID-19 pandemic has
12 exacerbated and shed new light on the state's homelessness problems
13 and forced communities and providers to reexamine the types and
14 delivery of housing and services to individuals and families who are
15 homeless or at risk of homelessness. As a result of the changing
16 conditions COVID-19 created, the federal government has provided an
17 infusion of funding for housing and services for homelessness
18 populations in its COVID-19 relief bills to pursue different
19 strategies to improve outcomes. Moreover, there are various proposals
20 to increase state funding to address housing insecurity and
21 homelessness, including this act to impose an additional document
22 recording fee to fund an eviction prevention rental assistance
23 program and other services to persons at risk or experiencing
24 homelessness.

25 (c) The legislature also finds that there are many causes of
26 homelessness and housing instability, including: (i) A shortage of
27 affordable housing; (ii) local land use planning and property
28 management policies that discourage the development of private sector
29 housing stock to serve low and extremely low-income households; (iii)
30 unemployment and lack of education and job skills to acquire an
31 adequate wage job; (iv) mental health, developmental, and physical
32 disabilities; (v) chemical and alcohol dependency; and (vi) family
33 instability and conflict. The legislature intends to provide for an
34 examination of the economic, social, and health causes of current and
35 expected patterns of housing instability and homelessness, and to
36 secure a common understanding of the contribution each has to the
37 current crisis. The legislature intends for this examination to
38 result in a widely accepted strategy for identifying how best to
39 address homelessness in ways that: (A) Address the root causes of the
40 problem; (B) clearly assign responsibilities of state and local

1 government to address those causes; (C) support local control and
2 provision of services at the local level to address specific
3 community needs, recognizing each community must play a part in the
4 solution; (D) respect property owner rights and encourage private
5 sector involvement in solutions and service; and (E) develop pathways
6 to permanent housing solutions and associated services to break the
7 cycle of housing insecurity and homelessness.

8 (2) (a) The department of commerce must contract with the William
9 D. Ruckelshaus center to conduct an examination of trends affecting,
10 and policies guiding, the housing and services provided to
11 individuals and families who are or at risk of homelessness in
12 Washington. The center must also facilitate meetings and discussions
13 to develop and implement a long-term strategy to improve services and
14 outcomes for persons at risk or experiencing homelessness and develop
15 pathways to permanent housing solutions.

16 (b) In fulfilling the requirements of this section, the center
17 must work and consult with (i) willing participants representing
18 tribal and local governments, local providers of housing and services
19 for homeless populations, advocates and stakeholders representing the
20 interests of homeless populations, mental health and substance abuse
21 professionals, representatives of the business community and other
22 organizations, and other representatives the center determines is a
23 necessary participant to examine these issues; (ii) a group of
24 legislators consisting of one member from each of the two largest
25 caucuses in the senate and in the house of representatives appointed
26 by the president of the senate and the speaker of the house of
27 representatives, respectively; and (iii) three representatives of the
28 executive branch appointed by the governor.

29 (c) (i) The center must conduct fact-finding and stakeholder
30 discussions with participants identified in (b) of this subsection.
31 These discussions must identify stakeholder concerns, barriers,
32 opportunities, and desired principles for a long-term strategy to
33 improve the outcomes and services for persons at risk or experiencing
34 homelessness and develop pathways to permanent housing solutions.

35 (ii) The center must conduct fact-finding and stakeholder
36 discussions with participants identified in (b) of this subsection to
37 identify root causes of housing instability and homelessness within
38 Washington state. This fact-finding should address root causes
39 demographically within subpopulations of persons at risk or
40 experiencing homelessness such as veterans and persons suffering from

1 mental health or substance abuse issues. The fact-finding should also
2 address root causes that may differ geographically or regionally. The
3 fact-finding must identify existing statutory and regulatory issues
4 that impede efforts to address root causes of housing instability and
5 homelessness within Washington state.

6 (iii) The center must issue two reports of its fact-finding
7 efforts and stakeholder discussions to the governor and the
8 appropriate committees of the house of representatives and the
9 senate. One report on the subjects covered in (c)(i) of this
10 subsection is due December 1, 2021, and one on the subjects covered
11 in (c)(ii) of this subsection is due December 1, 2022.

12 (d) The center must facilitate discussions between the
13 stakeholders identified in this subsection (2) for the purposes of
14 identifying options and recommendations to develop and implement a
15 long-term strategy to improve the outcomes and service for persons at
16 risk or experiencing homelessness and develop pathways to permanent
17 housing solutions, including the manner and amount in which the state
18 funds homelessness housing and services and performance measures that
19 must be achieved to receive state funding. A report on this effort is
20 due to the governor and the appropriate committees of the house of
21 representatives and the senate by December 1, 2023.

22 **Sec. 7.** RCW 36.22.178 and 2019 c 136 s 1 are each amended to
23 read as follows:

24 The surcharge provided for in this section shall be named the
25 affordable housing for all surcharge.

26 (1) Except as provided in subsection (3) of this section, a
27 surcharge of thirteen dollars per instrument shall be charged by the
28 county auditor for each document recorded, which will be in addition
29 to any other charge authorized by law. The county may retain up to
30 five percent of these funds collected solely for the collection,
31 administration, and local distribution of these funds. Of the
32 remaining funds, forty percent of the revenue generated through this
33 surcharge will be transmitted monthly to the state treasurer who will
34 deposit: (a) The portion of the funds attributable to ten dollars of
35 the surcharge into the affordable housing for all account created in
36 RCW 43.185C.190. The department of commerce must use these funds to
37 provide housing and shelter for extremely low-income households,
38 including but not limited to housing for victims of human trafficking
39 and their families and grants for building operation and maintenance