

SENATE BILL REPORT

SHB 1747

AS OF MARCH 26, 1991

Brief Description: Creating the homelessness prevention program.

SPONSORS: House Committee on Appropriations (originally sponsored by Representatives Jones, Bowman, Basich, Hargrove, Sheldon, Holland, Riley, Nelson, Valle and Wineberry).

HOUSE COMMITTEE ON HOUSING

HOUSE COMMITTEE ON APPROPRIATIONS

SENATE COMMITTEE ON COMMERCE & LABOR

Staff: Patrick Woods (786-7430)

Hearing Dates: March 27, 1991

BACKGROUND:

The homeless population has increased throughout the state. A recent survey conducted by the University of Washington for the state Department of Community Development found that a significant amount of homelessness is a result of a sudden job loss or other economic adversity. It has been determined that numerous homeless individuals only needed temporary housing assistance until a new job was found or the economic crisis was addressed.

In 1990, the Legislature provided \$200,000 to the Department of Community Development to develop a Homelessness Prevention Pilot Program. The purpose of the program is to demonstrate the effectiveness of timely intervention and coordinated community support in preventing homelessness. With additional funds the department made grants totalling \$360,000 to community organizations in Seattle, Spokane, Aberdeen and Moses Lake. The funds are to be used to intervene with families who are in danger of eviction or foreclosure due to temporary financial problems beyond their control by providing temporary financial assistance and support services which will prevent eviction or foreclosure.

SUMMARY:

The Homelessness Prevention Program is created in the Department of Community Development (DCD). The department is directed to select at least five eligible organizations to implement homelessness prevention programs at a local level. Grants and technical assistance are made available to eligible organizations to implement local homelessness prevention programs. Eligible organizations are defined as local

governments, nonprofit organizations, and public housing authorities.

The assistance through the state's program must be used to provide: (a) interest-free loans for temporary rental or mortgage assistance to families with children in immediate danger of losing their housing as a result of insufficient income to pay housing costs; (b) interest free loans to make payments on machinery or equipment that is essential to the household's livelihood; or (c) technical assistance to eligible organizations to develop and implement local strategies to prevent homelessness.

In selecting eligible organizations for participation in the homelessness prevention program, the department is required to give priority to timber-dependent communities. In the review of applications for local programs, the department must consider: (a) the organization's ability, stability, and resources to implement the local program; (b) the organization's efforts to coordinate necessary support programs for families with children; and (c) the area's rate of timber-related unemployment.

Organizations selected to participate in the Homelessness Prevention Program are required to establish program assistance priorities and determine a family's eligibility to participate in the program. The determination of eligibility must include a finding that the family is subject to an eviction due to nonpayment of rent or foreclosure for nonpayment of mortgage installments. This determination must be based on illness, unemployment, underemployment, or any other failure of resources beyond the person's control. Participating organizations must also verify the loss of income and determine that the family does not have adequate resources to make the required housing payment. A family may not continue to receive assistance through the local homelessness prevention program if other federal, state, or local rental or mortgage assistance becomes available.

The department is required to adopt rules to implement the Homelessness Prevention Program. The rules must include but are not limited to: (1) the maximum length of available assistance to families with children; (2) the eligibility and application process for eligible organizations ; (3) the criteria to award grants and technical assistance to eligible organizations; and (4) the criteria eligible organizations must use when entering into contracts with families with children to make mortgage or rental assistance payments on their behalf.

Appropriation: none

Revenue: none

Fiscal Note: available