

# SENATE BILL REPORT

## SHB 2459

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As Reported By Senate Committee On:  
Financial Institutions, Insurance & Housing, February 25, 1998

**Title:** An act relating to public housing authorities in jurisdictions with populations over four hundred thousand.

**Brief Description:** Regulating public housing authorities in large jurisdictions.

**Sponsors:** House Committee on Trade & Economic Development (originally sponsored by Representatives Veloria, Van Luven, Butler, Cody, Mason, Conway, McDonald, Kenney, Kastama, Dickerson and Keiser).

**Brief History:**

**Committee Activity:** Financial Institutions, Insurance & Housing: 2/25/98 [DPA].

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### SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, INSURANCE & HOUSING

**Majority Report:** Do pass as amended.

Signed by Senators Winsley, Chair; Benton, Vice Chair; Finkbeiner, Hale, Heavey, Kline and Prentice.

**Staff:** Joanne Conrad (786-7472)

**Background:** Under existing law, commissioners are appointed to serve on city and county housing authorities. Five commissioners serve for a term of five years. They receive no compensation, except for necessary expenses, including travel expenses. Three commissioners constitute a quorum.

**Summary of Amended Bill:** For cities with populations over 400,000, the housing authority is expanded from five to seven commissioners. Two commissioners must be tenants in a housing project owned by the housing authority. They are not precluded from serving or acting as commissioners.

Commissioners serve for four-year terms, and may be reappointed only upon review and approval by the city council. Four commissioners constitute a quorum.

Self-dealing and conflicts of interest are prohibited. Commissioners (appointees and employees) cannot have an interest in any contract or property that is, or appears to be, in conflict with their duties. They cannot secure, or appear to secure, unwarranted privileges due to their position with the authority. They must maintain independent unprejudiced judgment, and cannot use their position for financial gain.

Housing authority commissioners (appointees and employees) cannot act on matters in which they have direct or indirect "financial or personal involvement." They must disclose in writing any direct or indirect interests in housing project properties subject to action by the

authority, and avoid participation in actions affecting such properties. Failure to disclose is misconduct in office.

**Amended Bill Compared to Substitute Bill:** The term of office is changed to four years. A requirement for public hearing is replaced with a review and approval by city council. Language specifying that public housing authority tenants may serve and act as commissioners, employees or appointees is clarified.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** The bill is needed to improve accountability and responsiveness, and to prevent conflicts of interest.

**Testimony Against:** Unless amended, the bill may not allow active representation by tenants on the commission.

**Testified:** PRO: Representative Veloria, prime sponsor; Maureen Bo, OPEIU, Local O; Susan Crowley, City of Seattle; John Fox, Seattle Displacement Coalition; CON: Bill Block, Seattle Housing Authority; Sybil Bailey, SHA resident; Joyce Taylor, SHA resident; Judy Fay, SHA resident; Marnie Jackson, SSHP resident.