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HOUSE BILL 2270

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State of Washington

68th Legislature

2024 Regular Session

By Representatives Morgan, Macri, Peterson, Gregerson, Ryu, Reeves, Callan, Bateman, Ormsby, Street, Cortes, Ramel, Kloba, Wylie, Fey, Leavitt, Donaghy, Thai, Goodman, Mena, Taylor, Duerr, Riccelli, Berry, Reed, Santos, Entenman, Ortiz-Self, Simmons, Bergquist, Stonier, Fosse, Timmons, Chapman, Stearns, Nance, Chopp, Shavers, Slatter, Doglio, Pollet, Tharinger, Walen, Bronoske, Orwall, and Fitzgibbon

1 AN ACT Relating to creating a Washington state department of  
2 housing; creating new sections; and providing an expiration date.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that affordable  
5 housing and homelessness have reached an unprecedented crisis level  
6 in Washington state. These issues are not isolated to any one part of  
7 our state, rather they are challenges being faced by every community  
8 across the state.

9 The legislature finds that in response to these challenges, the  
10 state has expanded the scope and authority of the department of  
11 commerce, which has diligently worked to introduce and grow programs  
12 to increase housing supply, incentivize and manage development,  
13 provide rental assistance, support housing providers, and shelter  
14 residents. The state recognizes and thanks the department for their  
15 efforts and commitment to Washington's residents.

16 As the crisis continues, the legislature finds a need for a more  
17 holistic approach to housing and homelessness issues and better  
18 alignment of state policies across agencies and in partnership with  
19 local jurisdictions and community-based programs.

20 Therefore, the legislature intends to establish a new state  
21 department of housing that will focus solely on housing and

1 homelessness issues and bring together state programs that currently  
2 span multiple agencies and partners. The legislature also intends to  
3 engage a professional consultant to help facilitate the transition of  
4 programs and identify gaps that may be filled by the new department.  
5 The legislature further intends to launch the department by July 2025  
6 to reflect the urgency of the crisis and the state's continued role  
7 as a leader in the nation.

8 NEW SECTION. **Sec. 2.** (1) The office of financial management  
9 must contract with an external consultant to study and help  
10 facilitate the transition of state housing programs to a new state  
11 agency and identify gaps in current state housing programs. The study  
12 must include a review and recommendations on the following issues:

13 (a) A clear mission and vision for the new department;

14 (b) The organizational structure for the new department,  
15 including which agencies, administrations, commissions, or other  
16 functions of state government should be included, and identification  
17 of the reasons why a specific housing function or program is not  
18 recommended for inclusion, if any;

19 (c) Any gaps in existing rental, transitional housing, senior  
20 housing, homelessness, homeownership, and manufactured housing  
21 programs provided by the state including, but not limited to:

22 (i) The feasibility of the state developing its own housing  
23 portfolio and partnering with public housing authorities to operate  
24 state housing stock;

25 (ii) The need for a state eviction prevention office;

26 (iii) The need for emergency housing in response to natural  
27 disasters;

28 (iv) The need for an educational program for renters and  
29 landlords;

30 (v) How landlords can be held accountable for repairs to rental  
31 housing, including the efficacy of renters using escrow accounts as  
32 allowed under RCW 59.18.115;

33 (vi) How the state may assist counties in providing mandatory  
34 mitigation sites if the number of homeless people increase within  
35 their jurisdiction based on the annual homeless census conducted  
36 under RCW 43.185C.030; and

37 (vii) How the state may subsidize housing choice vouchers issued  
38 under 42 U.S.C. Sec. 1437(f) when fair market rents calculated by the

1 United States department of housing and urban development do not keep  
2 pace with rent;

3 (d) Estimated costs for the reorganization, including information  
4 technology and capital, and potential funding sources;

5 (e) A clear process for managing the reorganization; and

6 (f) Measurable benchmarks by which the effectiveness of the new  
7 department would be assessed.

8 (2) As part of the review, the external consultant must engage  
9 with and seek recommendations from the following:

10 (a) The office of the governor;

11 (b) The department of commerce;

12 (c) The department of social and health services;

13 (d) The health care authority;

14 (e) The office of equity;

15 (f) The office of the state treasurer;

16 (g) The office of the attorney general;

17 (h) The housing finance commission;

18 (i) The office of civil legal aid;

19 (j) The administrative office of the courts;

20 (k) The nonprofit housing development industry;

21 (l) An organization that represents tenants;

22 (m) Homeless shelter operators;

23 (n) Representatives of low-income persons;

24 (o) Representatives of special needs populations;

25 (p) Public housing authorities as created under chapter 35.82  
26 RCW;

27 (q) The for-profit housing development industry;

28 (r) For-profit rental housing owners;

29 (s) The Washington state association of counties; and

30 (t) The association of Washington cities.

31 (3) The contract must require the external consultant to submit a  
32 report with its findings and recommendations to the governor and the  
33 appropriate committees of the legislature by December 1, 2024.

34 (4) This section expires September 30, 2025.

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