

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5413 SB	<b>Title:</b> Housing for essential needs
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## Estimated Cash Receipts

NONE

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Social and Health Services	Fiscal note not available											
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

## Estimated Capital Budget Breakout

NONE

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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5413 SB	<b>Title:</b> Housing for essential needs	<b>Agency:</b> 103-Department of Commerce
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Operating Expenditures from:**

NONE

**Estimated Capital Budget Impact:**

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

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Agency Preparation: Tedd Kelleher	Phone: 360-725-2930	Date: 01/26/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 01/26/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/27/2023

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

Section 1 amends RCW 43.185C.220 as follows:

Section 1(1) states households receiving housing support would be guaranteed a minimum of 12 months of rent assistance after being deemed eligible by the Department of Social and Health Services (DSHS) and the local housing provider.

Section 1(3) removes the requirement that people experiencing homelessness or at risk of homelessness be prioritized for assistance.

Section 1(4) explicitly allows Housing and Essential Needs (HEN) providers to serve people who move outside of their service area, and transfer assistance for an individual between HEN providers.

Section 1(5) increases the administrative limit for local housing providers from 7% to 11%.

Section 1(6) requires that information collected by HEN providers be shared with DSHS as needed to administer the HEN program.

Section 2 amends RCW 74.04.805 requiring DSHS eligibility authorizations be effective for 12 months. It also requires that information collected by DSHS be shared with HEN providers as needed to administer the HEN program.

Section 3(1) amends RCW 74.62.030 requiring the requirement that DSHS recapture costs of the aged, blind and disabled program by deducting funds from federal disability cash assistance that would otherwise be paid to enrollees.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

The HEN program is explicitly not an entitlement program, and therefore the proposed changes would not have a fiscal impact on the Department of Commerce (department). People who are eligible for services are currently turned away because funding is not enough to house all eligible people, and under the proposed changes additional people would be turned away at current appropriation levels due to the expansion in number of months of housing provided (Section 1(1)) and the increase in housing provider admin. rate (Section 1(5)).

The proposed requirements to increase data sharing (Sections 2(2) and 2(9)) and support portability of benefits between jurisdictions (Section 1(4)) would not meaningfully increase the department's administrative costs.

For illustrative purposes, to prevent a reduction in the number of people housed under this proposal in SFY 2024 would require an additional \$36.4 million (in addition to the current annual funding level of \$65 million per year; total needed to prevent reduction in people housed each year: \$101.4 million).

Assumptions:

Under current law in SFY 2024 an estimated 8,700 people will be housed at the current appropriation level of \$65 million, average monthly enrollment of 5,800 people receiving housing, receiving an average of eight months of housing assistance, costing an average of \$934 per person housed per month (all costs).

Under the proposal in SFY 2024 to serve 8,700 people per year, would increase the average monthly enrollment to 8,700 people receiving housing, each person receiving an average of 12 months of housing assistance, increasing the average per person per month cost to \$971 (all costs, including the housing provider admin. increase). Total annual cost \$101.4 million.

### **Part III: Expenditure Detail**

#### **III. A - Operating Budget Expenditures**

NONE

#### **III. B - Expenditures by Object Or Purpose**

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

#### **III. D - Expenditures By Program (optional)**

NONE

### **Part IV: Capital Budget Impact**

#### **IV. A - Capital Budget Expenditures**

NONE

#### **IV. B - Expenditures by Object Or Purpose**

NONE

#### **IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

### **Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*