

# COMMUNITY REINVESTMENT WORK GROUP

**FEBRUARY 17<sup>TH</sup> MEETING**

# LEGISLATIVE UPDATES

- **HB 1827** - Community Reinvestment Account and Program

- \*These slides are available at the Task Force Website. You can then click on the bill number on the slide to go to the Washington State Legislature website to see updates on the bill as it moves through the Senate.

# **HB 1827 - EXPENDITURES MAY ONLY BE MADE BY THE DEPARTMENT OF COMMERCE FOR:**

- (a)** Economic development, which includes addressing wealth disparities to promote asset building such as home ownership and expanding access to financial resources including, but not limited to, grants and loans for small businesses and entrepreneurs, financial literacy training, and other small business training and support activities;
- (b)** Civil and criminal legal assistance to provide postconviction relief and case assistance, including the expungement of criminal records and vacation of criminal convictions;
- (c)** Community-based violence intervention and prevention services; and
- (d)** Reentry services to facilitate successful transitions for persons formerly incarcerated in an adult correctional facility or juvenile residential facility in Washington.

# PHASE ONE & TWO OF IMPLEMENTATION

- **PHASE ONE:** Until June 30, 2024, the department of commerce shall distribute money using existing programs and networks. Where possible, the department of commerce shall distribute funds in existing programs and networks that invest in people and communities intended to be reached by this act.
- **PHASE TWO:** After June 30, 2024, the department of commerce shall distribute funds according to the recommendations of the community reinvestment plan developed under section 3 of this act.



# **DEPARTMENT OF COMMERCE COMMUNITY REINVESTMENT PLAN**

## **The plan must include:**

- criteria for eligible communities and programs,
- development of accountability measures to ensure that distribution and use of funding meets intended purposes,
- and tracking of outcomes for the funds.

# DEPARTMENT OF COMMERCE COMMUNITY REINVESTMENT PLAN

**At a minimum, the plan must address how the community reinvestment account funding will:**

- (a)** Produce significant long-term economic benefits to the state, a region of the state, or a particular community in the state;
- (b)** Result in significant long-term economic benefits in the form of new jobs, job retention, increased personal wealth, or higher incomes for citizens of the state or a particular community in the state; and
- (c)** Ensure that:
  - (i)** Projects or programs do not require continuing state support;
  - (ii)** An expenditure will not supplant private investment;
  - (iii)** An expenditure is accompanied by additional public or private investment; and
  - (iv)** Nonprofit, faith-based, and grassroots organizations are prioritized for funding.

# DEPARTMENT OF COMMERCE COMMUNITY REINVESTMENT PLAN

(3) In developing the plan, the department is encouraged to incorporate existing and ongoing work from relevant task forces and work groups including, but not limited to, the social equity in cannabis task force, the reentry council, and the homeownership disparities work group.

(4) The department shall submit a report to the governor and relevant committees of the legislature by December 1, 2023, that includes a summary of spending in phase one of implementation and the community reinvestment plan.

(5) The office of equity must review the plan.

(6) The department shall use the plan to guide the distribution of funds in phase two of implementation. The department must review and update the plan every 10 years



# **DISCUSSION:**

**DISTRIBUTION OF FUNDS WITHIN THE  
COMMUNITY REINVESTMENT  
ACCOUNT & ELIGIBILITY CRITERIA**