

# HOUSE BILL REPORT

## HB 1725

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### As Passed House:

March 8, 1995

**Title:** An act relating to housing authorities.

**Brief Description:** Regulating housing authorities.

**Sponsors:** Representatives Brumsickle, Wolfe and Conway.

### Brief History:

#### Committee Activity:

Government Operations: 2/22/95, 2/28/95 [DP].

#### Floor Activity:

Passed House: 3/8/95, 87-11.

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## HOUSE COMMITTEE ON GOVERNMENT OPERATIONS

**Majority Report:** Do pass. Signed by 15 members: Representatives Reams, Chairman; Goldsmith, Vice Chairman; L. Thomas, Vice Chairman; Rust, Ranking Minority Member; Scott, Assistant Ranking Minority Member; Chopp; R. Fisher; Hargrove; Honeyford; Hymes; Mulliken; D. Schmidt; Sommers; Van Luven and Wolfe.

**Staff:** Bonnie Austin (786-7135).

**Background:** The governing body of any city or county may, by resolution, establish a housing authority. Every housing authority has five housing commissioners, appointed by the mayor of the city or the governing body of the county establishing the authority. Commissioners generally serve five year terms. They do not receive a salary, but are compensated for travel and other expenses incurred. Under current law, housing authority commissioners may not be officers or employees of the city or county for which the authority was created.

Housing authorities may issue bonds to finance their activities. These bonds may be secured by a pledge of any grant or contributions from the federal government or other source, a pledge of any income or revenues of the authority, or a mortgage of any housing project or property of the authority. Under current law, the resolution or other instrument by which a pledge is created must be filed or recorded.

**Summary of Bill:** In counties with a population of less than 175,000 where total government employment exceeds 40 percent of total employment, a housing authority commissioner may be an employee of a separately elected county official, other than the governing body, of the county for which the housing authority is created.

The requirement that pledges made to secure housing authority bonds be filed or recorded is repealed.

**Appropriation:** None.

**Fiscal Note:** Not Requested.

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

**Testimony For:** In smaller counties that have high levels of government employment, there is a smaller pool of nongovernment people to choose from to serve as housing commissioners. Employees of separately elected county officials should be allowed to be housing commissioners unless they are employees of the county governing body. This classification currently includes Garfield, Lincoln, Pend Oreille, Thurston, Skamania, and Whitman counties.

The requirement to file or record resolutions pledging security for housing bonds is redundant, unnecessary regulation. Deeds of trust must already be filed with the Department of Licensing under the UCC and recorded with the county auditor. There is no legal effect to filing revenue pledges, because the relevant portion of the UCC does not apply to municipalities. No other Washington municipalities are subject to this filing requirement.

**Testimony Against:** None.

**Testified:** Chris Lowell, Thurston County Housing Authority; and Kurt Creager, Vancouver Housing Authority.