
SENATE BILL 5225

State of Washington

58th Legislature

2003 Regular Session

By Senators Benton, Prentice, Zarelli and Esser

Read first time 01/20/2003. Referred to Committee on Financial Services, Insurance & Housing.

1 AN ACT Relating to providing rent vouchers for low-income persons
2 to pay for rent and security deposits; amending RCW 36.22.178; and
3 creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature recognizes housing
6 affordability has become a significant problem for a large portion of
7 society in many parts of the state in recent years. To address this
8 problem, there is a need to allocate funding from the surcharge of ten
9 dollars per instrument charged by the county auditor for each document
10 recorded as established under RCW 36.22.178, to provide low-income
11 persons with rent vouchers to pay for permanent, multifamily and
12 single-family, for-profit, rental housing not supported in any manner
13 by government funding.

14 **Sec. 2.** RCW 36.22.178 and 2002 c 294 s 2 are each amended to read
15 as follows:

16 (1) Except as provided in subsection (~~((2))~~) (3) of this section,
17 a surcharge of ten dollars per instrument shall be charged by the
18 county auditor for each document recorded, which will be in addition to

1 any other charge authorized by law. The auditor may retain up to five
2 percent of these funds collected to administer the collection of these
3 funds. Of the remaining funds, forty percent of the revenue generated
4 through this surcharge will be transmitted monthly to the state
5 treasurer who will deposit the funds into the Washington housing trust
6 account. The office of community development of the department of
7 community, trade, and economic development will develop guidelines for
8 the use of these funds to support building operation and maintenance
9 costs of housing projects or units within housing projects that are
10 affordable to extremely low-income persons with incomes at or below
11 thirty percent of the area median income, and that require a supplement
12 to rent income to cover ongoing operating expenses.

13 (2) Sixty percent of the revenue generated by this surcharge will
14 be retained by the county and be deposited into a fund that must be
15 used by the county and its cities and towns for housing projects or
16 units within housing projects that are affordable to very low-income
17 persons with incomes at or below fifty percent of the area median
18 income. The portion of the surcharge retained by a county shall be
19 allocated to very low-income housing projects or units within such
20 housing projects in the county and the cities within a county according
21 to an interlocal agreement between the county and the cities within the
22 county, consistent with countywide and local housing needs and
23 policies. The funds generated with this surcharge shall not be used
24 for construction of new housing if at any time the vacancy rate for
25 available low-income housing within the county rises above (~~ten~~)
26 seven percent. The vacancy rate for each county shall be developed
27 using the state low-income vacancy rate standard developed under
28 subsection (~~(+3)~~) (4) of this section. Permissible uses of these
29 local funds are limited to:

30 (a) Acquisition, construction, or rehabilitation of housing
31 projects or units within housing projects that are affordable to very
32 low-income persons with incomes at or below fifty percent of the area
33 median income;

34 (b) Supporting building operation and maintenance costs of housing
35 projects or units within housing projects built with housing trust
36 funds, that are affordable to very low-income persons with incomes at
37 or below fifty percent of the area median income, and that require a
38 supplement to rent income to cover ongoing operating expenses;

1 (c) Rental assistance vouchers for housing projects or units within
2 housing projects that are affordable to very low-income persons with
3 incomes at or below fifty percent of the area median income, to be
4 administered by a local public housing authority or other local
5 organization that has an existing rental assistance voucher program,
6 consistent with the United States department of housing and urban
7 development's section 8 rental assistance voucher program standards;
8 (~~and~~)

9 (d) Rental assistance for payment of first and last month's rent
10 and security and other deposits required by a landlord for housing that
11 is affordable to very low-income persons with incomes at or below fifty
12 percent of the area median income; and

13 (e) Operating costs for emergency shelters and licensed overnight
14 youth shelters.

15 ((+2)) (3) The surcharge imposed in this section does not apply to
16 assignments or substitutions of previously recorded deeds of trust.

17 ((+3)) (4) The real estate research center at Washington State
18 University shall develop a vacancy rate standard for low-income housing
19 in the state as described in RCW 18.85.540(1)(i).

--- END ---