

**E2SHB 1359** - S AMD 601

By Senators Weinstein, Fraser

ADOPTED 04/20/2007

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 36.22.178 and 2005 c 484 s 18 are each amended to  
4 read as follows:

5 The surcharge provided for in this section shall be named the  
6 affordable housing for all surcharge.

7 (1) Except as provided in subsection (~~((2))~~) (3) of this section,  
8 a surcharge of ten dollars per instrument shall be charged by the  
9 county auditor for each document recorded, which will be in addition to  
10 any other charge authorized by law. The county may retain up to five  
11 percent of these funds collected solely for the collection,  
12 administration, and local distribution of these funds. Of the  
13 remaining funds, forty percent of the revenue generated through this  
14 surcharge will be transmitted monthly to the state treasurer who will  
15 deposit the funds into the (~~(Washington housing trust account)~~)  
16 affordable housing for all account created in section 2 of this act.  
17 (~~(The office of community development of the department of community,~~  
18 ~~trade, and economic development will develop guidelines for the use of~~  
19 ~~these funds to support)~~) The department of community, trade, and  
20 economic development must use these funds to provide housing and  
21 shelter for extremely low-income households, including but not limited  
22 to grants for building operation and maintenance costs of housing  
23 projects or units within housing projects that are affordable to  
24 extremely low-income (~~(persons)~~) households with incomes at or below  
25 thirty percent of the area median income, and that require a supplement  
26 to rent income to cover ongoing operating expenses.

27 (2) All of the remaining funds generated by this surcharge will be  
28 retained by the county and be deposited into a fund that must be used  
29 by the county and its cities and towns for eligible housing (~~(projects~~  
30 ~~or units within housing projects that are affordable to)~~) activities as

1 described in this subsection that serve very low-income (~~persons~~)  
2 households with incomes at or below fifty percent of the area median  
3 income. The portion of the surcharge retained by a county shall be  
4 allocated to eligible housing activities that serve extremely low and  
5 very low-income (~~housing projects or units within such housing~~  
6 ~~projects~~) households in the county and the cities within a county  
7 according to an interlocal agreement between the county and the cities  
8 within the county consistent with countywide and local housing needs  
9 and policies. (~~The funds generated with this surcharge shall not be~~  
10 ~~used for construction of new housing if at any time the vacancy rate~~  
11 ~~for available low income housing within the county rises above ten~~  
12 ~~percent. The vacancy rate for each county shall be developed using the~~  
13 ~~state low income vacancy rate standard developed under subsection (3)~~  
14 ~~of this section. Uses of~~) A priority must be given to eligible  
15 housing activities that serve extremely low-income households with  
16 incomes at or below thirty percent of the area median income. Eligible  
17 housing activities to be funded by these (~~local~~) county funds are  
18 limited to:

19 (a) Acquisition, construction, or rehabilitation of housing  
20 projects or units within housing projects that are affordable to very  
21 low-income (~~persons~~) households with incomes at or below fifty  
22 percent of the area median income, including units for homeownership,  
23 rental units, seasonal and permanent farm worker housing units, and  
24 single room occupancy units;

25 (b) Supporting building operation and maintenance costs of housing  
26 projects or units within housing projects eligible to receive housing  
27 trust funds, that are affordable to very low-income (~~persons~~)  
28 households with incomes at or below fifty percent of the area median  
29 income, and that require a supplement to rent income to cover ongoing  
30 operating expenses;

31 (c) Rental assistance vouchers for housing (~~projects or~~) units  
32 (~~within housing projects~~) that are affordable to very low-income  
33 (~~persons~~) households with incomes at or below fifty percent of the  
34 area median income, to be administered by a local public housing  
35 authority or other local organization that has an existing rental  
36 assistance voucher program, consistent with or similar to the United  
37 States department of housing and urban development's section 8 rental  
38 assistance voucher program standards; and

1 (d) Operating costs for emergency shelters and licensed overnight  
2 youth shelters.

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

5 ~~((3) The real estate research center at Washington State  
6 University shall develop a vacancy rate standard for low income housing  
7 in the state as described in RCW 18.85.540(1)(i)).~~

8 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.185C  
9 RCW to read as follows:

10 The affordable housing for all account is created in the state  
11 treasury, subject to appropriation. The state's portion of the  
12 surcharges established in RCW 36.22.178 shall be deposited in the  
13 account. Expenditures from the account may only be used for affordable  
14 housing programs.

15 **Sec. 3.** RCW 43.185C.010 and 2006 c 349 s 6 are each amended to  
16 read as follows:

17 The definitions in this section apply throughout this chapter  
18 unless the context clearly requires otherwise.

19 (1) "Department" means the department of community, trade, and  
20 economic development.

21 (2) "Director" means the director of the department of community,  
22 trade, and economic development.

23 (3) "Homeless person" means an individual living outside or in a  
24 building not meant for human habitation or which they have no legal  
25 right to occupy, in an emergency shelter, or in a temporary housing  
26 program which may include a transitional and supportive housing program  
27 if habitation time limits exist. This definition includes substance  
28 abusers, ~~((mentally ill))~~ people with mental illness, and sex offenders  
29 who are homeless.

30 (4) "Washington homeless census" means an annual statewide census  
31 conducted as a collaborative effort by towns, cities, counties,  
32 community-based organizations, and state agencies, with the technical  
33 support and coordination of the department, to count and collect data  
34 on all homeless individuals in Washington.

35 (5) ~~((Homeless housing))~~ Home security fund account" means the  
36 state treasury account receiving the state's portion of income from

1 revenue from the sources established by RCW 36.22.179, section 5 of  
2 this act, and all other sources directed to the homeless housing and  
3 assistance program.

4 (6) "Homeless housing grant program" means the vehicle by which  
5 competitive grants are awarded by the department, utilizing moneys from  
6 the homeless housing account, to local governments for programs  
7 directly related to housing homeless individuals and families,  
8 addressing the root causes of homelessness, preventing homelessness,  
9 collecting data on homeless individuals, and other efforts directly  
10 related to housing homeless persons.

11 (7) "Local government" means a county government in the state of  
12 Washington or a city government, if the legislative authority of the  
13 city affirmatively elects to accept the responsibility for housing  
14 homeless persons within its borders.

15 (8) "Housing continuum" means the progression of individuals along  
16 a housing-focused continuum with homelessness at one end and  
17 homeownership at the other.

18 (9) "Local homeless housing task force" means a voluntary local  
19 committee created to advise a local government on the creation of a  
20 local homeless housing plan and participate in a local homeless housing  
21 program. It must include a representative of the county, a  
22 representative of the largest city located within the county, at least  
23 one homeless or formerly homeless person, such other members as may be  
24 required to maintain eligibility for federal funding related to housing  
25 programs and services and if feasible, a representative of a private  
26 nonprofit organization with experience in low-income housing.

27 (10) "Long-term private or public housing" means subsidized and  
28 unsubsidized rental or owner-occupied housing in which there is no  
29 established time limit for habitation of less than two years.

30 (11) "Interagency council on homelessness" means a committee  
31 appointed by the governor and consisting of, at least, policy level  
32 representatives of the following entities: (a) The department of  
33 community, trade, and economic development; (b) the department of  
34 corrections; (c) the department of social and health services; (d) the  
35 department of veterans affairs; and (e) the department of health.

36 (12) "Performance measurement" means the process of comparing  
37 specific measures of success against ultimate and interim goals.

1 (13) "Community action agency" means a nonprofit private or public  
2 organization established under the economic opportunity act of 1964.

3 (14) "Housing authority" means any of the public corporations  
4 created by chapter 35.82 RCW.

5 (15) "Homeless housing program" means the program authorized under  
6 this chapter as administered by the department at the state level and  
7 by the local government or its designated subcontractor at the local  
8 level.

9 (16) "Homeless housing plan" means the ten-year plan developed by  
10 the county or other local government to address housing for homeless  
11 persons.

12 (17) "Homeless housing strategic plan" means the ten-year plan  
13 developed by the department, in consultation with the interagency  
14 council on homelessness and the affordable housing advisory board.

15 (18) "Washington homeless client management information system"  
16 means a data base of information about homeless individuals in the  
17 state used to coordinate resources to assist homeless clients to obtain  
18 and retain housing and reach greater levels of self-sufficiency or  
19 economic independence when appropriate, depending upon their individual  
20 situations.

21 **Sec. 4.** RCW 36.22.179 and 2005 c 484 s 9 are each amended to read  
22 as follows:

23 (1) In addition to the surcharge authorized in RCW 36.22.178, and  
24 except as provided in subsection (2) of this section, an additional  
25 surcharge of ten dollars shall be charged by the county auditor for  
26 each document recorded, which will be in addition to any other charge  
27 allowed by law. The funds collected pursuant to this section are to be  
28 distributed and used as follows:

29 (a) The auditor shall retain two percent for collection of the fee,  
30 and of the remainder shall remit sixty percent to the county to be  
31 deposited into a fund that must be used by the county and its cities  
32 and towns to accomplish the purposes of this chapter (~~484, Laws of~~  
33 ~~2005~~), six percent of which may be used by the county for  
34 administrative costs related to its homeless housing plan, and the  
35 remainder for programs which directly accomplish the goals of the  
36 county's local homeless housing plan, except that for each city in the  
37 county which elects as authorized in RCW 43.185C.080 to operate its own

1 local homeless housing program, a percentage of the surcharge assessed  
2 under this section equal to the percentage of the city's local portion  
3 of the real estate excise tax collected by the county shall be  
4 transmitted at least quarterly to the city treasurer, without any  
5 deduction for county administrative costs, for use by the city for  
6 program costs which directly contribute to the goals of the city's  
7 local homeless housing plan; of the funds received by the city, it may  
8 use six percent for administrative costs for its homeless housing  
9 program.

10 (b) The auditor shall remit the remaining funds to the state  
11 treasurer for deposit in the (~~homeless housing~~) home security fund  
12 account. The department may use twelve and one-half percent of this  
13 amount for administration of the program established in RCW  
14 43.185C.020, including the costs of creating the statewide homeless  
15 housing strategic plan, measuring performance, providing technical  
16 assistance to local governments, and managing the homeless housing  
17 grant program. The remaining eighty-seven and one-half percent is to  
18 be (~~distributed by the department to local governments through the~~  
19 ~~homeless housing grant program~~) used by the department to:

20 (i) Provide housing and shelter for homeless people including, but  
21 not limited to: Grants to operate, repair, and staff shelters; grants  
22 to operate transitional housing; partial payments for rental  
23 assistance; consolidated emergency assistance; overnight youth  
24 shelters; and emergency shelter assistance; and

25 (ii) Fund the homeless housing grant program.

26 (2) The surcharge imposed in this section does not apply to  
27 assignments or substitutions of previously recorded deeds of trust.

28 NEW SECTION. Sec. 5. A new section is added to chapter 43.185C  
29 RCW to read as follows:

30 (1) In addition to the surcharges authorized in RCW 36.22.178 and  
31 36.22.179, and except as provided in subsection (2) of this section,  
32 the county auditor shall charge an additional surcharge of eight  
33 dollars for each document recorded, which is in addition to any other  
34 charge allowed by law. The funds collected under this section are to  
35 be distributed and used as follows:

36 (a) The auditor shall remit ninety percent to the county to be  
37 deposited into a fund six percent of which may be used by the county

1 for administrative costs related to its homeless housing plan, and the  
2 remainder for programs that directly accomplish the goals of the  
3 county's local homeless housing plan, except that for each city in the  
4 county that elects, as authorized in RCW 43.185C.080, to operate its  
5 own homeless housing program, a percentage of the surcharge assessed  
6 under this section equal to the percentage of the city's local portion  
7 of the real estate excise tax collected by the county must be  
8 transmitted at least quarterly to the city treasurer for use by the  
9 city for program costs that directly contribute to the goals of the  
10 city's homeless housing plan.

11 (b) The auditor shall remit the remaining funds to the state  
12 treasurer for deposit in the home security fund account. The  
13 department may use the funds for administering the program established  
14 in RCW 43.185C.020, including the costs of creating and updating the  
15 statewide homeless housing strategic plan, measuring performance,  
16 providing technical assistance to local governments, and managing the  
17 homeless housing grant program. Remaining funds may also be used to:

18 (i) Provide housing and shelter for homeless people including, but  
19 not limited to: Grants to operate, repair, and staff shelters; grants  
20 to operate transitional housing; partial payments for rental  
21 assistance; consolidated emergency assistance; overnight youth  
22 shelters; and emergency shelter assistance; and

23 (ii) Fund the homeless housing grant program.

24 (2) The surcharge imposed in this section does not apply to  
25 assignments or substitutions of previously recorded deeds of trust.

26 **Sec. 6.** RCW 43.185C.060 and 2005 c 484 s 10 are each amended to  
27 read as follows:

28 The (~~homeless housing~~) home security fund account is created in  
29 the (~~eustody of the~~) state (~~treasurer~~) treasury, subject to  
30 appropriation. The state's portion of the surcharge established in RCW  
31 36.22.179 and section 5 of this act must be deposited in the account.  
32 Expenditures from the account may be used only for (~~the~~) homeless  
33 housing programs as described in this chapter. (~~Only the director or~~  
34 ~~the director's designee may authorize expenditures from the account.~~  
35 ~~The account is subject to allotment procedures under chapter 43.88 RCW,~~  
36 ~~but an appropriation is not required for expenditures.~~)"

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**ADOPTED 04/20/2007**

1        On page 1, line 1 of the title, after "all;" strike the remainder  
2 of the title and insert "amending RCW 36.22.178, 43.185C.010,  
3 36.22.179, and 43.185C.060; and adding new sections to chapter 43.185C  
4 RCW."

EFFECT: 1. The affordable housing for all and home security fund  
accounts are both subject to appropriation. The creation of the  
Affordable Housing for All Program and all other changes are  
eliminated.

2. Technical changes and corrections.

**--- END ---**