
HOUSE BILL 3177

State of Washington 61st Legislature 2010 Regular Session

By Representatives Nelson, White, Chase, Orwall, and Ormsby

Read first time 02/05/10. Referred to Committee on Capital Budget.

1 AN ACT Relating to a new surcharge on certain recorded documents
2 for affordable housing purposes; adding a new section to chapter 36.22
3 RCW; adding a new chapter to Title 43 RCW; and making an appropriation.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 36.22 RCW
6 to read as follows:

7 The county auditor shall charge a surcharge of sixty-two dollars
8 for each document recorded, which is in addition to any other charge
9 allowed by law. The surcharge in this section applies only to
10 assignments or substitutions of previously recorded deeds of trust.
11 The funds collected under this section must be transmitted monthly to
12 the state treasurer who shall deposit the funds in the Washington
13 housing trust fund account created in RCW 43.185.030. The department
14 of commerce must use these funds solely for the bond retirement and
15 interest requirements of the bonds authorized in section 2 of this act.

16 NEW SECTION. **Sec. 2.** For the purpose of providing funds for the
17 housing trust fund program at the department of commerce, the state
18 finance committee is authorized to issue general obligation bonds of

1 the state of Washington in the sum of one hundred million three hundred
2 forty thousand dollars, or as much thereof as may be required, to
3 finance the projects and all costs incidental thereto. Bonds
4 authorized in this section may be sold at such price as the state
5 finance committee shall determine. No bonds authorized in this section
6 may be offered for sale without prior legislative appropriation of the
7 net proceeds of the sale of the bonds.

8 NEW SECTION. **Sec. 3.** The proceeds from the sale of the bonds
9 authorized in section 2 of this act must be deposited in the Washington
10 housing bond account created in the state treasury. If the state
11 finance committee deems it necessary to issue the bonds authorized in
12 section 2 of this act as taxable bonds in order to comply with federal
13 internal revenue service rules and regulations pertaining to the use of
14 nontaxable bond proceeds, the proceeds of such taxable bonds shall be
15 transferred to the state taxable building construction account in lieu
16 of any deposit otherwise provided by this section. The state treasurer
17 shall submit written notice to the director of financial management if
18 it is determined that any such transfer to the state taxable building
19 construction account is necessary. Moneys in the account may be spent
20 only after appropriation. The proceeds shall be used exclusively for
21 the purposes specified in section 2 of this act and for the payment of
22 expenses incurred in the issuance and sale of the bonds. These
23 proceeds must be administered by the office of financial management,
24 subject to legislative appropriation.

25 NEW SECTION. **Sec. 4.** The debt-limit general fund bond retirement
26 account must be used for the payment of the principal of and interest
27 on the bonds authorized in section 2 of this act.

28 The state finance committee shall, on or before June 30th of each
29 year, certify to the state treasurer the amount needed in the ensuing
30 twelve months to meet the bond retirement and interest requirements.
31 On or before the date on which any interest or principal and interest
32 payment is due, the state treasurer shall transfer from the Washington
33 housing trust account for deposit in the debt-limit general fund bond
34 retirement account the following:

35 (1) An amount equal to the amount certified by the state finance
36 committee to be due on the payment date; and

1 (2) Any additional revenue generated in section 1 of this act in
2 excess of the amount required to meet annual bond retirement and
3 interest requirements and reasonable reserve requirements. Such excess
4 revenue must be used for early retirement of the bonds authorized in
5 section 2 of this act.

6 Bonds issued under section 2 of this act must state that they are
7 a general obligation of the state of Washington, must pledge the full
8 faith and credit of the state to the payment of the principal thereof
9 and the interest thereon, and must contain an unconditional promise to
10 pay the principal and interest as the same shall become due.

11 The owner and holder of each of the bonds or the trustee for the
12 owner and holder of any of the bonds may by mandamus or other
13 appropriate proceeding require the transfer and payment of funds as
14 directed in this section.

15 NEW SECTION. **Sec. 5.** The legislature may provide additional means
16 for raising moneys for the payment of the principal of and interest on
17 the bonds authorized in section 2 of this act, and section 4 of this
18 act is not deemed to provide an exclusive method for the payment.

19 NEW SECTION. **Sec. 6.** The bonds authorized in section 2 of this
20 act shall be a legal investment for all state funds or funds under
21 state control and for all funds of any other public body.

22 NEW SECTION. **Sec. 7.** The sum of one hundred million dollars, or
23 as much thereof as may be necessary, is appropriated for the biennium
24 ending June 30, 2011, from the Washington housing bond account to the
25 department of commerce for the purposes of this act. Up to ten million
26 dollars of the appropriation is for the workforce housing program
27 established in chapter, Laws of 2010 (HB 2753).

28 NEW SECTION. **Sec. 8.** Sections 2 through 6 of this act constitute
29 a new chapter in Title 43 RCW.

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