
Ways & Means Committee

HB 2048

Brief Description: Concerning low-income and homeless housing assistance surcharges.

Sponsors: Representatives Kenney, Darneille, Dunshee, Hasegawa, Green, Upthegrove, Ormsby, Haigh, McCoy, Pedersen, Ryu, Pettigrew, Ladenburg, Moscoso, Hunt, Kagi, Dickerson, Appleton, Sells, Roberts, Reykdal, Frockt, Fitzgibbon, Finn, Goodman and Rolfes.

Brief Summary of Bill

- Increases the Homeless Housing and Assistance Act document recording surcharge through June 30, 2017.
- Adds requirements to local governments and the Department of Commerce related to housing vouchers paid for with document recording fees.

Hearing Date: 5/5/11

Staff: Andy Toulon (786-7178).

Background:

Duties and Authority of County Auditors.

The county auditor is responsible for the recording of specified documents required by law to be maintained as part of the public record kept by a county. The documents that must be recorded by a county auditor include judgments, liens, deeds, mortgages, and many other categories of documents pertaining to property ownership and real estate transactions.

State law specifies requirements that must be met by an auditor when exercising his or her recording duties, including the collection of specified fees when a document is recorded. These fees include three document recording surcharges currently totaling \$48 used for the funding of state and local programs to provide affordable housing for low-income persons and housing assistance for the homeless:

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1. an Affordable Housing for All surcharge of \$10;
2. a surcharge for local homeless housing and assistance which is currently \$30; and
3. an additional surcharge for local homeless housing and assistance of \$8.

Each of the three document recording surcharges includes a portion which is provided to counties and a portion which is provided for state administered housing and homeless programs. The state's portion of the first of the surcharges noted above is deposited into the Affordable Housing for All Account. The state's portion of the remaining two surcharges is deposited into the Home Security Fund.

Homeless Housing and Assistance Act.

The Legislature enacted the Homeless Housing and Assistance Act in 2005, with the goal of reducing homelessness by 50 percent statewide and in each county by 2015. The Department of Commerce (COM), with the support of the Interagency Council on Homelessness and the Affordable Housing Advisory Board, is responsible for preparing and publishing a 10-year homeless housing strategic plan with statewide goals and performance measures, and providing biennial progress reports to the Governor and the Legislature. Local areas must also have 10-year plans that are substantially consistent with the state plan.

The \$30 surcharge for local homeless housing and assistance was originally authorized in 2005 as a \$10 surcharge under the Act. In 2009 legislation enacted increased the surcharge to \$30 during the 2009-11 and 2011-13 biennia.

The Legislature has authorized expenditures from the Home Security Fund to support the following programs administered by the COM and the Department of Social and Health Services (DSHS):

- the Homeless Housing Program (COM);
- Homeless Family Shelters (COM);
- Independent Youth Housing (COM);
- Housing Division Administration (COM);
- the Transitional Housing Operating and Rent Program (COM);
- Secure Crisis Residential Centers (DSHS);
- Crisis Residential Centers (DSHS); and
- Hope Centers (DSHS).

Summary of Bill:

The \$30 surcharge for local homeless housing and assistance increases to \$40 from August 1, 2011, through June 30, 2015; becomes \$30 from July 1, 2015, to June 30, 2017; and returns to \$10, beginning July 1, 2017.

Through June 30, 2017, any local government that has the authority to issue housing vouchers, paid for with funds obtained from document recording fees, is required to:

- establish and implement a process for promoting the availability of rental properties in buildings with fewer than 50 units, including development of an interested landlord list;

- semi-annually convene interested landlords and agencies that provide services to households receiving housing vouchers to identify successes, barriers, and process improvements; and
- develop and submit annual data, in consultation with landlords and agencies, on specified expenditures made and services provided with document recording fees to the COM. If such data are not readily available, the local government may request that the COM obtain the information by using a sampling methodology.

The COM is required to:

- require its contractors to distribute the interested landlord list;
- annually convene local governments, landlord association representatives, and agencies to identify successes, barriers, and process improvements;
- develop a sampling methodology to obtain required data when a local government or contractor does not have such information readily available; and
- develop and submit an annual report to the Legislature that is developed in consultation with local governments, landlord association representatives, and agencies that includes specified expenditures made and services provided with document recording fees.

"Housing vouchers" are defined as payments funded by one of the three housing-related document recording surcharges that are made by a local government or contractor to secure a rental unit on behalf of an individual tenant, or a block of units on behalf of multiple tenants.

"Housing placement payments" are defined as one-time payments funded by document recording surcharges that are made to secure a unit on behalf of a tenant.

"Interested landlord list" is defined as a list of landlords who have indicated to a local government or contractor interest in renting to individuals or households receiving a housing voucher funded by document recording surcharges.

The changes to the Act surcharge are null and void if the provisions regarding new requirements for the COM and local governments that have the authority to issue housing vouchers are not enacted. The additional requirements for the COM and local governments that have the authority to issue housing vouchers are null and void if the Act surcharge changes are not enacted.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.