
**Community Development, Housing &
Tribal Affairs Committee**

HB 1416

Brief Description: Exempting documents recording a water-sewer district lien from the surcharge for local homeless housing and assistance.

Sponsors: Representative Wylie.

Brief Summary of Bill

- Exempts documents recording a Water-Sewer district lien from the homeless housing and assistance surcharge.

Hearing Date: 1/29/15

Staff: Sean Flynn (786-7124).

Background:

The State Homeless Housing Program.

The Homeless Housing and Assistance Act, enacted in 2005, directs the Department of Commerce (Department) to develop a statewide homeless housing program. The Department must implement the program through a 10-year strategic plan with the goal of reducing homelessness by 50 percent in the state and within each county by 2015. Local governments must develop their own 10-year homeless housing plans in coordination with the statewide plan.

The \$40 Homeless Housing Surcharge.

Both the state and local homeless housing programs receive revenues from the homeless housing and assistance surcharge collected by each county auditor when a document is recorded. The surcharge is currently \$40 per recorded document, but is scheduled to drop to \$10 in 2019. The surcharge is applied in addition to any other authorized surcharges as well as any administrative fees collected by the county auditor. An additional homeless housing and assistance surcharge of \$8 is also collected by each county auditor.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Both the state and the county receive a percentage of the money collected from each surcharge. Approximately 60 percent of the recording fee revenue sent to the county for its homeless housing program. The other approximate 40 percent is sent to the Department for the state homeless housing program.

Before 2014 the \$40 homeless housing and assistance surcharge applied to certain designated documents connected to some real property interest, including liens related to real property. In that year, however, the Legislature eliminated the special designations, and applied the surcharge to all recorded documents. There are a limited category of exempted documents, including documents recording a birth, marriage, divorce, or death, and documents recording a state, county, or city lien.

Water-Sewer Districts.

Water-Sewers districts are authorized under law to supply water, sewer, and drainage services to residents within a designated area. Water-Sewer districts may charge property owners a fee to pay for such services, including to acquire property and to finance the construction and maintenance of related facilities. Certain charges imposed on property owners constitute a lien on the property.

Summary of Bill:

Documents recording a Water-Sewer district lien are exempt from the \$40 homeless housing and assistance surcharge.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

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