

SENATE BILL REPORT

SB 6330

As of February 4, 2016

Title: An act relating to exempting documents recording a special purpose district lien from the surcharge for local homeless housing and assistance.

Brief Description: Exempting documents recording a special purpose district lien from the surcharge for local homeless housing and assistance.

Sponsors: Senator Benton.

Brief History:

Committee Activity: Financial Institutions & Insurance: 2/04/16.

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Staff: Shani Bauer (786-7468)

Background: The State Homeless Housing Program. The Homeless Housing and Assistance Act of 2005 directed the Department of Commerce (Department) to develop and implement a statewide homeless housing program with the goal of reducing homelessness by 50 percent in the state and within each county. Local governments must develop their 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.

Both the state and the county receive a percentage of the money collected from each surcharge. Approximately 60 percent of the recording fee revenue is 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

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property. In that year, however, the Legislature eliminated the special designations, and applied the surcharge to all recorded documents. There is a limited category of exempted documents, including documents recording a birth, marriage, divorce, or death, and documents recording a state, county, or city lien.

Special Purpose Districts. Special purpose districts are units of local government, separate from a city or county, that are organized for a limited function in providing particular services or facilities. Special purpose districts obtain revenue generally from property taxes or charging fees for services.

Summary of Bill: Documents recording a special purpose district lien for delinquent utility service charges or satisfaction of a lien are exempt from the homeless housing and assistance surcharge.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.