
HOUSE BILL 2906

State of Washington 61st Legislature 2010 Regular Session

By Representatives Miloscia, Nelson, White, Williams, and Ormsby

Read first time 01/18/10. Referred to Committee on Local Government & Housing.

1 AN ACT Relating to bonds for the housing trust fund program;
2 amending RCW 43.185B.040; adding a new section to chapter 36.22 RCW;
3 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.

26 (1) Up to ten million dollars of the appropriation is for the
27 workforce housing program established in chapter, Laws of 2010
28 (HB 2753).

29 (2) Up to seven hundred fifty thousand dollars of the appropriation
30 is for the department of commerce to develop a long-term state
31 affordable housing strategy, based on the ten-year plan to end
32 homelessness and the state affordable housing for all plan outlined in
33 section 8 of this act.

1 **Sec. 8.** RCW 43.185B.040 and 1993 c 478 s 12 are each amended to
2 read as follows:

3 (1) The department shall, in consultation with the affordable
4 housing advisory board created in RCW 43.185B.020, prepare and from
5 time to time amend a ~~((five-year))~~ state affordable housing
6 ~~((advisory))~~ for all plan. The state plan must incorporate strategies,
7 objectives, goals, and performance measures, including those required
8 for the state homeless housing strategic plan required under RCW
9 43.185C.040. The state affordable housing for all plan may be combined
10 with the state homeless housing strategic plan required under RCW
11 43.185C.040 or any other existing state housing plan as long as the
12 requirements of all of the plans to be merged are met.

13 (2) The purpose of the state affordable housing for all plan is to:

14 (a) Document the need for affordable housing in the state and the
15 extent to which that need is being met through public and private
16 sector programs~~((, to))~~;

17 (b) Outline the development of sound strategies and programs to
18 promote affordable housing;

19 (c) Establish, evaluate, and report upon interim goals and
20 timelines that are determined by the department and by which the state
21 and counties may be measured;

22 (d) Evaluate and report upon all counties' use of the affordable
23 housing for all program surcharge funds provided for in RCW 36.22.178
24 and all other sources directed to the counties' affordable housing for
25 all programs;

26 (e) Report upon how housing trust fund awards within the previous
27 five-year period are consistent with the state plan and have
28 contributed to the goal of the affordable housing for all program; and

29 (f) Facilitate state and county government planning to meet the
30 state affordable housing ~~((needs of the state, and to enable the~~
31 ~~development of sound strategies and programs for affordable housing))~~
32 for all goal.

33 (3) The information in the ~~((five-year))~~ state affordable housing
34 ~~((advisory))~~ for all plan must include:

35 (a) An assessment of the state's housing market trends;

36 (b) An assessment of the housing needs for ~~((all))~~ economic
37 segments of the state by low-income, very low-income, and extremely
38 low-income households and special needs populations, including a report

1 on the number and percentage of additional affordable rental housing
2 units that are needed statewide and in each county to house low-income,
3 very low-income, and extremely low-income households;

4 (c) An inventory of the supply and geographic distribution of
5 affordable housing rental units made available through public and
6 private sector programs;

7 (d) A summary of the activities of all state housing programs, as
8 well as all housing programs operated by or coordinated by city and
9 county governments, including local housing-related levy initiatives,
10 housing-related tax exemption programs, and federally funded programs
11 operated or coordinated by the state or local governments;

12 (e) A status report on the degree of progress made by the public
13 and private sector toward meeting the housing needs of the state,
14 including each county or city required by the United States department
15 of housing and urban development to produce a consolidated plan, and
16 any other city or county where information is readily available;

17 ((+e)) (f) An identification of state and local regulatory
18 barriers to affordable housing and proposed regulatory and
19 administrative techniques designed to remove barriers to the
20 development and placement of affordable housing;((and

21 (+f)) (g) An analysis, statewide and within each county and major
22 city, of the primary contributors to the cost of housing and an outline
23 of potential strategies to keep the increasing cost of housing below
24 the relative rise in wages;

25 (h) Specific recommendations, policies, or proposals for meeting
26 the affordable housing needs of the state;

27 (i) A report on the growth in the population of low-income, very
28 low-income, and extremely low-income households statewide and for each
29 county;

30 (j) A determination of the cost to the state of the affordable
31 housing shortage;

32 (k) A report of any differences in the rates of inflation between
33 median house prices, median rent for a two-bedroom apartment, and
34 median family income for low-income, very low-income, and extremely
35 low-income households; and

36 (l) A summary of the recommendations of the affordable housing
37 advisory board report as required in RCW 43.185B.030.

1 ~~((2)(a))~~ (4) The ~~((five-year))~~ state affordable housing
2 ~~((advisory))~~ for all plan required under ~~((subsection (1) of))~~ this
3 section must be submitted to appropriate committees of the legislature
4 on or before ~~((February 1, 1994))~~ December 31, 2010, and subsequent
5 updated plans must be submitted by December 31st every five years
6 thereafter.

7 ~~((b) Each February 1st, beginning February 1, 1995, the department
8 shall submit an annual progress report, to the legislature, detailing
9 the extent to which the state's affordable housing needs were met
10 during the preceding year and recommendations for meeting those
11 needs.))~~

12 (5) Based on changes to the general population and in the
13 housing market, the department may revise the performance measures and
14 goals of the state affordable housing for all plan and set goals for
years following December 31, 2020.

15 NEW SECTION. Sec. 9. Sections 2 through 6 of this act constitute
16 a new chapter in Title 43 RCW.

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