# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Community Development & Housing Committee**

### **HB** 1707

**Brief Description**: Concerning the existing surcharge for local homeless housing and assistance.

**Sponsors**: Representatives Kenney, Appleton, Darneille, Pettigrew, Orwall, Santos, Liias, Ryu, Ormsby, Hasegawa, Dunshee, Frockt, Kagi, Cody, Springer, Upthegrove, Hunt, Pedersen, Rolfes, Ladenburg, Moscoso, Goodman, Roberts and Dickerson.

#### **Brief Summary of Bill**

• Makes the \$30 Homeless Housing and Assistance Act document recording surcharge permanent.

**Hearing Date**: 2/7/11

**Staff**: Jennifer Thornton (786-7147).

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 certain surcharges used for the funding of state and local programs to provide affordable housing for low-income persons and housing assistance for the homeless. Among the housing programs funded by the surcharge is the Homeless Housing and Assistance Act.

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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.

#### 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, with support of the interagency council on homelessness and the affordable housing advisory board, is responsible for preparing and publishing a ten-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 ten-year plans that are substantially consistent with the state plan.

A Homeless Housing and Assistance Act document recording surcharge is collected by county auditors. The fees are distributed and used as follows:

- 2 percent to the county auditor for collection of the fee;
- 60 percent into a fund used by the county and its cities and towns to accomplish the goals in the county's local homeless housing plan and cover administrative costs related to the plan. A specified share is remitted to the city Treasurer to be used to accomplish the goals of any city that has its own local homeless housing plan; and
- 38 percent to the state treasurer for deposit in the home security fund account used by the Department of Commerce to provide housing and shelter for homeless people, fund the homeless housing grant program, and administer the homeless housing program.

A \$10 surcharge was authorized in 2005 under the Homeless Housing and Assistance Act. In 2009, House Bill 2331 did two things:

- (1) increased the surcharge to \$30 during the 2009-11 and 2011-13 biennia; and
- (2) returned the surcharge to \$10, beginning in the 2013-15 biennium.

#### **Summary of Bill:**

The \$30 document recording surcharge collected by county auditors under the Homeless Housing and Assistance Act is made permanent.

**Appropriation**: None.

**Fiscal Note**: Requested on January 31, 2011.

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