SUBSTITUTE HOUSE BILL 2048

State of Washington 62nd Legislature 2011 1st Special Session

By House Ways & Means (originally sponsored by 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)

READ FIRST TIME 05/13/11.

1 AN ACT Relating to low-income and homeless housing assistance 2 surcharges; amending RCW 36.22.179; adding a new section to chapter 3 43.185C RCW; and providing an expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 Sec. 1. RCW 36.22.179 and 2009 c 462 s 1 are each amended to read 6 as follows:

7 (1) In addition to the surcharge authorized in RCW 36.22.178, and except as provided in subsection (2) of this section, an additional 8 9 surcharge of ten dollars shall be charged by the county auditor for 10 each document recorded, which will be in addition to any other charge 11 allowed by law. ((During the 2009-11 and 2011-13 biennia)) From July 1, 2009, through July 31, 2011, and from July 1, 2015, through June 30, 12 13 <u>2017</u>, the surcharge shall be thirty dollars. From August 1, 2011, through June 30, 2015, the surcharge shall be forty dollars. The funds 14 15 collected pursuant to this section are to be distributed and used as 16 follows:

(a) The auditor shall retain two percent for collection of the fee,
and of the remainder shall remit sixty percent to the county to be
deposited into a fund that must be used by the county and its cities

and towns to accomplish the purposes of chapter 484, Laws of 2005, six 1 2 percent of which may be used by the county for administrative costs related to its homeless housing plan, and the remainder for programs 3 4 which directly accomplish the goals of the county's local homeless housing plan, except that for each city in the county which elects as 5 б authorized in RCW 43.185C.080 to operate its own local homeless housing 7 program, a percentage of the surcharge assessed under this section 8 equal to the percentage of the city's local portion of the real estate 9 excise tax collected by the county shall be transmitted at least 10 quarterly to the city treasurer, without any deduction for county administrative costs, for use by the city for program costs which 11 12 directly contribute to the goals of the city's local homeless housing 13 plan; of the funds received by the city, it may use six percent for administrative costs for its homeless housing program. 14

15 (b) The auditor shall remit the remaining funds to the state treasurer for deposit in the home security fund account. 16 The department may use twelve and one-half percent of this amount for 17 18 administration of the program established in RCW 43.185C.020, including 19 the costs of creating the statewide homeless housing strategic plan, 20 measuring performance, providing technical assistance to local 21 governments, and managing the homeless housing grant program. The 22 remaining eighty-seven and one-half percent is to be used by the 23 department to:

(i) Provide housing and shelter for homeless people including, but
not limited to: Grants to operate, repair, and staff shelters; grants
to operate transitional housing; partial payments for rental
assistance; consolidated emergency assistance; overnight youth
shelters; and emergency shelter assistance; and

29

(ii) Fund the homeless housing grant program.

30 (2) The surcharge imposed in this section does not apply to (a) 31 assignments or substitutions of previously recorded deeds of trust, or 32 (b) documents recording a birth, marriage, divorce, or death or any 33 documents otherwise exempted from a recording fee under state law.

34 (3) If section 2, chapter . . ., Laws of 2011 (section 2 of this
 35 act) is not enacted into law by July 31, 2011, section 1, chapter . .
 36 ., Laws of 2011 (section 1 of this act) is null and void.

p. 2

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.185C
 RCW to read as follows:

3 (1) As a means of efficiently and cost-effectively providing4 housing assistance to very-low income and homeless households:

5 (a) Any local government that has the authority to issue housing 6 vouchers, directly or through a contractor, using document recording 7 surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, or 8 36.22.1791 must:

9 (i)(A) Maintain an interested landlord list, which at a minimum,
 10 includes information on rental properties in buildings with fewer than
 11 fifty units;

12 (B) Update the list at least once per quarter;

13 (C) Distribute the list to agencies providing services to14 individuals and households receiving housing vouchers;

(D) Ensure that a copy of the list or information for accessing thelist online is provided with voucher paperwork; and

17 (E) Use reasonable best efforts to communicate and interact with 18 landlord and tenant associations located within its jurisdiction to 19 facilitate development, maintenance, and distribution of the list;

(ii) Using cost-effective methods of communication, convene, on a semiannual or more frequent basis, landlords represented on the interested landlord list and agencies providing services to individuals and households receiving housing vouchers to identify successes, barriers, and process improvements. The local government is not required to reimburse any participants for expenses related to attendance;

27 (iii) Produce data, limited to document recording fee uses and 28 expenditures, on a calendar year basis in consultation with landlords 29 represented on the interested landlord list and agencies providing 30 services to individuals and households receiving housing vouchers, that include the following: Total amount expended from document recording 31 32 fees; amount expended on, number of households that received, and 33 number of housing vouchers issued in each of the private, public, and nonprofit markets; amount expended on, number of households that 34 35 received, and number of housing placement payments provided in each of 36 the private, public, and nonprofit markets; amount expended on and 37 number of eviction prevention services provided in the private market; and amount expended on and number of other tenant-based rent assistance 38

p. 3

services provided in the private market. If these data elements are not readily available, the reporting government may request the department to use the sampling methodology established pursuant to (b)(iii) of this subsection to obtain the data; and

5 (iv) Annually submit the calendar year data to the department by 6 October 1st, with preliminary data submitted by October 1, 2012, and 7 full calendar year data submitted beginning October 1, 2013.

8

(b) The department must:

9 (i) Require contractors that provide housing vouchers to distribute 10 the interested landlord list created by the appropriate local 11 government to individuals and households receiving the housing 12 vouchers;

13 (ii) Using cost-effective methods of communication, annually 14 local governments issuing housing convene vouchers, landlord association representatives, and agencies providing services to 15 individuals and households receiving housing vouchers to identify 16 17 successes, barriers, and process improvements. The department is not 18 required to reimburse any participants for expenses related to 19 attendance;

(iii) Develop a sampling methodology to obtain data required under this section when a local government or contractor does not have such information readily available. The process for developing the sampling methodology must include providing notification to and the opportunity for public comment by local governments issuing housing vouchers, landlord association representatives, and agencies providing services to individuals and households receiving housing vouchers;

27 (iv) Develop a report, limited to document recording fee uses and expenditures, on a calendar year basis in consultation with local 28 29 landlord association representatives, and governments, agencies providing services to individuals and households receiving housing 30 vouchers, that includes the following: Total amount expended from 31 32 document recording fees; amount expended on, number of households that received, and number of housing vouchers issued in each of the private, 33 public, and nonprofit markets; amount expended on, number of households 34 35 that received, and number of housing placement payments provided in 36 each of the private, public, and nonprofit markets; amount expended on 37 and number of eviction prevention services provided in the private market; and amount expended on and number of other tenant-based rent 38

1 assistance services provided in the private market. The information in 2 the report must include data submitted by local governments and data on 3 all additional document recording fee activities for which the 4 department contracted that were not otherwise reported; and

5 (v) Annually submit the calendar year report to the legislature by 6 December 15th, with a preliminary report submitted by December 15, 7 2012, and full calendar year reports submitted beginning December 15, 8 2013.

9 (2) Fo

(2) For purposes of this section:

10 (a) "Housing placement payments" means one-time payments, such as 11 first and last month's rent and move-in costs, funded by document 12 recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or 13 36.22.1791 that are made to secure a unit on behalf of a tenant.

(b) "Housing vouchers" means payments funded by document recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made by a local government or contractor to secure: (i) A rental unit on behalf of an individual tenant; or (ii) a block of units on behalf of multiple tenants.

19 (c) "Interested landlord list" means a list of landlords who have 20 indicated to a local government or contractor interest in renting to 21 individuals or households receiving a housing voucher funded by 22 document recording surcharges.

23

(3) This section expires June 30, 2017.

(4) If section 1, chapter . . ., Laws of 2011 (section 1 of this
act) is not enacted into law by July 31, 2011, this section is null and
void.

--- END ---