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

HB 2368

Brief Description: Concerning a surcharge for local homeless housing and assistance.

Sponsors: Representatives Sawyer, Walsh, Gregerson, Jinkins, Orwall, Robinson, Bergquist, Reykdal, Hansen, Van De Wege, Goodman, Sullivan, S. Hunt, Pettigrew, Ryu, Kagi, Lytton, Tarleton, Freeman, Ormsby, Walkinshaw, Morrell, Pollet, Appleton and Riccelli; by request of Washington State Department of Commerce.

Brief Summary of Bill

- Makes the \$40 local homeless housing and assistance document recording surcharge permanent.

Hearing Date: 1/21/14

Staff: Sean Flynn (786-7124).

Background:

The State Homeless Housing Program

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

The Local Homeless Housing and Assistance Surcharge

Both the state and county homeless housing programs receive funding through a local homeless housing and assistance surcharge collected by each county auditor when a document is recorded. The surcharge is applied in addition to any other authorized surcharges as well as any administrative fees collected by the 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.

The local homeless housing and assistance surcharge applies to certain documents relating to real property specified in statute including deeds, mortgages, community property agreements, leases and other documents related to property ownership, as well as other documents pertaining to real property as determined by the COM. The surcharge specifically does not apply to assignments or substitutions of previously recorded deeds or trusts, or any documents exempted from a recording fee by state law.

The local homeless housing and assistance document surcharge is currently \$40 per recorded document, but is scheduled to drop to \$30 in 2015, and to \$10 in 2017. A separate 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. The funds collected for the local homeless housing and assistance surcharge are distributed as follows:

- two percent to the county for collection of the fee;
- sixty percent of the remainder to the county for its homeless housing program, up to 6 percent of which may be used for administering its homeless housing plan; and
- forty percent of the remainder to the COM for the state homeless housing program, up to 12.5 percent of which may be used for managing the state homeless housing plan.

A city electing to administer its own homeless housing program may receive a specified share of the county's percentage.

Summary of Bill:

The local homeless housing and assistance document recording surcharge is \$40. The sunset provisions reducing the surcharge to \$30 in 2015, and to \$10 in 2017 are removed.

The local homeless housing and assistance surcharge is not limited to property-related documents. Only assignments or substitutions of previously recorded deeds or trusts, or any documents exempted from a recording fee by state law are expressly exempted from the surcharge.

Appropriation: None.

Fiscal Note: Requested on 1/15/14.

Effective Date: The bill takes effect on 7/1/15.