

SENATE BILL REPORT

SB 6373

As Reported By Senate Committee On:
Financial Institutions & Housing, January 30, 1996
Ways & Means, February 6, 1996

Title: An act relating to county auditor recording fees.

Brief Description: Providing for a new auditor's fee to help fund low-income housing projects.

Sponsors: Senators Prentice, Wood, Loveland and Long.

Brief History:

Committee Activity: Financial Institutions & Housing: 1/18/96, 1/30/96 [DPS-WM].
Ways & Means: 2/5/96, 2/6/96 [DPS (FIH)].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & HOUSING

Majority Report: That Substitute Senate Bill No. 6373 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Prentice, Chair; Fraser, Vice Chair; Hale, Sellar and Smith.

Staff: Traci Ratzliff (786-7452)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6373 as recommended by Committee on Financial Institutions & Housing be substituted therefor, and the substitute bill do pass.

Signed by Senators Rinehart, Chair; Bauer, Drew, Fraser, Hargrove, Kohl, Moyer, Pelz, Quigley, Sheldon, Snyder, Spanel, Sutherland, Winsley and Wojahn.

Staff: Cathy Baker (786-7715)

Background: Currently, individuals who record legal instruments with the county auditor or recording officer are required to pay \$5 for the first page and \$1 for each additional page of the document. This money is collected and retained by the county to cover the costs of this activity.

Summary of Substitute Bill: Individuals who record legal instruments with a county auditor or recording officer are required to pay an additional \$5 for this service. Previously recorded mortgages are exempt from the additional low-income housing recording fee. These funds are retained and used by the county for low-income housing activities that are eligible for assistance under the state's housing trust fund program.

Substitute Bill Compared to Original Bill: Previously recorded mortgages are exempt from the additional low-income housing recording fee.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For (Financial Institutions & Housing): This bill will provide a funding source for counties to use in the development of low-income housing and will replace the local option real estate excise tax that prior to December of 1995 was used for this purpose.

Testimony Against (Financial Institutions & Housing): None.

Testified (Financial Institutions & Housing): PRO: Judy Frolich, Assn. of Counties; Maureen Kostyack, King County Housing Finance Division; Judy Reed, Chair, Affordable Housing Advisory Board; Shirley Thompson, Sea-Tac City Council member; Kathy Gerke, Assn. of Cities; Billie Heath, Homes First.

Testimony For (Ways & Means): The bill will help counties replace the local option real estate excise tax for housing that recently expired. This type of local funding source will help leverage private sector investment in low income housing.

Testimony Against (Ways & Means): None.

Testified (Ways & Means): PRO: Judy Reed, WA Community Reinvestment Assoc.; Judy Frolich, WA Assoc. of Counties.