

FINAL BILL REPORT

SHB 2060

C 294 L 02

Synopsis as Enacted

Brief Description: Providing funds for housing projects.

Sponsors: By House Committee on Finance (originally sponsored by Representatives Dunn, Cooper, Haigh, Edmonds and Fromhold).

House Committee on Local Government & Housing

House Committee on Finance

Senate Committee on Labor, Commerce & Financial Institutions

Senate Committee on Ways & Means

Background:

County auditors are required by statute to record deeds and other instruments that are to be filed and recorded with the county. Recording fees are charged for recording instruments by County Auditors for their official services and are set forth in statute. The fee for recording instruments is \$5 for the first page and \$1 for each additional page.

The Office of Community Development within the Department of Community, Trade, and Economic Development, administers the state housing programs. Among these programs are the Housing Trust Fund, the HOME Program, and the Housing Improvements and Preservation Unit.

The Housing Trust Fund includes revenue established under statute, legislative appropriations, private contributions, repayment of loans, and all other sources. The fund was established to assist low and very low-income citizens in meeting their basic housing needs.

Summary:

County auditors are required to charge a \$10 surcharge on recording fees for recordings of real property documents, but not to assignments of previously recorded deeds of trust. County Auditors may retain up to 5 percent of collected funds for administration.

Sixty percent of the remaining funds are retained by the county and must be used by the county and its cities for very low-income housing projects. These funds cannot be used for new housing if the vacancy rate for available low-income housing rises above 10 percent.

The remaining 40 percent of the revenue is deposited monthly with the State Treasurer in the Washington Housing Trust Account. The Office of Community Development is required to develop guidelines for the use of funds to support building operation and maintenance costs of extremely low-income housing projects.

The Washington State University Real Estate Research Center is required to develop a vacancy rate standard for low-income housing in the state.

The Office of Community Development is required to conduct a statewide housing market analysis by region.

Votes on Final Passage:

House 68 29

Senate 29 16 (Senate amended)

House 65 31 (House concurred)

Effective: June 13, 2002