
Local Government & Housing Committee

HB 2060

Brief Description: Providing funds for housing projects.

Sponsors: Representatives Dunn, Cooper, Haigh, Edmonds and Fromhold.

Brief Summary of Bill

- Requires a \$10 surcharge on recording fees collected on real property documents.
- Allocates 40 percent of funds for state grants for one-time operations and maintenance costs of low-income housing projects created using housing trust funds or innovative housing demonstration projects for moderate or middle income populations. Allocates 60 percent of funds to remain for counties and cities for low-income housing projects.

Hearing Date: January 14, 2002.

Staff: Scott MacColl (786-7106).

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 fees charged for recording instruments by County Auditors for their official services, and are set forth in statute in RCW 36.08.010. 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 & 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 is created under RCW 43.185.030, and 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 of Bill:

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 low-income housing projects.

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 for a) unusual or one-time operation and maintenance costs of low-income housing projects that were developed with housing trust funds; and b) innovative housing demonstration projects for moderate or middle-income populations.

Appropriation: None.

Fiscal Note: Not Requested.

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