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**SUBSTITUTE SENATE BILL 5952**

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**State of Washington**

**62nd Legislature**

**2012 Regular Session**

**By** Senate Financial Institutions, Housing & Insurance (originally sponsored by Senators Kohl-Welles, Hobbs, White, Nelson, Kline, and Harper)

READ FIRST TIME 01/19/12.

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 2011 c 110 s 2 are each amended to read  
6 as follows:

7 (1) In addition to the surcharge authorized in RCW 36.22.178, and  
8 except as provided in subsection (2) of this section, an additional  
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  
12 1, 2009, through August 31, 2012, and from July 1, 2015, through June  
13 30, 2017, the surcharge shall be thirty dollars. From September 1,  
14 2012, through June 30, 2015, the surcharge shall be forty dollars. The  
15 funds collected pursuant to this section are to be distributed and used  
16 as follows:

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

1 and towns to accomplish the purposes of chapter 484, Laws of 2005, six  
2 percent of which may be used by the county for administrative costs  
3 related to its homeless housing plan, and the remainder for programs  
4 which directly accomplish the goals of the county's local homeless  
5 housing plan, except that for each city in the county which elects as  
6 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  
11 administrative costs, for use by the city for program costs which  
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  
14 administrative costs for its homeless housing program.

15 (b) The auditor shall remit the remaining funds to the state  
16 treasurer for deposit in the home security fund account. The  
17 department may use twelve and one-half percent of this amount for  
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:

24 (i) Provide housing and shelter for homeless people including, but  
25 not limited to: Grants to operate, repair, and staff shelters; grants  
26 to operate transitional housing; partial payments for rental  
27 assistance; consolidated emergency assistance; overnight youth  
28 shelters; grants and vouchers designated for victims of human  
29 trafficking and their families; and emergency shelter assistance; and

30 (ii) Fund the homeless housing grant program.

31 (2) The surcharge imposed in this section applies to documents  
32 required to be recorded or filed under RCW 65.04.030(1) including, but  
33 not limited to: Full reconveyance; deeds of trust; deeds; liens  
34 related to real property; release of liens related to real property;  
35 notice of trustee sales; judgments related to real property; and all  
36 other documents pertaining to real property as determined by the  
37 department. However, the surcharge does not apply to (a) assignments

1 or substitutions of previously recorded deeds of trust, or (b)  
2 documents recording a birth, marriage, divorce, or death or any  
3 documents otherwise exempted from a recording fee under state law.

4 (3) By August 31, 2012, the department shall submit to each county  
5 auditor a list of documents that are subject to the surcharge  
6 established in subsection (1) of this section.

7 (4) If section 2, chapter . . . , Laws of 2012 (section 2 of this  
8 act) is not enacted into law by July 31, 2012, section 1, chapter  
9 . . . , Laws of 2012 (section 1 of this act) is null and void.

10 NEW SECTION. Sec. 2. A new section is added to chapter 43.185C  
11 RCW to read as follows:

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

14 (a) Any local government that has the authority to issue housing  
15 vouchers, directly or through a contractor, using document recording  
16 surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, or  
17 36.22.1791 must:

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

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

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

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

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

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

36 (iii) Produce data, limited to document recording fee uses and  
37 expenditures, on a calendar year basis in consultation with landlords

1 represented on the interested landlord list and agencies providing  
2 services to individuals and households receiving housing vouchers, that  
3 include the following: Total amount expended from document recording  
4 fees; amount expended on, number of households that received, and  
5 number of housing vouchers issued in each of the private, public, and  
6 nonprofit markets; amount expended on, number of households that  
7 received, and number of housing placement payments provided in each of  
8 the private, public, and nonprofit markets; amount expended on and  
9 number of eviction prevention services provided in the private market;  
10 and amount expended on and number of other tenant-based rent assistance  
11 services provided in the private market. If these data elements are  
12 not readily available, the reporting government may request the  
13 department to use the sampling methodology established pursuant to  
14 (b)(iii) of this subsection to obtain the data; and

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

18 (b) The department must:

19 (i) Require contractors that provide housing vouchers to distribute  
20 the interested landlord list created by the appropriate local  
21 government to individuals and households receiving the housing  
22 vouchers;

23 (ii) Using cost-effective methods of communication, annually  
24 convene local governments issuing housing vouchers, landlord  
25 association representatives, and agencies providing services to  
26 individuals and households receiving housing vouchers to identify  
27 successes, barriers, and process improvements. The department is not  
28 required to reimburse any participants for expenses related to  
29 attendance;

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

37 (iv) Develop a report, limited to document recording fee uses and  
38 expenditures, on a calendar year basis in consultation with local

1 governments, landlord association representatives, and agencies  
2 providing services to individuals and households receiving housing  
3 vouchers, that includes the following: Total amount expended from  
4 document recording fees; amount expended on, number of households that  
5 received, and number of housing vouchers issued in each of the private,  
6 public, and nonprofit markets; amount expended on, number of households  
7 that received, and number of housing placement payments provided in  
8 each of the private, public, and nonprofit markets; amount expended on  
9 and number of eviction prevention services provided in the private  
10 market; and amount expended on and number of other tenant-based rent  
11 assistance services provided in the private market. The information in  
12 the report must include data submitted by local governments and data on  
13 all additional document recording fee activities for which the  
14 department contracted that were not otherwise reported; and

15 (v) Annually submit the calendar year report to the legislature by  
16 December 15th, with a preliminary report submitted by December 15,  
17 2012, and full calendar year reports submitted beginning December 15,  
18 2013.

19 (2) For purposes of this section:

20 (a) "Housing placement payments" means one-time payments, such as  
21 first and last month's rent and move-in costs, funded by document  
22 recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or  
23 36.22.1791 that are made to secure a unit on behalf of a tenant.

24 (b) "Housing vouchers" means payments funded by document recording  
25 surcharges collected pursuant to RCW 36.22.178, 36.22.179, or  
26 36.22.1791 that are made by a local government or contractor to secure:  
27 (i) A rental unit on behalf of an individual tenant; or (ii) a block of  
28 units on behalf of multiple tenants.

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

33 (3) This section expires June 30, 2017.

34 (4) If section 1, chapter . . ., Laws of 2012 (section 1 of this  
35 act) is not enacted into law by July 31, 2012, this section is null and  
36 void.

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