
SUBSTITUTE SENATE BILL 6313

State of Washington

63rd Legislature

2014 Regular Session

By Senate Financial Institutions, Housing & Insurance (originally sponsored by Senators Darneille, Kohl-Welles, Hobbs, Chase, Conway, Hasegawa, Frockt, McCoy, McAuliffe, Rolfes, and Nelson; by request of Washington State Department of Commerce)

READ FIRST TIME 02/06/14.

1 AN ACT Relating to a surcharge for local homeless housing and
2 assistance; amending RCW 36.22.179, 43.185C.060, and 43.185C.240;
3 providing an effective date; 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 2012 c 90 s 1 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. (~~From July 1, 2009, through August 31, 2012, and from~~
12 ~~July 1, 2015, through June 30, 2017, the surcharge shall be thirty~~
13 ~~dollars.~~) From September 1, 2012, through June 30, ((2015)) 2020, the
14 surcharge shall be forty dollars. The funds collected pursuant to this
15 section are to be distributed and used as follows:

16 (a) The auditor shall retain two percent for collection of the fee,
17 and of the remainder shall remit sixty percent to the county to be
18 deposited into a fund that must be used by the county and its cities
19 and towns to accomplish the purposes of chapter 484, Laws of 2005, six

1 percent of which may be used by the county for administrative costs
2 related to its homeless housing plan, and the remainder for programs
3 which directly accomplish the goals of the county's local homeless
4 housing plan, except that for each city in the county which elects as
5 authorized in RCW 43.185C.080 to operate its own local homeless housing
6 program, a percentage of the surcharge assessed under this section
7 equal to the percentage of the city's local portion of the real estate
8 excise tax collected by the county shall be transmitted at least
9 quarterly to the city treasurer, without any deduction for county
10 administrative costs, for use by the city for program costs which
11 directly contribute to the goals of the city's local homeless housing
12 plan; of the funds received by the city, it may use six percent for
13 administrative costs for its homeless housing program.

14 (b) The auditor shall remit the remaining funds to the state
15 treasurer for deposit in the home security fund account. The
16 department may use twelve and one-half percent of this amount for
17 administration of the program established in RCW 43.185C.020, including
18 the costs of creating the statewide homeless housing strategic plan,
19 measuring performance, providing technical assistance to local
20 governments, and managing the homeless housing grant program. Of the
21 remaining eighty-seven and one-half percent, at least forty-five
22 percent must be set aside for the use of private rental vouchers, the
23 remainder is to be used by the 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~~
5 ~~county 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 90, Laws of 2012 is not enacted into law~~
8 ~~by July 31, 2012, section 1, chapter 90, Laws of 2012 is null and~~
9 ~~void.))~~

10 **Sec. 2.** RCW 43.185C.060 and 2007 c 427 s 6 are each amended to
11 read as follows:

12 The home security fund account is created in the state treasury,
13 subject to appropriation. The state's portion of the surcharge
14 established in RCW 36.22.179 and 36.22.1791 must be deposited in the
15 account. Expenditures from the account may be used only for homeless
16 housing programs as described in this chapter. If the department fails
17 to comply with the reporting requirements of RCW 43.185C.240, the
18 treasurer may not authorize the appropriation of funds received under
19 RCW 36.22.179.

20 **Sec. 3.** RCW 43.185C.240 and 2012 c 90 s 2 are each amended to read
21 as follows:

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

24 (a) Any local government that has the authority to issue housing
25 vouchers, directly or through a contractor, using document recording
26 surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, or
27 36.22.1791 must:

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

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

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

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

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

4 (ii) Using cost-effective methods of communication, convene, on a
5 semiannual or more frequent basis, landlords represented on the
6 interested landlord list and agencies providing services to individuals
7 and households receiving housing vouchers to identify successes,
8 barriers, and process improvements. The local government is not
9 required to reimburse any participants for expenses related to
10 attendance;

11 (iii) Produce data, limited to document recording fee uses and
12 expenditures, on a calendar year basis in consultation with landlords
13 represented on the interested landlord list and agencies providing
14 services to individuals and households receiving housing vouchers, that
15 include the following: Total amount expended from document recording
16 fees; amount expended on, number of households that received, and
17 number of housing vouchers issued in each of the private, public, and
18 nonprofit markets; amount expended on, number of households that
19 received, and number of housing placement payments provided in each of
20 the private, public, and nonprofit markets; amount expended on and
21 number of eviction prevention services provided in the private market;
22 and amount expended on and number of other tenant-based rent assistance
23 services provided in the private market. If these data elements are
24 not readily available, the reporting government may request the
25 department to use the sampling methodology established pursuant to
26 (c)(iii) of this subsection to obtain the data; and

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

30 (b) Any local government receiving more than three million five
31 hundred thousand dollars during the previous calendar year from
32 document recording surcharge funds collected pursuant to RCW 36.22.178,
33 36.22.179, and 36.22.1791, must apply to the Washington state quality
34 award program, or similar Baldrige assessment organization, for an
35 independent assessment of its quality management, accountability, and
36 performance system. The first assessment may be a lite assessment.
37 After submitting an application, a local government is required to
38 reapply at least every two years.

1 (c) The department must:

2 (i) Require contractors that provide housing vouchers to distribute
3 the interested landlord list created by the appropriate local
4 government to individuals and households receiving the housing
5 vouchers;

6 (ii) Using cost-effective methods of communication, annually
7 convene local governments issuing housing vouchers, landlord
8 association representatives, and agencies providing services to
9 individuals and households receiving housing vouchers to identify
10 successes, barriers, and process improvements. The department is not
11 required to reimburse any participants for expenses related to
12 attendance;

13 (iii) Develop a sampling methodology to obtain data required under
14 this section when a local government or contractor does not have such
15 information readily available. The process for developing the sampling
16 methodology must include providing notification to and the opportunity
17 for public comment by local governments issuing housing vouchers,
18 landlord association representatives, and agencies providing services
19 to individuals and households receiving housing vouchers;

20 (iv) Develop a report, limited to document recording fee uses and
21 expenditures, on a calendar year basis in consultation with local
22 governments, landlord association representatives, and agencies
23 providing services to individuals and households receiving housing
24 vouchers, that includes the following: Total amount expended from
25 document recording fees; amount expended on, number of households that
26 received, and number of housing vouchers issued in each of the private,
27 public, and nonprofit markets; amount expended on, number of households
28 that received, and number of housing placement payments provided in
29 each of the private, public, and nonprofit markets; amount expended on
30 and number of eviction prevention services provided in the private
31 market; and amount expended on and number of other tenant-based rent
32 assistance services provided in the private market. The information in
33 the report must include data submitted by local governments and data on
34 all additional document recording fee activities for which the
35 department contracted that were not otherwise reported;

36 (v) Annually submit the calendar year report to the legislature by
37 December 15th, with a preliminary report submitted by December 15,

1 2012, and full calendar year reports submitted beginning December 15,
2 2013; and

3 (vi) Work with the Washington state quality award program, local
4 governments, and any other organizations to ensure the appropriate
5 scheduling of assessments for all local governments meeting the
6 criteria described in subsection (1)(b) of this section.

7 (2) For purposes of this section:

8 (a) "Housing placement payments" means one-time payments, such as
9 first and last month's rent and move-in costs, funded by document
10 recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or
11 36.22.1791 that are made to secure a unit on behalf of a tenant.

12 (b) "Housing vouchers" means payments funded by document recording
13 surcharges collected pursuant to RCW 36.22.178, 36.22.179, or
14 36.22.1791 that are made by a local government or contractor to secure:
15 (i) A rental unit on behalf of an individual tenant; or (ii) a block of
16 units on behalf of multiple tenants.

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

21 (3) This section expires June 30, ((2017)) 2020.

22 ~~((4) If section 1, chapter 90, Laws of 2012 is not enacted into
23 law by July 31, 2012, this section is null and void.))~~

24 NEW SECTION. **Sec. 4.** This act takes effect July 1, 2015.

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