

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 2060**

Chapter 294, Laws of 2002

57th Legislature  
2002 Regular Session

LOW-INCOME HOUSING PROJECTS

EFFECTIVE DATE: 6/13/02

Passed by the House March 11, 2002  
Yeas 65 Nays 31

FRANK CHOPP  
**Speaker of the House of Representatives**

Passed by the Senate March 7, 2002  
Yeas 29 Nays 16

BRAD OWEN  
**President of the Senate**

Approved April 2, 2002

GARY LOCKE  
**Governor of the State of Washington**

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2060** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER  
**Chief Clerk**

FILED

April 2, 2002 - 10:16 a.m.

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 2060**

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AS AMENDED BY THE SENATE

Passed Legislature - 2002 Regular Session

**State of Washington                      57th Legislature                      2002 Regular Session**

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

Read first time 02/11/2002. Referred to Committee on .

1            AN ACT Relating to funds for operating and maintenance of  
2 low-income housing projects and for innovative housing demonstration  
3 projects; amending RCW 36.18.010, 18.85.540, and 43.185.050; adding a  
4 new section to chapter 36.22 RCW; adding a new section to chapter  
5 43.330 RCW; and creating a new section.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7            NEW SECTION.        **Sec. 1.**        The legislature recognizes housing  
8 affordability has become a significant problem for a large portion of  
9 society in many parts of Washington state in recent years. The state  
10 has traditionally focused its resources on housing for low-income  
11 populations. Additional funding resources are needed for building  
12 operation and maintenance activities for housing projects affordable to  
13 extremely low-income people, for example farmworkers or people with  
14 developmental disabilities. Affordable rents for extremely low-income  
15 people are not sufficient to cover the cost of building operations and  
16 maintenance. In addition resources are needed at the local level to  
17 assist in development and preservation of affordable low-income housing  
18 to address critical local housing needs.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 36.22 RCW  
2 to read as follows:

3        (1) Except as provided in subsection (2) of this section, a  
4 surcharge of ten dollars per instrument shall be charged by the county  
5 auditor for each document recorded, which will be in addition to any  
6 other charge authorized by law. The auditor may retain up to five  
7 percent of these funds collected to administer the collection of these  
8 funds. Of the remaining funds, forty percent of the revenue generated  
9 through this surcharge will be transmitted monthly to the state  
10 treasurer who will deposit the funds into the Washington housing trust  
11 account. The office of community development of the department of  
12 community, trade, and economic development will develop guidelines for  
13 the use of these funds to support building operation and maintenance  
14 costs of housing projects or units within housing projects that are  
15 affordable to extremely low-income persons with incomes at or below  
16 thirty percent of the area median income, and that require a supplement  
17 to rent income to cover ongoing operating expenses. Sixty percent of  
18 the revenue generated by this surcharge will be retained by the county  
19 and be deposited into a fund that must be used by the county and its  
20 cities and towns for housing projects or units within housing projects  
21 that are affordable to very low-income persons with incomes at or below  
22 fifty percent of the area median income. The portion of the surcharge  
23 retained by a county shall be allocated to very low-income housing  
24 projects or units within such housing projects in the county and the  
25 cities within a county according to an interlocal agreement between the  
26 county and the cities within the county, consistent with countywide and  
27 local housing needs and policies. The funds generated with this  
28 surcharge shall not be used for construction of new housing if at any  
29 time the vacancy rate for available low-income housing within the  
30 county rises above ten percent. The vacancy rate for each county shall  
31 be developed using the state low-income vacancy rate standard developed  
32 under subsection (3) of this section. Permissible uses of these local  
33 funds are limited to:

34        (a) Acquisition, construction, or rehabilitation of housing  
35 projects or units within housing projects that are affordable to very  
36 low-income persons with incomes at or below fifty percent of the area  
37 median income;

38        (b) Supporting building operation and maintenance costs of housing  
39 projects or units within housing projects built with housing trust

1 funds, that are affordable to very low-income persons with incomes at  
2 or below fifty percent of the area median income, and that require a  
3 supplement to rent income to cover ongoing operating expenses;

4 (c) Rental assistance vouchers for housing projects or units within  
5 housing projects that are affordable to very low-income persons with  
6 incomes at or below fifty percent of the area median income, to be  
7 administered by a local public housing authority or other local  
8 organization that has an existing rental assistance voucher program,  
9 consistent with the United States department of housing and urban  
10 development's section 8 rental assistance voucher program standards;  
11 and

12 (d) Operating costs for emergency shelters and licensed overnight  
13 youth shelters.

14 (2) The surcharge imposed in this section does not apply to  
15 assignments or substitutions of previously recorded deeds of trust.

16 (3) The real estate research center at Washington State University  
17 shall develop a vacancy rate standard for low-income housing in the  
18 state as described in RCW 18.85.540(1)(i).

19 **Sec. 3.** RCW 36.18.010 and 1999 c 233 s 3 are each amended to read  
20 as follows:

21 County auditors or recording officers shall collect the following  
22 fees for their official services:

23 For recording instruments, for the first page eight and one-half by  
24 fourteen inches or less, five dollars; for each additional page eight  
25 and one-half by fourteen inches or less, one dollar. The fee for  
26 recording multiple transactions contained in one instrument will be  
27 calculated for each transaction requiring separate indexing as required  
28 under RCW 65.04.050 as follows: The fee for each title or transaction  
29 is the same fee as the first page of any additional recorded document;  
30 the fee for additional pages is the same fee as for any additional  
31 pages for any recorded document; the fee for the additional pages may  
32 be collected only once and may not be collected for each title or  
33 transaction;

34 For preparing and certifying copies, for the first page eight and  
35 one-half by fourteen inches or less, three dollars; for each additional  
36 page eight and one-half by fourteen inches or less, one dollar;

37 For preparing noncertified copies, for each page eight and one-half  
38 by fourteen inches or less, one dollar;

1 For administering an oath or taking an affidavit, with or without  
2 seal, two dollars;

3 For issuing a marriage license, eight dollars, (this fee includes  
4 taking necessary affidavits, filing returns, indexing, and transmittal  
5 of a record of the marriage to the state registrar of vital statistics)  
6 plus an additional five-dollar fee for use and support of the  
7 prevention of child abuse and neglect activities to be transmitted  
8 monthly to the state treasurer and deposited in the state general fund  
9 plus an additional ten-dollar fee to be transmitted monthly to the  
10 state treasurer and deposited in the state general fund. The  
11 legislature intends to appropriate an amount at least equal to the  
12 revenue generated by this fee for the purposes of the displaced  
13 homemaker act, chapter 28B.04 RCW;

14 For searching records per hour, eight dollars;

15 For recording plats, fifty cents for each lot except cemetery plats  
16 for which the charge shall be twenty-five cents per lot; also one  
17 dollar for each acknowledgment, dedication, and description: PROVIDED,  
18 That there shall be a minimum fee of twenty-five dollars per plat;

19 For recording of miscellaneous records not listed above, for the  
20 first page eight and one-half by fourteen inches or less, five dollars;  
21 for each additional page eight and one-half by fourteen inches or less,  
22 one dollar;

23 For modernization and improvement of the recording and indexing  
24 system, a surcharge as provided in RCW 36.22.170.

25 For recording an emergency nonstandard document as provided in RCW  
26 65.04.047, fifty dollars, in addition to all other applicable recording  
27 fees.

28 For recording instruments, a surcharge as provided in section 2 of  
29 this act.

30 NEW SECTION. Sec. 4. A new section is added to chapter 43.330 RCW  
31 to read as follows:

32 The office of community development of the department of community,  
33 trade, and economic development is directed to conduct a statewide  
34 housing market analysis by region. The purpose of the analysis is to  
35 identify areas of greatest need for the appropriate investment of state  
36 affordable housing funds, using vacancy data and other appropriate  
37 measures of need for low-income housing. The analysis shall include  
38 the number and types of projects that counties have developed using the

1 funds collected under this act. The analysis shall be completed by  
2 September 2003, and updated every two years thereafter.

3 **Sec. 5.** RCW 18.85.540 and 1999 c 192 s 3 are each amended to read  
4 as follows:

5 (1) The purpose of a real estate research center in Washington  
6 state is to provide credible research, value-added information,  
7 education services, and project-oriented research to real estate  
8 licensees, real estate consumers, real estate service providers,  
9 institutional customers, public agencies, and communities in Washington  
10 state and the Pacific Northwest region. The center may:

11 (a) Conduct studies and research on affordable housing and  
12 strategies to meet the affordable housing needs of the state;

13 (b) Conduct studies in all areas directly or indirectly related to  
14 real estate and urban or rural economics and economically isolated  
15 communities;

16 (c) Disseminate findings and results of real estate research  
17 conducted at or by the center or elsewhere, using a variety of  
18 dissemination media;

19 (d) Supply research results and educational expertise to the  
20 Washington state real estate commission to support its regulatory  
21 functions, as requested;

22 (e) Prepare information of interest to real estate consumers and  
23 make the information available to the general public, universities, or  
24 colleges, and appropriate state agencies;

25 (f) Encourage economic growth and development within the state of  
26 Washington;

27 (g) Support the professional development and continuing education  
28 of real estate licensees in Washington; (~~and~~)

29 (h) Study and recommend changes in state statutes relating to real  
30 estate; and

31 (i) Develop a vacancy rate standard for low-income housing in the  
32 state.

33 (2) The director shall establish a memorandum of understanding with  
34 an institution of higher learning that establishes a real estate  
35 research center for the purposes under subsection (1) of this section.

36 (3) This section expires September 30, 2005.

1       **Sec. 6.** RCW 43.185.050 and 1994 c 160 s 1 are each amended to read  
2 as follows:

3       (1) The department shall use moneys from the housing trust fund and  
4 other legislative appropriations to finance in whole or in part any  
5 loans or grant projects that will provide housing for persons and  
6 families with special housing needs and with incomes at or below fifty  
7 percent of the median family income for the county or standard  
8 metropolitan statistical area where the project is located. At least  
9 thirty percent of these moneys used in any given funding cycle shall be  
10 for the benefit of projects located in rural areas of the state as  
11 defined by the department. If the department determines that it has  
12 not received an adequate number of suitable applications for rural  
13 projects during any given funding cycle, the department may allocate  
14 unused moneys for projects in nonrural areas of the state.

15       (2) Activities eligible for assistance from the housing trust fund  
16 and other legislative appropriations include, but are not limited to:

17       (a) New construction, rehabilitation, or acquisition of low and  
18 very low-income housing units;

19       (b) Rent subsidies;

20       (c) Matching funds for social services directly related to  
21 providing housing for special-need tenants in assisted projects;

22       (d) Technical assistance, design and finance services and  
23 consultation, and administrative costs for eligible nonprofit community  
24 or neighborhood-based organizations;

25       (e) Administrative costs for housing assistance groups or  
26 organizations when such grant or loan will substantially increase the  
27 recipient's access to housing funds other than those available under  
28 this chapter;

29       (f) Shelters and related services for the homeless, including  
30 emergency shelters and overnight youth shelters;

31       (g) Mortgage subsidies, including temporary rental and mortgage  
32 payment subsidies to prevent homelessness;

33       (h) Mortgage insurance guarantee or payments for eligible projects;

34       (i) Down payment or closing cost assistance for eligible first-time  
35 home buyers;

36       (j) Acquisition of housing units for the purpose of preservation as  
37 low-income or very low-income housing; and

38       (k) Projects making housing more accessible to families with  
39 members who have disabilities.

1 (3) Legislative appropriations from capital bond proceeds may be  
2 used only for the costs of projects authorized under subsection (2)(a),  
3 (i), and (j) of this section, and not for the administrative costs of  
4 the department.

5 (4) Moneys from repayment of loans from appropriations from capital  
6 bond proceeds may be used for all activities necessary for the proper  
7 functioning of the housing assistance program except for activities  
8 authorized under subsection (2)(b) and (c) of this section.

9 (5) Administrative costs of the department shall not exceed four  
10 percent of the annual funds available for the housing assistance  
11 program.

Passed the House March 11, 2002.

Passed the Senate March 7, 2002.

Approved by the Governor April 2, 2002.

Filed in Office of Secretary of State April 2, 2002.