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SENATE BILL 6467

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State of Washington

58th Legislature

2004 Regular Session

By Senators Fairley and Kohl-Welles

Read first time 01/21/2004. Referred to Committee on Financial Services, Insurance & Housing.

1 AN ACT Relating to revising distribution of funds for operating and  
2 maintenance of very low-income housing projects; and amending RCW  
3 36.22.178 and 18.85.540.

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

5 **Sec. 1.** RCW 36.22.178 and 2002 c 294 s 2 are each amended to read  
6 as follows:

7 (1) Except as provided in subsection (2) of this section, a  
8 surcharge of ten dollars per instrument shall be charged by the county  
9 auditor for each document recorded, which will be in addition to any  
10 other charge authorized by law. The ((auditor)) county may retain ((~~up~~  
11 ~~to~~)) five percent of these funds collected ((~~to administer~~)) for the  
12 collection, administration, and local distribution of these funds. Of  
13 the remaining funds, forty percent of the revenue generated through  
14 this surcharge will be transmitted monthly to the state treasurer who  
15 will deposit the funds into the Washington housing trust account. The  
16 office of community development of the department of community, trade,  
17 and economic development will develop guidelines for the use of these  
18 funds to support building operation and maintenance costs of housing  
19 projects or units within housing projects that are affordable to

1 extremely low-income persons with incomes at or below thirty percent of  
2 the area median income, and that require a supplement to rent income to  
3 cover ongoing operating expenses. Sixty percent of the revenue  
4 generated by this surcharge will be retained by the county and be  
5 deposited into a fund that must be used by the county and its cities  
6 and towns for housing projects or units within housing projects that  
7 are affordable to very low-income persons with incomes at or below  
8 fifty percent of the area median income. The portion of the surcharge  
9 retained by a county shall be allocated to very low-income housing  
10 projects or units within such housing projects in the county and the  
11 cities within a county according to an interlocal agreement between the  
12 county and the cities within the county, consistent with countywide and  
13 local housing needs and policies. (~~The funds generated with this~~  
14 ~~surcharge shall not be used for construction of new housing if at any~~  
15 ~~time the vacancy rate for available low income housing within the~~  
16 ~~county rises above ten percent. The vacancy rate for each county shall~~  
17 ~~be developed using the state low income vacancy rate standard developed~~  
18 ~~under subsection (3) of this section.)) Permissible uses of these  
19 local funds are limited to:~~

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

24 (b) Supporting building operation and maintenance costs of housing  
25 projects or units within housing projects (~~built with~~) eligible to  
26 receive housing trust funds, that are affordable to very low-income  
27 persons with incomes at or below fifty percent of the area median  
28 income, and that require a supplement to rent income to cover ongoing  
29 operating expenses;

30 (c) Rental assistance vouchers, including rental assistance or  
31 vouchers for payment of first and last month's rent and security and  
32 other deposits required of all other new tenants by a landlord, for  
33 housing projects or units within housing projects that are affordable  
34 to very low-income persons with incomes at or below fifty percent of  
35 the area median income, to be administered (~~by a local public housing~~  
36 ~~authority or other local organization that has an existing rental~~  
37 ~~assistance voucher program,~~) consistent with the United States

1 department of housing and urban development's section 8 rental  
2 assistance voucher program standards; and

3 (d) Operating costs for emergency shelters and licensed overnight  
4 youth shelters.

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

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

10 **Sec. 2.** RCW 18.85.540 and 2002 c 294 s 5 are each amended to read  
11 as follows:

12 (1) The purpose of a real estate research center in Washington  
13 state is to provide credible research, value-added information,  
14 education services, and project-oriented research to real estate  
15 licensees, real estate consumers, real estate service providers,  
16 institutional customers, public agencies, and communities in Washington  
17 state and the Pacific Northwest region. The center may:

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

20 (b) Conduct studies in all areas directly or indirectly related to  
21 real estate and urban or rural economics and economically isolated  
22 communities;

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

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

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

32 (f) Encourage economic growth and development within the state of  
33 Washington;

34 (g) Support the professional development and continuing education  
35 of real estate licensees in Washington; and

36 (h) Study and recommend changes in state statutes relating to real  
37 estate(~~(; and~~

1       ~~(i) Develop a vacancy rate standard for low income housing in the~~  
2 ~~state)).~~

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

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

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