

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 2048

Chapter 90, Laws of 2012

62nd Legislature
2012 Regular Session

LOW-INCOME HOUSING ASSISTANCE SURCHARGE

EFFECTIVE DATE: 06/07/12

Passed by the House March 3, 2012
Yeas 55 Nays 41

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate February 29, 2012
Yeas 30 Nays 18

BRAD OWEN

President of the Senate

Approved March 29, 2012, 1:11 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2048** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

March 29, 2012

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2048

AS AMENDED BY THE SENATE

Passed Legislature - 2012 Regular Session

State of Washington 62nd Legislature 2012 Regular Session

By House Ways & Means (originally sponsored by Representatives Kenney, Darneille, Dunshee, Hasegawa, Green, Upthegrove, Ormsby, Haigh, McCoy, Pedersen, Ryu, Pettigrew, Ladenburg, Moscoso, Hunt, Kagi, Dickerson, Appleton, Sells, Roberts, Reykdal, Frockt, Fitzgibbon, Finn, Goodman, and Rolfes)

READ FIRST TIME 05/13/11.

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 (c)(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) Any local government receiving more than three million five
19 hundred thousand dollars during the previous calendar year from
20 document recording surcharge funds collected pursuant to RCW 36.22.178,
21 36.22.179, and 36.22.1791, must apply to the Washington state quality
22 award program, or similar Baldrige assessment organization, for an
23 independent assessment of its quality management, accountability, and
24 performance system. The first assessment may be a lite assessment.
25 After submitting an application, a local government is required to
26 reapply at least every two years.

27 (c) The department must:

28 (i) Require contractors that provide housing vouchers to distribute
29 the interested landlord list created by the appropriate local
30 government to individuals and households receiving the housing
31 vouchers;

32 (ii) Using cost-effective methods of communication, annually
33 convene local governments issuing housing vouchers, landlord
34 association representatives, and agencies providing services to
35 individuals and households receiving housing vouchers to identify
36 successes, barriers, and process improvements. The department is not
37 required to reimburse any participants for expenses related to
38 attendance;

1 (iii) Develop a sampling methodology to obtain data required under
2 this section when a local government or contractor does not have such
3 information readily available. The process for developing the sampling
4 methodology must include providing notification to and the opportunity
5 for public comment by local governments issuing housing vouchers,
6 landlord association representatives, and agencies providing services
7 to individuals and households receiving housing vouchers;

8 (iv) Develop a report, limited to document recording fee uses and
9 expenditures, on a calendar year basis in consultation with local
10 governments, landlord association representatives, and agencies
11 providing services to individuals and households receiving housing
12 vouchers, that includes the following: Total amount expended from
13 document recording fees; amount expended on, number of households that
14 received, and number of housing vouchers issued in each of the private,
15 public, and nonprofit markets; amount expended on, number of households
16 that received, and number of housing placement payments provided in
17 each of the private, public, and nonprofit markets; amount expended on
18 and number of eviction prevention services provided in the private
19 market; and amount expended on and number of other tenant-based rent
20 assistance services provided in the private market. The information in
21 the report must include data submitted by local governments and data on
22 all additional document recording fee activities for which the
23 department contracted that were not otherwise reported;

24 (v) Annually submit the calendar year report to the legislature by
25 December 15th, with a preliminary report submitted by December 15,
26 2012, and full calendar year reports submitted beginning December 15,
27 2013; and

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

32 (2) For purposes of this section:

33 (a) "Housing placement payments" means one-time payments, such as
34 first and last month's rent and move-in costs, funded by document
35 recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or
36 36.22.1791 that are made to secure a unit on behalf of a tenant.

37 (b) "Housing vouchers" means payments funded by document recording
38 surcharges collected pursuant to RCW 36.22.178, 36.22.179, or

1 36.22.1791 that are made by a local government or contractor to secure:
2 (i) A rental unit on behalf of an individual tenant; or (ii) a block of
3 units on behalf of multiple tenants.

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

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

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

Passed by the House March 3, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.