

E2SHB 1277 - S AMD TO WM COMM AMD (S-2934.1/21) **915**
By Senator Robinson

ADOPTED 04/24/2021

1 On page 2, line 7, after "county," strike "or city" and insert
2 "city, or wage"

3 On page 10, after line 3, insert the following:

4 **"Sec. 7.** RCW 36.22.178 and 2019 c 136 s 1 are each amended to
5 read as follows:

6 The surcharge provided for in this section shall be named the
7 affordable housing for all surcharge.

8 (1) Except as provided in subsection (3) of this section, a
9 surcharge of thirteen dollars per instrument shall be charged by the
10 county auditor for each document recorded, which will be in addition
11 to any other charge authorized by law. The county may retain up to
12 five percent of these funds collected solely for the collection,
13 administration, and local distribution of these funds. Of the
14 remaining funds, forty percent of the revenue generated through this
15 surcharge will be transmitted monthly to the state treasurer who will
16 deposit: (a) The portion of the funds attributable to ten dollars of
17 the surcharge into the affordable housing for all account created in
18 RCW 43.185C.190. The department of commerce must use these funds to
19 provide housing and shelter for extremely low-income households,
20 including but not limited to housing for victims of human trafficking
21 and their families and grants for building operation and maintenance
22 costs of housing projects or units within housing projects that are
23 affordable to extremely low-income households with incomes at or
24 below thirty percent of the area median income, and that require a
25 supplement to rent income to cover ongoing operating expenses; and
26 (b) the portion of the funds attributable to three dollars of the
27 surcharge into the landlord mitigation program account created in RCW
28 43.31.615.

29 (2) All of the remaining funds generated by this surcharge will
30 be retained by the county and be deposited into a fund that must be
31 used by the county and its cities and towns for eligible housing
32 activities as described in this subsection that serve very low-income

1 households with incomes at or below fifty percent of the area median
2 income. The portion of the surcharge retained by a county shall be
3 allocated to eligible housing activities that serve extremely low and
4 very low-income households in the county and the cities within a
5 county according to an interlocal agreement between the county and
6 the cities within the county consistent with countywide and local
7 housing needs and policies. A priority must be given to eligible
8 housing activities that serve extremely low-income households with
9 incomes at or below thirty percent of the area median income.
10 Eligible housing activities to be funded by these county funds are
11 limited to:

12 (a) Acquisition, construction, or rehabilitation of housing
13 projects or units within housing projects that are affordable to very
14 low-income households with incomes at or below fifty percent of the
15 area median income, including units for homeownership, rental units,
16 seasonal and permanent farmworker housing units, units reserved for
17 victims of human trafficking and their families, and single room
18 occupancy units;

19 (b) Supporting building operation and maintenance costs of
20 housing projects or units within housing projects eligible to receive
21 housing trust funds, that are affordable to very low-income
22 households with incomes at or below fifty percent of the area median
23 income, and that require a supplement to rent income to cover ongoing
24 operating expenses;

25 (c) Rental assistance vouchers for housing units that are
26 affordable to very low-income households with incomes at or below
27 fifty percent of the area median income, including rental housing
28 vouchers for victims of human trafficking and their families, to be
29 administered by a local public housing authority or other local
30 organization that has an existing rental assistance voucher program,
31 consistent with or similar to the United States department of housing
32 and urban development's section 8 rental assistance voucher program
33 standards; and

34 (d) Operating costs for emergency shelters and licensed overnight
35 youth shelters.

36 (3) The surcharge imposed in this section does not apply to
37 assignments or substitutions of previously recorded deeds of trust or
38 to documents recording a federal lien, wage lien, or satisfaction of
39 lien.

1 **Sec. 8.** RCW 36.22.179 and 2019 c 136 s 2 are each amended to
2 read as follows:

3 (1) In addition to the surcharge authorized in RCW 36.22.178, and
4 except as provided in subsection (3) of this section, an additional
5 surcharge of sixty-two dollars shall be charged by the county auditor
6 for each document recorded, which will be in addition to any other
7 charge allowed by law. Except as provided in subsection (4) of this
8 section, the funds collected pursuant to this section are to be
9 distributed and used as follows:

10 (a) The auditor shall retain two percent for collection of the
11 fee, and of the remainder shall remit sixty percent to the county to
12 be deposited into a fund that must be used by the county and its
13 cities and towns to accomplish the purposes of chapter 484, Laws of
14 2005, six percent of which may be used by the county for the
15 collection and local distribution of these funds and administrative
16 costs related to its homeless housing plan, and the remainder for
17 programs which directly accomplish the goals of the county's local
18 homeless housing plan, except that for each city in the county which
19 elects as authorized in RCW 43.185C.080 to operate its own local
20 homeless housing program, a percentage of the surcharge assessed
21 under this section equal to the percentage of the city's local
22 portion of the real estate excise tax collected by the county shall
23 be transmitted at least quarterly to the city treasurer, without any
24 deduction for county administrative costs, for use by the city for
25 program costs which directly contribute to the goals of the city's
26 local homeless housing plan; of the funds received by the city, it
27 may use six percent for administrative costs for its homeless housing
28 program.

29 (b) The auditor shall remit the remaining funds to the state
30 treasurer for deposit in the home security fund account to be used as
31 follows:

32 (i) The department may use twelve and one-half percent of this
33 amount for administration of the program established in RCW
34 43.185C.020, including the costs of creating the statewide homeless
35 housing strategic plan, measuring performance, providing technical
36 assistance to local governments, and managing the homeless housing
37 grant program.

38 (ii) The remaining eighty-seven and one-half percent of this
39 amount must be used as follows:

1 (A) At least forty-five percent must be set aside for the use of
2 private rental housing payments; and

3 (B) All remaining funds are to be used by the department to:

4 (I) Provide housing and shelter for homeless people including,
5 but not limited to: Grants to operate, repair, and staff shelters;
6 grants to operate transitional housing; partial payments for rental
7 assistance; consolidated emergency assistance; overnight youth
8 shelters; grants and vouchers designated for victims of human
9 trafficking and their families; and emergency shelter assistance; and

10 (II) Fund the homeless housing grant program.

11 (2) A county issuing general obligation bonds pursuant to RCW
12 36.67.010, to carry out the purposes of subsection (1)(a) of this
13 section, may provide that such bonds be made payable from any
14 surcharge provided for in subsection (1)(a) of this section and may
15 pledge such surcharges to the repayment of the bonds.

16 (3) The surcharge imposed in this section does not apply to (a)
17 assignments or substitutions of previously recorded deeds of trust,
18 (b) documents recording a birth, marriage, divorce, or death, (c) any
19 recorded documents otherwise exempted from a recording fee or
20 additional surcharges under state law, (d) marriage licenses issued
21 by the county auditor, or (e) documents recording a federal, state,
22 county, (~~or~~) city, or wage lien or satisfaction of lien.

23 (4) Ten dollars of the surcharge imposed under subsection (1) of
24 this section must be distributed to the counties to carry out the
25 purposes of subsection (1)(a) of this section.

26 (5) For purposes of this section, "private rental housing" means
27 housing owned by a private landlord and includes housing owned by a
28 nonprofit housing entity.

29 **Sec. 9.** RCW 36.22.1791 and 2019 c 136 s 3 are each amended to
30 read as follows:

31 (1) In addition to the surcharges authorized in RCW 36.22.178 and
32 36.22.179, and except as provided in subsection (2) of this section,
33 the county auditor shall charge an additional surcharge of eight
34 dollars for each document recorded, which is in addition to any other
35 charge allowed by law. The funds collected under this section are to
36 be distributed and used as follows:

37 (a) The auditor shall remit ninety percent to the county to be
38 deposited into a fund six percent of which may be used by the county
39 for administrative costs related to its homeless housing plan, and

1 the remainder for programs that directly accomplish the goals of the
2 county's local homeless housing plan, except that for each city in
3 the county that elects, as authorized in RCW 43.185C.080, to operate
4 its own local homeless housing program, a percentage of the surcharge
5 assessed under this section equal to the percentage of the city's
6 local portion of the real estate excise tax collected by the county
7 must be transmitted at least quarterly to the city treasurer for use
8 by the city for program costs that directly contribute to the goals
9 of the city's local homeless housing plan.

10 (b) The auditor shall remit the remaining funds to the state
11 treasurer for deposit in the home security fund account. The
12 department may use the funds for administering the program
13 established in RCW 43.185C.020, including the costs of creating and
14 updating the statewide homeless housing strategic plan, measuring
15 performance, providing technical assistance to local governments, and
16 managing the homeless housing grant program. Remaining funds may also
17 be used to:

- 18 (i) Provide housing and shelter for homeless people including,
19 but not limited to: Grants to operate, repair, and staff shelters;
20 grants to operate transitional housing; partial payments for rental
21 assistance; consolidated emergency assistance; overnight youth
22 shelters; grants and vouchers designated for victims of human
23 trafficking and their families; and emergency shelter assistance; and
24 (ii) Fund the homeless housing grant program.

25 (2) The surcharge imposed in this section does not apply to
26 assignments or substitutions of previously recorded deeds of trust or
27 to documents recording a federal or wage lien or satisfaction of
28 lien.

29 **Sec. 10.** RCW 36.22.240 and 2019 c 348 s 11 are each amended to
30 read as follows:

31 (1) Except as provided in subsection (2) of this section, a
32 surcharge of two dollars and fifty cents shall be charged by the
33 county auditor for each document recorded, which will be in addition
34 to any other charge or surcharge allowed by law. The auditor shall
35 remit the funds to the state treasurer to be deposited and used as
36 follows:

37 (a) Through June 30, 2024, funds must be deposited into the
38 growth management planning and environmental review fund created in
39 RCW 36.70A.490 to be used first for grants for costs associated with

1 RCW 36.70A.600 and for costs associated with RCW 36.70A.610, and
2 thereafter for any allowable use of the fund.

3 (b) Beginning July 1, 2024, sufficient funds must be deposited
4 into the growth management planning and environmental review fund
5 created in RCW 36.70A.490 for costs associated with RCW 36.70A.610,
6 and the remainder deposited into the home security fund account
7 created in RCW 43.185C.060 to be used for maintenance and operation
8 costs of: (i) Permanent supportive housing and (ii) affordable
9 housing for very low-income and extremely low-income households.
10 Funds may only be expended in cities that have taken action under RCW
11 36.70A.600.

12 (2) The surcharge imposed in this section does not apply to: (a)
13 Assignments or substitutions of previously recorded deeds of trust;
14 (b) documents recording a birth, marriage, divorce, or death; (c) any
15 recorded documents otherwise exempted from a recording fee or
16 additional surcharges under state law; (d) marriage licenses issued
17 by the county auditor; or (e) documents recording a federal, state,
18 county, ~~((or))~~ city, or wage lien or satisfaction of lien.

19 (3) For purposes of this section, the terms "permanent supportive
20 housing," "affordable housing," "very low-income households," and
21 "extremely low-income households" have the same meaning as provided
22 in RCW 36.70A.030."

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23 On page 10, line 6, after "43.185C.060," strike "and 43.185C.190"
24 and insert "43.185C.190, 36.22.178, 36.22.179, 36.22.1791, and
25 36.22.240"

EFFECT: Exempts documents recording wage liens from all housing-
related document recording fee surcharges.

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