Washington Passes Legislation to Extend Document Recording Fees/Surcharge for Homeless Programs

by Michael Anderson // 2014, Spring

Washington state advocates might be hard pressed to identify what exactly brought a very challenging legislative session to be victorious in passing an extension of a recording fee and surcharge dedicated to serving homeless people across the state.

- The ringing of a gong by advocates for five hours on the Capitol steps to recognize each of the 5,043 individuals who were counted living outside at night during the 2013 annual point in time count, or
- The phone action targeting key legislators to make key supporting votes, along with Housing and Homelessness Advocacy Day, or
- The countless visits and contacts by advocates throughout Washington reaching out to their legislators fueled by a "we're not giving up" attitude.
- The more than 30 print articles in papers across the state and online traditional and blog outlets, with a Seattle Times Editorial Board declaring: *"the homeless are victims of legislative malpractice."*
- The story from a formerly homeless veteran **Mindy Woods** of success after being helped by a YCWA program funded by the Homeless Housing and Assistance Surcharge, along with other testimony from advocates.
- The last minute media and advocacy blitz by advocates to gain action by the legislature after the bill was killed late in the session.
- Or all of the above and then some. Regardless, one seasoned lobbyist noted, *"ESSB 5875 passing is a legislative miracle."*

Basically the campaign of the Washington Low Income Housing Alliance, and many allies, was a fight for deeper investments in affordable housing to prevent $68 million in funding for homelessness services from expiring. Washington has embraced the use of recording fees/surcharges on some real estate related documents as a source of funds for homelessness programs. The fees were set to be reduced in 2015 and again in 2017, resulting in a loss of 62.5% of current funding for homelessness. Two weeks before the end of the session, the bill was dramatically killed in committee. Finally, in the last hours of the session, the legislature took action to extend the Homeless Housing and Assistance Surcharges/Document Recording Fees.

In the end, compromise bill ESSB 5875 passed, which pushes the sunset dates to 2019. In the state Senate, the controlling party, a coalition with members from both sides of the aisle introduced SB 5875 after intense public pressure. While the final bill isn't exactly what advocates wanted, it extends the $40 homeless housing and assistance document recording fees/surcharges through June 30, 2019. The bill also requires 45% of the state's non-administrative allotment of the surcharge fee revenue be set aside for private rental housing payments and made some changes to which documents the fee applies.

Advocates rang a gong 5043 times to represent the state single night homeless count.

The homeless document recording fees are the state's most significant funding source for homelessness programs, representing almost half of all the funds the state has available to help transition people off the streets into shelters and homes. Many lawmakers made notable remarks on the floor before voting on the bill. The Washington Low Income Housing Alliance highlighted how Senator Marko Liias (21st LD-Mukilteo) described the opportunity to vote on the bill that night: "*When we pass out charts for school children explaining how a bill becomes a law, it does not cover bills like this one, that move through the process in different ways … It's also a testament to the power of everyday people in our democracy to speak up when they see a decision that they don't agree with. Everyday citizens like the local Catholic action folks that came and talked to me and I'm sure to many of my colleagues. Efforts by our news media through editorial boards and letters to the editor from around the state to talk about this issue. So I think this bill … is a testament to fact that our democracy works, that as legislators we listen and sometimes when we don't get it quite right, we fix our mistakes."*

The History: In Washington, document recording fees, collected at the county level, were increased across the state, initially in 2002 when a surcharge of $10.00 was added to the document recording fee. Counties were permitted to retain up to five percent for administrative costs and, of the remaining funds, 40% are deposited into the Affordable Housing for All Account, and 60% are distributed to counties for use by the county (and its cities and towns) for affordable housing activities that serve very low-income households. The Affordable Housing for All Account funds the state's Operating and Maintenance Program (which provides funds to sustain housing for extremely low income households) and other homeless emergency and transitional housing programs. Then in 2007, the surcharge was re-named Affordable Housing for All Surcharge.

In 2005, the Homelessness Housing and Assistance Act added a $10 document recording fee with a goal of reducing homelessness by 50% by 2015. Two percent stayed with auditors, 58.8% to counties and 39.2% to state Home Security Fund. The act required homelessness plans by the counties and the state. In 2007, an additional $8.00 was added giving 90% of the revenues to counties and 10% to the state fund. In 2009, the original fee was boosted to $30, with an expiration date of June 2013. In early 2012 the fee was extended through June 2015. All fees total $38 per document with 1.58% going to auditors; 65.37% to counties; and 33.1% to the state's Home Security Fund account.

Since 2006, the recording fee/surcharge revenues have supported a 19 percent decrease in homelessness throughout the state and a 74 percent decrease in unsheltered family homelessness. Some 59,881 homeless people will be housed with these funds during 2013-2015. Success in counties throughout the state abounds as a result of these funds:

- Whatcom County created and maintains a Homeless Service Center and has decreased homelessness by 34%. The number of homeless veterans has decreased by 60%.
- King County's Landlord Liaison Project has worked with 173 landlords and 53 service agencies to secure rental housing in the private market for 2,231 people with barriers to renting, including a criminal record, eviction record,

and negative credit history.

For more information contact Rachael Myers, Washington Low Income Housing Alliance, 1411 4th Ave, Suite 850, Seattle, WA 98101 (206-442-9455) or www.wliha.org

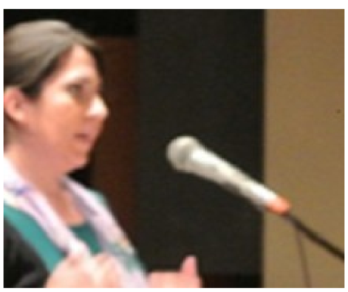
PREVIOUS
City of Lexington Approves $3.5 Million for Housing Trust Fund; Next Step: Dedicated Source Advocates Say

NEXT
United for Homes Summer Challenge

MORE FROM CURRENT ISSUE

Washington Passes Legislation to Extend Document Recording Fees/Surcharge for Homeless Programs

City of Lexington Approves $3.5 Million for Housing Trust Fund; Next Step: Dedicated Source Advocates Say



Colorado Adds $23 million to CHIF, Amends Fund to Receive Future State Revenue

Bend Oregon Extends Affordable Housing Fee Program Five Years

New Jersey Counties Demonstrate Effective Use of Homeless Trust Funds

Milwaukee Continues Housing Trust Fund Success

United for Homes Campaign: Update