
HOUSE BILL 1260

State of Washington

69th Legislature

2025 Regular Session

By Representatives Schmidt and Ormsby

1 AN ACT Relating to administrative costs associated with the
2 document recording fee; and amending RCW 36.22.250.

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

4 **Sec. 1.** RCW 36.22.250 and 2023 c 277 s 1 are each amended to
5 read as follows:

6 (1) A surcharge of \$183 per instrument shall be charged by the
7 county auditor for each document recorded, which will be in addition
8 to any other charge authorized by law. The following are exempt from
9 this surcharge:

10 (a) Assignments or substitutions of previously recorded deeds of
11 trust;

12 (b) Documents recording a birth, marriage, divorce, or death;

13 (c) Any recorded documents otherwise exempted from a recording
14 fee or additional surcharges under state law;

15 (d) Marriage licenses issued by the county auditor; and

16 (e) Documents recording a federal, state, county, city, or water-
17 sewer district, or wage lien or satisfaction of lien.

18 (2) Funds collected pursuant to this section must be distributed
19 and used as follows:

20 (a) One percent of the total funds collected shall be retained by
21 the county auditor for its fee collection activities;

1 (b) 30 percent of the total funds collected shall be retained by
2 the county and used by the county as provided in subsection (3) of
3 this section;

4 (c) 54.1 percent of the total funds collected shall be
5 transmitted to the state treasurer to be deposited in the home
6 security fund account created in RCW 43.185C.060 and shall be used by
7 the department of commerce as provided in subsection (4) of this
8 section;

9 (d) 13.1 percent of the total funds collected shall be
10 transmitted to the state treasurer to be deposited in the affordable
11 housing for all account created in RCW 43.185C.190 and shall be used
12 by the department of commerce as provided in subsection (5) of this
13 section;

14 (e) 1.8 percent of the total funds collected shall be transmitted
15 to the state treasurer to be deposited in the landlord mitigation
16 program account created in RCW 43.31.615 and shall be used by the
17 department of commerce as provided in subsection (6) of this section.

18 (3) The county shall use their portion of the collected funds as
19 follows:

20 (a) Up to 10 percent for the county's administration and local
21 distribution of the funds collected from the surcharge in this
22 section, and administrative costs related to the county's homeless
23 housing plan. If cities are entitled to a portion of the surcharge,
24 then the amount available for county administrative costs shall be
25 limited to 10 percent of that amount the county will retain after
26 completing the required city distributions;

27 (b) ~~((At))~~ If no city in the county has elected under RCW
28 43.185C.080 to operate its own local homeless housing program, then
29 at least 75 percent will be retained and used by the county to
30 accomplish the purposes of its local homeless housing plan pursuant
31 to chapter 484, Laws of 2005. ((For each)) Each city in the county
32 that elects as authorized in RCW 43.185C.080 to operate its own local
33 homeless housing program(~~(, a percentage of the surcharge assessed~~
34 under this subsection)) is entitled to a share of that portion of the
35 surcharge identified in subsection (2)(b) of this section less the 15
36 percent thereof that the county is required to use for extremely low
37 and very low-income households pursuant to (c) of this subsection.
38 Each city's share thereof must be equal to the percentage of the
39 city's local portion of the real estate excise tax collected by the
40 county, and shall be transmitted at least quarterly to the city

1 treasurer, without any deduction for county administrative costs, for
2 use by the city for program costs which directly contribute to the
3 goals of the city's local homeless housing plan(~~(+of)~~). Of the funds
4 received by the city, it may use up to 10 percent for administrative
5 costs for its homeless housing program;

6 (c) At least 15 percent will be retained and used by the county
7 for eligible housing activities, as described in this subsection,
8 that serve extremely low and very low-income households in the county
9 and the cities within a county according to an interlocal agreement
10 between the county and the cities within the county consistent with
11 countywide and local housing needs and policies. A priority must be
12 given to eligible housing activities that serve extremely low-income
13 households with incomes at or below 30 percent of the area median
14 income. Eligible housing activities to be funded are limited to:

15 (i) Acquisition, construction, or rehabilitation of housing
16 projects or units within housing projects that are affordable to very
17 low-income households with incomes at or below 50 percent of the area
18 median income, including units for homeownership, rental units,
19 seasonal and permanent farmworker housing units, units reserved for
20 victims of human trafficking and their families, and single room
21 occupancy units;

22 (ii) Supporting building operation and maintenance costs of
23 housing projects or units within housing projects eligible to receive
24 housing trust funds, that are affordable to very low-income
25 households with incomes at or below 50 percent of the area median
26 income, and that require a supplement to rent income to cover ongoing
27 operating expenses;

28 (iii) Rental assistance vouchers for housing units that are
29 affordable to very low-income households with incomes at or below 50
30 percent of the area median income, including rental housing vouchers
31 for victims of human trafficking and their families, to be
32 administered by a local public housing authority or other local
33 organization that has an existing rental assistance voucher program,
34 consistent with or similar to the United States department of housing
35 and urban development's section 8 rental assistance voucher program
36 standards; and

37 (iv) Operating costs for emergency shelters and licensed
38 overnight youth shelters.

39 (4) The department of commerce shall use the funds from the
40 document recording fee or other fund sources deposited in the home

1 security fund account as follows, except that the department of
2 commerce shall provide counties with the right of first refusal to
3 receive grant funds distributed under (b) of this subsection (4). If
4 a county refuses the funds or does not respond within a time frame
5 established by the department, the department shall make good faith
6 efforts to identify one or more suitable alternative grantees
7 operating within that county. The alternative grantee shall
8 distribute the funds in a manner that is in compliance with this
9 chapter. Funding provided through the office of homeless youth
10 prevention and protection programs created in RCW 43.330.705 is
11 exempt from the county first refusal requirement.

12 (a) Up to 10 percent for administration of the programs
13 established in chapter 43.185C RCW and in conformance with this
14 subsection (4), including the costs of creating and implementing
15 strategic plans, collecting and evaluating data, measuring and
16 reporting performance, providing technical assistance to local
17 governments, providing training to entities delivering services, and
18 developing and maintaining stakeholder relationships;

19 (b) At least 90 percent for homelessness assistance grant
20 programs administered by the department, including but not limited
21 to: Temporary rental assistance; eviction prevention rental
22 assistance per RCW 43.185C.185; emergency shelter and transitional
23 housing operations and maintenance; outreach; diversion; HOPE and
24 crisis residential centers; young adult housing; homeless services
25 and case management for adult, family, youth, and young adult
26 homeless populations and those at risk of homelessness; project-based
27 vouchers for nonprofit housing providers or public housing
28 authorities; tenant-based rent assistance; housing services; rapid
29 rehousing; emergency housing; acquisition; operations; maintenance;
30 and service costs for permanent supportive housing as defined in RCW
31 36.70A.030 for individuals with disabilities. Grantees may also use
32 these funds in partnership with permanent supportive housing programs
33 administered by the office of apple health and homes created in RCW
34 43.330.181. Priority for use must be given to purposes intended to
35 house persons who are chronically homeless or to maintain housing for
36 individuals with disabilities and prior experiences of homelessness,
37 including families with children.

38 (5) The department of commerce shall use the funds from the
39 document recording fee or other fund sources deposited in the
40 affordable housing for all account as follows:

1 (a) Up to 10 percent for program administration and technical
2 assistance necessary for the delivery programs and activities under
3 this subsection (5);

4 (b) At least 90 percent for the following:

5 (i) Grants for building operation and maintenance costs of
6 housing projects, or units within housing projects, that are in the
7 state's housing trust fund portfolio, are affordable to extremely
8 low-income households with incomes at or below 30 percent of the area
9 median income, and require a supplement to rent income to cover
10 ongoing operating expenses;

11 (ii) Grants to support the building operations, maintenance, and
12 supportive service costs for permanent supportive housing projects,
13 or units within housing projects, that have received or will receive
14 funding from the housing trust fund or other public capital funding
15 programs. The supported projects or units must be dedicated as
16 permanent supportive housing as defined in RCW 36.70A.030, be
17 occupied by extremely low-income households with incomes at or below
18 30 percent of the area median income, and require a supplement to
19 rent income to cover ongoing property operations, maintenance, and
20 supportive services expenses.

21 (6) The department of commerce shall use the funds from the
22 document recording fee or other fund sources deposited in the
23 landlord mitigation program account to administer the landlord
24 mitigation program as established in RCW 43.31.605. The department of
25 commerce may use up to 10 percent of these funds for program
26 administration and the development and maintenance of a database
27 necessary to administer the program.

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