

Impact of the Local Homeless Surcharge Sunset

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These fees are the largest source of funds for homeless housing in every county in the state.

Funding for homelessness will drop more than 60 percent by 2017. Under current law, the document recording fee that funds homeless reduction efforts will sunset in 2015 and 2017, resulting in a 62.5 percent cut by 2017.

The sunset will create a \$68 million cut in homeless funding.

In 2013-15 \$109 million is distributed for homelessness through these fees. By 2018, funding will be \$41 million, a \$68 million decline in homeless funding. The sunset will result in **32,000 fewer homeless people housed**¹.

4,500 fewer private market units will be rented or leased.

In 2013-15 \$49 million was provided to private market landlords through rent assistance. In 2018 that will drop to \$26 million – resulting in a reduction of 4,500 private-market units.

Current law will result in the closure of emergency shelters across the state, transitional housing, and the end of short-term rent assistance. Counties are responsible for providing homeless services; none would be able to backfill the loss of document fee revenue.

These fees have made a difference. Since 2006 Recording fee revenue has funded a 29 percent decrease in homelessness generally, and a 74 percent decrease in unsheltered family homelessness². The fee is scheduled to decline from \$40 to \$30 in Fiscal Year 2016 and down to \$10 in Fiscal Year 2017. These fees are collected by county auditors on real estate documents recorded or filed under RCW 36.22.179 (2).

Commerce Recommends: Eliminating the fee sunset in <u>RCW 36.22.179</u> to allow our state to continue our progress to end homelessness and prevent a cut to local social services.

For more information:

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¹ Estimated by comparing 2013 funding and services verses estimated funds in 2018 under current law.

² Washington State Point in Time Count of Homeless People.



Profile of Homeless Housing Statewide Totals

Homeless Document Fees

2013-15 (Current	Funding after	
funding)	sunset	Change
\$109,958,554	\$41,234,458	(\$68,724,096)

Number of Homeless People Housed Using Fees

Housed 2013-15	Housed after sunset	Change
1100300 2013 13	3411366	Change
59,881	26,915	(32,965)

Rent Assistance and Leasing of Private Market Units

Units supported Spending 2013-15 2013-15 \$49,964,951 4,516

Related Jobs	Count of Jobs - From private market rent assistance	Count of Jobs - From non- profit and faith-based staff	Earned Income - From rent assistance and leasing	Earned Income - Non-profit and faith- based staff
	435	245	\$14,035,155	\$19,600,000