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**HOUSE BILL 1105**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Representatives Orwall, Ryu, Wylie, Pollet, Stanford, and Frame

Prefiled 01/10/19. Read first time 01/14/19. Referred to Committee on Local Government.

1 AN ACT Relating to protecting taxpayers from home foreclosure;  
2 amending RCW 84.56.020, 84.64.080, 84.64.225, and 36.35.110; adding a  
3 new section to chapter 84.56 RCW; and providing an effective date.

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

5 **Sec. 1.** RCW 84.56.020 and 2017 c 142 s 1 are each amended to  
6 read as follows:

7 **Treasurers' tax collection duties.**

8 (1) The county treasurer must be the receiver and collector of  
9 all taxes extended upon the tax rolls of the county, whether levied  
10 for state, county, school, bridge, road, municipal or other purposes,  
11 and also of all fines, forfeitures or penalties received by any  
12 person or officer for the use of his or her county. No treasurer may  
13 accept tax payments or issue receipts for the same until the  
14 treasurer has completed the tax roll for the current year's  
15 collection and provided notification of the completion of the roll.  
16 Notification may be accomplished electronically, by posting a notice  
17 in the office, or through other written communication as determined  
18 by the treasurer. All real and personal property taxes and  
19 assessments made payable by the provisions of this title are due and  
20 payable to the county treasurer on or before the thirtieth day of

1 April and, except as provided in this section, are delinquent after  
2 that date.

3 **Tax statements.**

4 (2) (a) Tax statements for the current year's collection must be  
5 distributed to each taxpayer on or before March 15th provided that:

6 (i) All city and other taxing district budgets have been  
7 submitted to county legislative authorities by November 30th per RCW  
8 84.52.020;

9 (ii) The county legislative authority in turn has certified taxes  
10 levied to the county assessor by November 30th per RCW 84.52.070; and

11 (iii) The county assessor has delivered the tax roll to the  
12 county treasurer by January 15th per RCW 84.52.080.

13 (b) Each tax statement must include a notice that checks for  
14 payment of taxes may be made payable to "Treasurer of . . . . .  
15 County" or other appropriate office, but tax statements may not  
16 include any suggestion that checks may be made payable to the name of  
17 the individual holding the office of treasurer nor any other  
18 individual.

19 (c) Each tax statement must include the contact information,  
20 including but not limited to the phone number, for the statewide  
21 foreclosure hotline recommended by the Washington state housing  
22 finance commission.

23 **Tax payment due dates.**

24 **On-time tax payments: First-half taxes paid by April 30th and**  
25 **second-half taxes paid by October 31st.**

26 (3) When the total amount of tax or special assessments on  
27 personal property or on any lot, block or tract of real property  
28 payable by one person is fifty dollars or more, and if one-half of  
29 such tax is paid on or before the thirtieth day of April, the  
30 remainder of such tax is due and payable on or before the following  
31 thirty-first day of October and is delinquent after that date.

32 **Delinquent tax payments for current year: First-half taxes paid**  
33 **after April 30th.**

34 (4) When the total amount of tax or special assessments on any  
35 lot, block or tract of real property or on any mobile home payable by  
36 one person is fifty dollars or more, and if one-half of such tax is  
37 paid after the thirtieth day of April but before the thirty-first day  
38 of October, together with the applicable interest and penalty on the  
39 full amount of tax payable for that year, the remainder of such tax

1 is due and payable on or before the following thirty-first day of  
2 October and is delinquent after that date.

3 **Delinquent tax payments: Interest, penalties, and treasurer**  
4 **duties.**

5 (5) Except as provided in (c) of this subsection, delinquent  
6 taxes under this section are subject to interest at the rate of  
7 twelve percent per annum computed on a monthly basis on the amount of  
8 tax delinquent from the date of delinquency until paid. Interest must  
9 be calculated at the rate in effect at the time of the tax payment,  
10 regardless of when the taxes were first delinquent. In addition,  
11 delinquent taxes under this section are subject to penalties as  
12 follows:

13 (a) A penalty of three percent of the amount of tax delinquent is  
14 assessed on the tax delinquent on June 1st of the year in which the  
15 tax is due.

16 (b) An additional penalty of eight percent is assessed on the  
17 delinquent tax amount on December 1st of the year in which the tax is  
18 due.

19 (c) If a taxpayer is successfully participating in a payment  
20 agreement under subsection (~~((12))~~) (15)(b) of this section or a  
21 partial payment program pursuant to subsection (~~((13))~~) (15)(c) of  
22 this section, the county treasurer may not assess additional  
23 penalties on delinquent taxes that are included within the payment  
24 agreement. Interest and penalties that have been assessed prior to  
25 the payment agreement remain due and payable as provided in the  
26 payment agreement.

27 (6) A county treasurer must provide notification to each taxpayer  
28 whose taxes have become delinquent under subsections (4) and (5) of  
29 this section. The delinquency notice must include:

30 (a) Any current tax or special assessments due as of the date of  
31 the notice;

32 (b) Any delinquent tax or special assessments due, including any  
33 penalties and interest, as of the date of the notice; and

34 (c) The contact information, including but not limited to the  
35 phone number, for the statewide foreclosure hotline recommended by  
36 the Washington state housing finance commission.

37 (7) After the expiration of two years from the date of  
38 delinquency (when a taxpayer's taxes have become delinquent), the  
39 county treasurer must provide the name and property address of the  
40 delinquent taxpayer to a homeownership resource center or any other

1 designated local or state entity recommended by the Washington state  
2 housing finance commission.

3 **Collection of foreclosure costs.**

4 (8)(a) When real property taxes become delinquent and prior to  
5 the filing of the certificate of delinquency, the treasurer is  
6 authorized to assess and collect tax foreclosure avoidance costs.

7 ~~((For the purposes of this section, "tax foreclosure~~  
8 ~~avoidance costs" means those direct costs associated with the~~  
9 ~~administration of properties subject to and prior to foreclosure. Tax~~  
10 ~~foreclosure avoidance costs include:~~

11 ~~(i) Compensation of employees for the time devoted to~~  
12 ~~administering the avoidance of property foreclosure; and~~

13 ~~(ii) The cost of materials, services, or equipment acquired,~~  
14 ~~consumed, or expended in administering tax foreclosure avoidance~~  
15 ~~prior to the filing of a certificate of delinquency.~~

16 ~~(e))~~ When tax foreclosure avoidance costs are collected, such  
17 costs must be credited to the county treasurer service fund account,  
18 except as otherwise directed.

19 ~~((d))~~ (c) For purposes of chapter 84.64 RCW, any taxes,  
20 interest, or penalties deemed delinquent under this section remain  
21 delinquent until such time as all taxes, interest, and penalties for  
22 the tax year in which the taxes were first due and payable have been  
23 paid in full.

24 ~~((7))~~ **Periods of armed conflict.**

25 (9) Subsection (5) of this section notwithstanding, no interest  
26 or penalties may be assessed during any period of armed conflict  
27 regarding delinquent taxes imposed on the personal residences owned  
28 by active duty military personnel who are participating as part of  
29 one of the branches of the military involved in the conflict and  
30 assigned to a duty station outside the territorial boundaries of the  
31 United States.

32 ~~((8))~~ **State of emergency.**

33 (10) During a state of emergency declared under RCW  
34 43.06.010(12), the county treasurer, on his or her own motion or at  
35 the request of any taxpayer affected by the emergency, may grant  
36 extensions of the due date of any taxes payable under this section as  
37 the treasurer deems proper.

38 ~~((9))~~ **Retention of funds from interest.**

39 (11) All collections of interest on delinquent taxes must be  
40 credited to the county current expense fund.

1       ~~((10))~~ (12) For purposes of this chapter, "interest" means both  
2 interest and penalties.

3       ~~((11))~~ **Retention of funds from property foreclosures and sales.**

4       (13) The direct cost of foreclosure and sale of real property,  
5 and the direct fees and costs of distraint and sale of personal  
6 property, for delinquent taxes, must, when collected, be credited to  
7 the operation and maintenance fund of the county treasurer  
8 prosecuting the foreclosure or distraint or sale; and must be used by  
9 the county treasurer as a revolving fund to defray the cost of  
10 further foreclosure, distraint, and sale because of delinquent taxes  
11 without regard to budget limitations and not subject to indirect  
12 costs of other charges.

13       ~~((12)(a))~~ **Tax due dates and options for tax payment**  
14 **collections.**

15       **Electronic billings and payments.**

16       (14) For purposes of this chapter, and in accordance with this  
17 section and RCW 36.29.190, the treasurer may collect taxes,  
18 assessments, fees, rates, interest, and charges by electronic billing  
19 and payment. Electronic billing and payment may be used as an option  
20 by the taxpayer, but the treasurer may not require the use of  
21 electronic billing and payment. Electronic bill presentment and  
22 payment may be on a monthly or other periodic basis as the treasurer  
23 deems proper for:

24       (a) Delinquent tax year payments ~~((only or for))~~; and

25       (b) Prepayments of current tax.

26       **Tax payments.**

27       **Prepayment for current taxes.**

28       (15)(a) The treasurer may accept prepayments for current year  
29 taxes by any means authorized. All prepayments must be paid in full  
30 by the due date specified in ~~((c) of this)~~ subsection (16) of this  
31 section. ~~((Payments on past due taxes must include collection of the~~  
32 ~~oldest delinquent year, which includes interest and taxes within a~~  
33 ~~twelve-month period, prior to filing a certificate of delinquency~~  
34 ~~under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.))~~

35       **Payment agreements for current year taxes.**

36       (b)(i) The treasurer may provide, by electronic means or  
37 otherwise, a payment agreement that provides for payment of current  
38 year taxes, inclusive of prepayment collection charges. The payment  
39 agreement must be signed by the taxpayer and treasurer prior to the

1 sending of an electronic or alternative bill, which includes a  
2 payment plan for current year taxes.

3 **Payment agreements for delinquent year taxes.**

4 (ii)(A) The treasurer may provide, by electronic means or  
5 otherwise, a payment agreement for payment of past due  
6 delinquencies (~~(, which must also require current year taxes to be~~  
7 paid timely)). The payment agreement must be signed by the taxpayer  
8 and treasurer prior to the sending of an electronic or alternative  
9 bill, which includes a payment plan for (~~current year taxes. The~~  
10 treasurer may accept partial payment of current and delinquent taxes  
11 including interest and penalties using electronic bill presentment  
12 and payments.

13 (e)) past due delinquent taxes and charges.

14 (B) Tax payments received by a treasurer for delinquent year  
15 taxes from a taxpayer participating on a payment agreement must be  
16 applied first to the oldest delinquent year unless such taxpayer  
17 requests otherwise.

18 **Partial payments: Acceptance of partial payments for current and**  
19 **delinquent taxes.**

20 (c)(i) In addition to the payment agreement program in (b) of  
21 this subsection, the treasurer may accept partial payment of any  
22 current and delinquent taxes including interest and penalties by any  
23 means authorized including electronic bill presentment and payments.

24 (ii) All tax payments received by a treasurer for delinquent year  
25 taxes from a taxpayer paying a partial payment must be applied first  
26 to the oldest delinquent year unless such taxpayer requests  
27 otherwise.

28 **Payment for delinquent taxes.**

29 (d) Payments on past due taxes must include collection of the  
30 oldest delinquent year, which includes interest and taxes within a  
31 twelve-month period, prior to filing a certificate of delinquency  
32 under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.

33 **Due date for tax payments.**

34 (16) All taxes upon real and personal property made payable by  
35 the provisions of this title are due and payable to the treasurer on  
36 or before the thirtieth day of April and are delinquent after that  
37 date. The remainder of the tax is due and payable on or before the  
38 following thirty-first of October and is delinquent after that date.  
39 All other assessments, fees, rates, and charges are delinquent after  
40 the due date.

1        ~~((d))~~ **Electronic funds transfers.**

2        (17) A county treasurer may authorize payment of:

3        (a) Any current property taxes due under this chapter by  
4 electronic funds transfers on a monthly or other periodic basis; and

5        (b) Any past due property taxes, penalties, and interest under  
6 this chapter by electronic funds transfers on a monthly or other  
7 periodic basis. Delinquent taxes are subject to interest and  
8 penalties, as provided in subsection (5) of this section. All tax  
9 payments received by a treasurer from a taxpayer paying delinquent  
10 year taxes must be applied first to the oldest delinquent year unless  
11 such taxpayer requests otherwise.

12        ~~((e))~~ **Payment for administering prepayment collections.**

13        (18) The treasurer must pay any collection costs, investment  
14 earnings, or both on past due payments or prepayments to the credit  
15 of a county treasurer service fund account to be created and used  
16 only for the payment of expenses incurred by the treasurer, without  
17 limitation, in administering the system for collecting prepayments.

18        ~~((13) In addition to the payment program in subsection (12) (b)~~  
19 ~~of this section, the treasurer may accept partial payment of current~~  
20 ~~and delinquent taxes including interest and penalties by any means~~  
21 ~~authorized.~~

22        ~~(14) For purposes of this section unless the context clearly~~  
23 ~~requires otherwise, the following definitions apply:))~~

24        **Definitions.**

25        (19) The definitions in this subsection apply throughout this  
26 section unless the context clearly requires otherwise.

27        (a) "Electronic billing and payment" means statements, invoices,  
28 or bills that are created, delivered, and paid using the internet.  
29 The term includes an automatic electronic payment from a person's  
30 checking account, debit account, or credit card.

31        (b) "Internet" has the same meaning as provided in RCW  
32 19.270.010.

33        (c) "Tax foreclosure avoidance costs" means those direct costs  
34 associated with the administration of properties subject to and prior  
35 to foreclosure. Tax foreclosure avoidance costs include:

36        (i) Compensation of employees for the time devoted to  
37 administering the avoidance of property foreclosure; and

38        (ii) The cost of materials, services, or equipment acquired,  
39 consumed, or expended in administering tax foreclosure avoidance  
40 prior to the filing of a certificate of delinquency.

1       **Sec. 2.** RCW 84.64.080 and 2015 c 95 s 12 are each amended to  
2 read as follows:

3       (1) The court must examine each application for judgment  
4 foreclosing a tax lien, and if a defense (specifying in writing the  
5 particular cause of objection) is offered by any person interested in  
6 any of the lands or lots to the entry of judgment, the court must  
7 hear and determine the matter in a summary manner, without other  
8 pleadings, and pronounce judgment. However, the court may, in its  
9 discretion, continue a case in which a defense is offered, to secure  
10 substantial justice to the contestants.

11       (2) In all judicial proceedings for the collection of taxes, and  
12 interest and costs thereon, all amendments which by law can be made  
13 in any personal action in the court must be allowed. No assessments  
14 of property or charge for any of the taxes is illegal on account of  
15 any irregularity in the tax list or assessment rolls, or on account  
16 of the assessment rolls or tax list not having been made, completed,  
17 or returned within the time required by law, or on account of the  
18 property having been charged or listed in the assessment or tax lists  
19 without name, or in any other name than that of the owner, and no  
20 error or informality in the proceedings of any of the officers  
21 connected with the assessment, levying or collection of the taxes,  
22 vitiates or in any manner affects the tax or the assessment of the  
23 tax. Any irregularities or informality in the assessment rolls or tax  
24 lists or in any of the proceedings connected with the assessment or  
25 levy of the taxes, or any omission or defective act of any officer  
26 connected with the assessment or levying of the taxes, may be, in the  
27 discretion of the court, corrected, supplied, and made to conform to  
28 the law by the court.

29       (3) The court must give judgment for the taxes, interest, and  
30 costs that appear to be due upon the several lots or tracts described  
31 in the notice of application for judgment. The judgment must be a  
32 several judgment against each tract or lot or part of a tract or lot  
33 for each kind of tax included therein, including all interest and  
34 costs. The court must order and direct the clerk to make and enter an  
35 order for the sale of the real property against which judgment is  
36 made, or vacate and set aside the certificate of delinquency, or make  
37 such other order or judgment as in law or equity may be just. The  
38 order must be signed by the judge of the superior court and delivered  
39 to the county treasurer. The order is full and sufficient authority



1 for the treasurer to proceed to sell the property for the sum set  
2 forth in the order and to take further steps provided by law.

3 (4) The county treasurer must immediately after receiving the  
4 order and judgment proceed to sell the property as provided in this  
5 chapter to the highest and best bidder. The acceptable minimum bid  
6 must be the total amount of taxes, interest, and costs.

7 (5) All sales must be made at a location in the county on a date  
8 and time (except Saturdays, Sundays, or legal holidays) as the county  
9 treasurer may direct, and continue from day to day (Saturdays,  
10 Sundays, and legal holidays excepted) during the same hours until all  
11 lots or tracts are sold. The county treasurer must first give notice  
12 of the time and place where the sale is to take place for ten days  
13 successively by posting notice thereof in three public places in the  
14 county, one of which must be in the office of the treasurer.

15 (6) Unless a sale is conducted pursuant to RCW 84.64.225, notice  
16 of a sale must be substantially in the following form:

17 TAX JUDGMENT SALE

18 Public notice is hereby given that pursuant to real property tax  
19 judgment of the superior court of the county of . . . . . in the  
20 state of Washington, and an order of sale duly issued by the court,  
21 entered the . . . . . day of . . . . ., . . . ., in proceedings for  
22 foreclosure of tax liens upon real property, as per provisions of  
23 law, I shall on the . . . . . day of . . . . ., . . . ., at . . . .  
24 o'clock a.m., at . . . . . in the city of . . . . ., and county  
25 of . . . . ., state of Washington, sell the real property to the  
26 highest and best bidder for cash, to satisfy the full amount of  
27 taxes, interest and costs adjudged to be due.

28 In witness whereof, I have hereunto affixed my hand and seal  
29 this . . . . . day of . . . . ., . . . . .

30 Treasurer of . . . . . county.

31 (7) As an alternative to the sale procedure specified in  
32 subsections (5) and (6) of this section, the county treasurer may  
33 conduct a public auction sale by electronic media pursuant to RCW  
34 84.64.225.

35 (8) No county officer or employee may directly or indirectly be a  
36 purchaser of the property at the sale.

37 (9) If any buildings or improvements are upon an area  
38 encompassing more than one tract or lot, the same must be advertised  
39 and sold as a single unit.

1 (10)(a) If the highest amount bid for any separate unit tract or  
2 lot exceeds the minimum bid due upon the whole property included in  
3 the certificate of delinquency, the excess must be refunded,  
4 following payment of all recorded water-sewer district liens, on  
5 application therefor, to the record owner of the property. The record  
6 owner of the property is the person who held title on the date of  
7 issuance of the certificate of delinquency. Assignments of interests,  
8 deeds, or other documents executed or recorded after filing the  
9 certificate of delinquency do not affect the payment of excess funds  
10 to the record owner. In the event that no claim for the excess is  
11 received by the county treasurer within three years after the date of  
12 the sale, the treasurer must at expiration of the three year period  
13 deposit the excess in the current expense fund of the county, which  
14 extinguishes all claims by any owner to the excess funds.

15 (b) Each county must annually remit twenty percent of the excess  
16 deposited into the current expense fund of the county during that  
17 year to the state treasurer for deposit as follows:

18 (i) Fifty percent into the counselor referral hotline account;  
19 and

20 (ii) Fifty percent into the housing counseling activities account  
21 created in section 3 of this act. At the end of each fiscal year, the  
22 state treasurer must notify the legislature regarding the remittance  
23 of excess funds, and the legislature must appropriate to each account  
24 created in section 3 of this act an amount equal to the county excess  
25 funds remitted to the state treasurer and deposited into that account  
26 during that fiscal year.

27 (11) The county treasurer must execute to the purchaser of any  
28 piece or parcel of land a tax deed. The tax deed so made by the  
29 county treasurer, under the official seal of the treasurer's office,  
30 must be recorded in the same manner as other conveyances of real  
31 property, and vests in the grantee, his or her heirs and assigns the  
32 title to the property therein described, without further  
33 acknowledgment or evidence of the conveyance.

34 (12) Tax deeds must be substantially in the following form:

35  
36 State of Washington }  
37 } ss.  
38 County of..... }  
39

1 This indenture, made this . . . . day  
2 of . . . . ., . . . . ., between . . . . ., as treasurer  
3 of . . . . . county, state of Washington, party of the first part,  
4 and . . . . ., party of the second part:

5 Witnesseth, that, whereas, at a public sale of real property held  
6 on the . . . . day of . . . . ., . . . ., pursuant to a real  
7 property tax judgment entered in the superior court in the county  
8 of . . . . . on the . . . . day of . . . . ., . . . ., in  
9 proceedings to foreclose tax liens upon real property and an order of  
10 sale duly issued by the court, . . . . . duly purchased in  
11 compliance with the laws of the state of Washington, the following  
12 described real property, to wit: (Here place description of real  
13 property conveyed) and that the . . . . . has complied with the  
14 laws of the state of Washington necessary to entitle (him, or her or  
15 them) to a deed for the real property.

16 Now, therefore, know ye, that, I . . . . ., county treasurer of  
17 the county of . . . . ., state of Washington, in consideration of  
18 the premises and by virtue of the statutes of the state of  
19 Washington, in such cases provided, do hereby grant and convey  
20 unto . . . . ., his or her heirs and assigns, forever, the real  
21 property hereinbefore described.

22 Given under my hand and seal of office this . . . . day  
23 of . . . . ., A.D. . . . .

24 . . . . .  
25 County Treasurer.

26 NEW SECTION. **Sec. 3.** A new section is added to chapter 84.56  
27 RCW to read as follows:

28 (1) The counselor referral hotline account is created in the  
29 custody of the state treasurer. All receipts received under RCW  
30 84.64.080(10) must be deposited into the account. Only the director  
31 of the department of commerce or the director's designee may  
32 authorize expenditures from the account. Funding to agencies and  
33 organizations under this section must be provided by the department  
34 through an interagency agreement or other applicable contract  
35 instrument to fund the counselor referral hotline created under  
36 chapter 61.24 RCW. The account is subject to allotment procedures  
37 under chapter 43.88 RCW, but an appropriation is not required for  
38 expenditures.

1 (2) The housing counseling activities account is created in the  
2 custody of the state treasurer. All receipts received under RCW  
3 84.64.080(10) must be deposited into the account. Only the director  
4 of the department of commerce or the director's designee may  
5 authorize expenditures from the account. Funding to agencies and  
6 organizations under this section must be provided by the department  
7 through an interagency agreement or other applicable contract  
8 instrument to fund housing counseling activities. The account is  
9 subject to allotment procedures under chapter 43.88 RCW, but an  
10 appropriation is not required for expenditures.

11 **Sec. 4.** RCW 84.64.225 and 2015 c 95 s 11 are each amended to  
12 read as follows:

13 (1) In lieu of the sale procedure specified in RCW 84.56.070 or  
14 84.64.080, the county treasurer may conduct a public auction sale by  
15 electronic media as provided in RCW 36.16.145.

16 (2) Notice of a public auction sale by electronic media must be  
17 substantially in the following form:

18 TAX JUDGMENT SALE BY ELECTRONIC MEDIA

19 Public notice is hereby given that pursuant to a tax judgment of  
20 the superior court of the county of . . . . . in the state of  
21 Washington, and an order of sale duly issued by the court, entered  
22 the . . . . . day of . . . . ., . . . . ., in proceedings for  
23 foreclosure of tax liens, I shall on the . . . . . day  
24 of . . . . ., . . . . ., commencing at . . . . . o'clock . . . . ., at . .  
25 [specify web site address] . . . . ., sell the property to the  
26 highest and best bidder to satisfy the full amount of taxes,  
27 interest, and costs adjudged to be due. Prospective bidders must  
28 deposit . . . . . to participate in bidding. A deposit paid by a  
29 winning bidder will be applied to the balance due. However, a winning  
30 bidder who does not comply with the terms of sale will forfeit the  
31 deposit. Deposits paid by nonwinning bidders will be refunded within  
32 ten business days of the close of the sale. Payment of deposits and a  
33 winning bid must be made by electronic funds transfer. A winning  
34 bidder is allowed no less than forty-eight hours to pay the winning  
35 bid by electronic funds transfer.

36 In witness whereof, I have affixed my hand and seal this . . . . .  
37 day of . . . . ., . . . . .

38 Treasurer of . . . . . county.

1       **Sec. 5.** RCW 36.35.110 and 2013 c 221 s 2 are each amended to  
2 read as follows:

3       (1) No claims are allowed against the county from any  
4 municipality, school district, road district or other taxing district  
5 for taxes levied on property acquired by the county by tax deed under  
6 the provisions of this chapter, but all taxes must at the time of  
7 deeding the property be thereby canceled. However, the proceeds of  
8 any sale of any property acquired by the county by tax deed must  
9 first be applied to reimburse the county for the costs of foreclosure  
10 and sale. The remainder of the proceeds, if any, must be applied to  
11 pay any amounts deferred under chapter 84.37 or 84.38 RCW on the  
12 property, including accrued interest, and outstanding at the time the  
13 county acquired the property by tax deed. The remainder of the  
14 proceeds, if any, must be justly apportioned to the various funds  
15 existing at the date of the sale, in the territory in which such  
16 property is located, according to the tax levies of the year last in  
17 process of collection.

18       (2) For purposes of this section, "costs of foreclosure and sale"  
19 means those costs of foreclosing on the property that, when  
20 collected, are subject to RCW 84.56.020(~~(+9)~~) (13), and the direct  
21 costs incurred by the county in selling the property.

22       NEW SECTION. **Sec. 6.** This act takes effect January 1, 2020.

--- END ---