

ESHB 1175 - S AMD 1392

By Senator Wilson, C.

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that youth who are
4 Black and identify as LGBTQIA+ are most likely to be homeless in King
5 county and across Washington state, where one-third of all homeless
6 youth identify as LGBTQIA+ and one-third identify as Black. The
7 legislature also finds that in addition to being the overwhelming
8 majority of unhoused youth, they are also more likely to experience
9 housing instability and remain most excluded from services, due to
10 structural inequity and underlying race disparities. Further, the
11 legislature finds that when they are offered shelter and housing
12 placements, the placements do not reflect the cultural background or
13 community experience of the young person.

14 The legislature, therefore, finds that providing a tax incentive
15 to private homeowners to host a homeless youth, unaccompanied minor,
16 and systems-impacted young adults will provide safe, transitional
17 placement options to vulnerable young people. Moreover, this will
18 assist in housing retention among communities of color while
19 strengthening youth placement options and in-community housing
20 diversity.

21 **Sec. 2.** RCW 74.15.020 and 2021 c 176 s 5239 are each amended to
22 read as follows:

23 The definitions in this section apply throughout this chapter and
24 RCW 74.13.031 unless the context clearly requires otherwise.

25 (1) "Agency" means any person, firm, partnership, association,
26 corporation, or facility which receives children, expectant mothers,
27 or persons with developmental disabilities for control, care, or
28 maintenance outside their own homes, or which places, arranges the
29 placement of, or assists in the placement of children, expectant
30 mothers, or persons with developmental disabilities for foster care
31 or placement of children for adoption, and shall include the

1 following irrespective of whether there is compensation to the agency
2 or to the children, expectant mothers, or persons with developmental
3 disabilities for services rendered:

4 (a) "Child-placing agency" means an agency which places a child
5 or children for temporary care, continued care, or for adoption;

6 (b) "Community facility" means a group care facility operated for
7 the care of juveniles committed to the department under RCW
8 13.40.185. A county detention facility that houses juveniles
9 committed to the department under RCW 13.40.185 pursuant to a
10 contract with the department is not a community facility;

11 (c) "Crisis residential center" means an agency which is a
12 temporary protective residential facility operated to perform the
13 duties specified in chapter 13.32A RCW, in the manner provided in RCW
14 43.185C.295 through 43.185C.310;

15 (d) "Emergency respite center" is an agency that may be commonly
16 known as a crisis nursery, that provides emergency and crisis care
17 for up to seventy-two hours to children who have been admitted by
18 their parents or guardians to prevent abuse or neglect. Emergency
19 respite centers may operate for up to twenty-four hours a day, and
20 for up to seven days a week. Emergency respite centers may provide
21 care for children ages birth through seventeen, and for persons
22 eighteen through twenty with developmental disabilities who are
23 admitted with a sibling or siblings through age seventeen. Emergency
24 respite centers may not substitute for crisis residential centers or
25 HOPE centers, or any other services defined under this section, and
26 may not substitute for services which are required under chapter
27 13.32A or 13.34 RCW;

28 (e) "Foster family home" means an agency which regularly provides
29 care on a twenty-four hour basis to one or more children, expectant
30 mothers, or persons with developmental disabilities in the family
31 abode of the person or persons under whose direct care and
32 supervision the child, expectant mother, or person with a
33 developmental disability is placed;

34 (f) "Group-care facility" means an agency, other than a foster
35 family home, which is maintained and operated for the care of a group
36 of children on a twenty-four hour basis. "Group care facility"
37 includes but is not limited to:

38 (i) Qualified residential treatment programs as defined in RCW
39 13.34.030;

1 (ii) Facilities specializing in providing prenatal, postpartum,
2 or parenting supports for youth; and

3 (iii) Facilities providing high quality residential care and
4 supportive services to children who are, or who are at risk of
5 becoming, victims of sex trafficking;

6 (g) "HOPE center" means an agency licensed by the secretary to
7 provide temporary residential placement and other services to street
8 youth. A street youth may remain in a HOPE center for thirty days
9 while services are arranged and permanent placement is coordinated.
10 No street youth may stay longer than thirty days unless approved by
11 the department and any additional days approved by the department
12 must be based on the unavailability of a long-term placement option.
13 A street youth whose parent wants him or her returned to home may
14 remain in a HOPE center until his or her parent arranges return of
15 the youth, not longer. All other street youth must have court
16 approval under chapter 13.34 or 13.32A RCW to remain in a HOPE center
17 up to thirty days;

18 (h) "Maternity service" means an agency which provides or
19 arranges for care or services to expectant mothers, before or during
20 confinement, or which provides care as needed to mothers and their
21 infants after confinement;

22 (i) "Resource and assessment center" means an agency that
23 provides short-term emergency and crisis care for a period up to
24 seventy-two hours, excluding Saturdays, Sundays, and holidays to
25 children who have been removed from their parent's or guardian's care
26 by child protective services or law enforcement;

27 (j) "Responsible living skills program" means an agency licensed
28 by the secretary that provides residential and transitional living
29 services to persons ages sixteen to eighteen who are dependent under
30 chapter 13.34 RCW and who have been unable to live in his or her
31 legally authorized residence and, as a result, the minor lived
32 outdoors or in another unsafe location not intended for occupancy by
33 the minor. Dependent minors ages fourteen and fifteen may be eligible
34 if no other placement alternative is available and the department
35 approves the placement;

36 (k) "Service provider" means the entity that operates a community
37 facility.

38 (2) "Agency" shall not include the following:

39 (a) Persons related to the child, expectant mother, or person
40 with developmental disability in the following ways:

- 1 (i) Any blood relative, including those of half-blood, and
2 including first cousins, second cousins, nephews or nieces, and
3 persons of preceding generations as denoted by prefixes of grand,
4 great, or great-great;
- 5 (ii) Stepfather, stepmother, stepbrother, and stepsister;
- 6 (iii) A person who legally adopts a child or the child's parent
7 as well as the natural and other legally adopted children of such
8 persons, and other relatives of the adoptive parents in accordance
9 with state law;
- 10 (iv) Spouses of any persons named in (a)(i), (ii), or (iii) of
11 this subsection (2), even after the marriage is terminated;
- 12 (v) Relatives, as named in (a)(i), (ii), (iii), or (iv) of this
13 subsection (2), of any half sibling of the child; or
- 14 (vi) Extended family members, as defined by the law or custom of
15 the Indian child's tribe or, in the absence of such law or custom, a
16 person who has reached the age of eighteen and who is the Indian
17 child's grandparent, aunt or uncle, brother or sister, brother-in-law
18 or sister-in-law, niece or nephew, first or second cousin, or
19 stepparent who provides care in the family abode on a twenty-four-
20 hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);
- 21 (b) Persons who are legal guardians of the child, expectant
22 mother, or persons with developmental disabilities;
- 23 (c) Persons who care for a neighbor's or friend's child or
24 children, with or without compensation, where the parent and person
25 providing care on a twenty-four-hour basis have agreed to the
26 placement in writing and the state is not providing any payment for
27 the care;
- 28 (d) A person, partnership, corporation, or other entity that
29 provides placement or similar services to exchange students or
30 international student exchange visitors or persons who have the care
31 of an exchange student in their home;
- 32 (e) A person, partnership, corporation, or other entity that
33 provides placement or similar services to international children who
34 have entered the country by obtaining visas that meet the criteria
35 for medical care as established by the United States citizenship and
36 immigration services, or persons who have the care of such an
37 international child in their home;
- 38 (f) Schools, including boarding schools, which are engaged
39 primarily in education, operate on a definite school year schedule,

1 follow a stated academic curriculum, accept only school-age children
2 and do not accept custody of children;

3 (g) Hospitals licensed pursuant to chapter 70.41 RCW when
4 performing functions defined in chapter 70.41 RCW, nursing homes
5 licensed under chapter 18.51 RCW and assisted living facilities
6 licensed under chapter 18.20 RCW;

7 (h) Licensed physicians or lawyers;

8 (i) Facilities approved and certified under chapter 71A.22 RCW;

9 (j) Any agency having been in operation in this state ten years
10 prior to June 8, 1967, and not seeking or accepting moneys or
11 assistance from any state or federal agency, and is supported in part
12 by an endowment or trust fund;

13 (k) Persons who have a child in their home for purposes of
14 adoption, if the child was placed in such home by a licensed child-
15 placing agency, an authorized public or tribal agency or court or if
16 a replacement report has been filed under chapter 26.33 RCW and the
17 placement has been approved by the court;

18 (l) An agency operated by any unit of local, state, or federal
19 government or an agency licensed by an Indian tribe pursuant to RCW
20 74.15.190;

21 (m) A maximum or medium security program for juvenile offenders
22 operated by or under contract with the department;

23 (n) An agency located on a federal military reservation, except
24 where the military authorities request that such agency be subject to
25 the licensing requirements of this chapter;

26 (o)(i) A host home program, and host home, operated by a tax
27 exempt organization for youth not in the care of or receiving
28 services from the department, if that program: (A) Recruits and
29 screens potential homes in the program, including performing
30 background checks on individuals over the age of eighteen residing in
31 the home through the Washington state patrol or equivalent law
32 enforcement agency and performing physical inspections of the home;

33 (B) screens and provides case management services to youth in the
34 program; (C) obtains a notarized permission slip or limited power of
35 attorney from the parent or legal guardian of the youth authorizing
36 the youth to participate in the program and the authorization is
37 updated every six months when a youth remains in a host home longer
38 than six months; (D) obtains insurance for the program through an
39 insurance provider authorized under Title 48 RCW; (E) provides

1 mandatory reporter and confidentiality training; and (F) registers
2 with the secretary of state under RCW 74.15.315.

3 (ii) For purposes of this section, a "host home" is a private
4 home that volunteers to host youth in need of temporary placement
5 that is associated with a host home program. "Private home" means a
6 single-family dwelling unit whether such unit be separate or part of
7 a multiunit dwelling, including the land on which such dwelling
8 stands not to exceed one acre, except that a private home includes
9 any additional property up to a total of five acres that comprises
10 the residential parcel if this larger parcel size is required under
11 land use regulations.

12 (iii) For purposes of this section, a "host home program" is a
13 program that provides support to individual host homes and meets the
14 requirements of (o) (i) of this subsection.

15 (iv) Any host home program that receives local, state, or
16 government funding shall report the following information to the
17 office of homeless youth prevention and protection programs annually
18 by December 1st of each year: The number of children the program
19 served, why the child was placed with a host home, and where the
20 child went after leaving the host home, including but not limited to
21 returning to the parents, running away, reaching the age of majority,
22 or becoming a dependent of the state;

23 (p) Receiving centers as defined in RCW 7.68.380.

24 (3) "Department" means the department of children, youth, and
25 families.

26 (4) "Juvenile" means a person under the age of twenty-one who has
27 been sentenced to a term of confinement under the supervision of the
28 department under RCW 13.40.185.

29 (5) "Performance-based contracts" or "contracting" means the
30 structuring of all aspects of the procurement of services around the
31 purpose of the work to be performed and the desired results with the
32 contract requirements set forth in clear, specific, and objective
33 terms with measurable outcomes. Contracts may also include provisions
34 that link the performance of the contractor to the level and timing
35 of the reimbursement.

36 (6) "Probationary license" means a license issued as a
37 disciplinary measure to an agency that has previously been issued a
38 full license but is out of compliance with licensing standards.

39 (7) "Requirement" means any rule, regulation, or standard of care
40 to be maintained by an agency.

1 (8) "Secretary" means the secretary of the department.

2 (9) "Street youth" means a person under the age of eighteen who
3 lives outdoors or in another unsafe location not intended for
4 occupancy by the minor and who is not residing with his or her parent
5 or at his or her legally authorized residence.

6 (10) "Transitional living services" means at a minimum, to the
7 extent funds are available, the following:

8 (a) Educational services, including basic literacy and
9 computational skills training, either in local alternative or public
10 high schools or in a high school equivalency program that leads to
11 obtaining a high school equivalency degree;

12 (b) Assistance and counseling related to obtaining vocational
13 training or higher education, job readiness, job search assistance,
14 and placement programs;

15 (c) Counseling and instruction in life skills such as money
16 management, home management, consumer skills, parenting, health care,
17 access to community resources, and transportation and housing
18 options;

19 (d) Individual and group counseling; and

20 (e) Establishing networks with federal agencies and state and
21 local organizations such as the United States department of labor,
22 employment and training administration programs including the
23 workforce innovation and opportunity act which administers private
24 industry councils and the job corps; vocational rehabilitation; and
25 volunteer programs.

26 NEW SECTION. **Sec. 3.** A new section is added to chapter 84.36
27 RCW to read as follows:

28 (1)(a) Beginning with taxes levied for collection in calendar
29 year 2024, real property is exempt from ad valorem taxation levied
30 for a given year if that property was used as a host home for at
31 least 180 days in the previous calendar year.

32 (b) The exemption provided in (a) of this subsection applies only
33 to the state portion of ad valorem taxation levied under RCW
34 84.52.065.

35 (2) A claim for exemption under subsection (1) of this section
36 may be made and filed by the owner of the host home at any time
37 during the year for exemption from taxes payable the following year
38 upon forms developed by the department. The department must ensure
39 that information regarding any minor child or other protected

1 information is not required on the application form. The forms must
2 require:

3 (a) An owner to provide sufficient evidence to support their
4 eligibility to receive the exemption, including the information
5 required under RCW 74.15.020(2)(o)(iv) and verification from the host
6 home program that the real property was used as a host home during
7 the year. The application of the owner is confidential tax
8 information and is subject to RCW 82.32.330; and

9 (b) An attestation, under penalty of perjury and by the property
10 owner seeking the property tax exemption, that the property was used
11 as a host home for at least 180 days during the calendar year for
12 which they are seeking the property tax exemption and meets the other
13 requirements of this section.

14 (3) The claim for exemption must be submitted to the county
15 assessor no later than December 31st of each year for exemption from
16 taxes payable the following year.

17 (4)(a) The county assessor must evaluate each application for
18 exemption to determine if the application submitted meets the
19 requirements under this section. If the county assessor finds that an
20 application is complete and meets the requirements of this section,
21 the claim for exemption must be approved. If the county assessor
22 finds that an application is incomplete and does not meet the
23 requirements of this section, the claim for exemption must be denied,
24 but the denial is subject to appeal under the provisions of RCW
25 84.48.010 and 84.40.038. The county assessor must notify the owner of
26 the determination.

27 (b) A claim for exemption approved under (a) of this subsection
28 (4) is valid for one year and provides for the exemption from taxes
29 payable in the year following the year in which the claim was due. An
30 owner must file a new claim as provided in subsection (2) of this
31 section for each year for which that person is eligible for the
32 exemption.

33 (5) The county assessor must accept any late claim for exemption
34 made within three years after the due date of payment of taxes for
35 which an exemption is sought. If the county assessor approves such a
36 claim, the application constitutes a claim for refund under chapter
37 84.69 RCW.

38 (6) Any person making a false claim for an exemption under this
39 section with the intent to defraud or evade payment of any tax is
40 guilty of perjury under chapter 9A.72 RCW.

1 (7) For the purposes of section 5 of this act, the county
2 assessor must provide information acquired pursuant to this section
3 to the joint legislative audit and review committee.

4 (8) For purposes of this section, "host home" and "host home
5 program" have the same meaning as in RCW 74.15.020.

6 (9) This section expires January 31, 2028.

7 **Sec. 4.** RCW 84.69.020 and 2017 3rd sp.s. c 13 s 310 are each
8 amended to read as follows:

9 On the order of the county treasurer, ad valorem taxes paid
10 before or after delinquency must be refunded if they were:

11 (1) Paid more than once;

12 (2) Paid as a result of manifest error in description;

13 (3) Paid as a result of a clerical error in extending the tax
14 rolls;

15 (4) Paid as a result of other clerical errors in listing
16 property;

17 (5) Paid with respect to improvements which did not exist on
18 assessment date;

19 (6) Paid under levies or statutes adjudicated to be illegal or
20 unconstitutional;

21 (7) Paid as a result of mistake, inadvertence, or lack of
22 knowledge by any person exempted from paying real property taxes or a
23 portion thereof pursuant to RCW 84.36.381 through 84.36.389, as now
24 or hereafter amended;

25 (8) Paid as a result of mistake, inadvertence, or lack of
26 knowledge by either a public official or employee or by any person
27 with respect to real property in which the person paying the same has
28 no legal interest;

29 (9) Paid on the basis of an assessed valuation which was appealed
30 to the county board of equalization and ordered reduced by the board;

31 (10) Paid on the basis of an assessed valuation which was
32 appealed to the state board of tax appeals and ordered reduced by the
33 board: PROVIDED, That the amount refunded under subsections (9) and
34 (10) of this section shall only be for the difference between the tax
35 paid on the basis of the appealed valuation and the tax payable on
36 the valuation adjusted in accordance with the board's order;

37 (11) Paid as a state property tax levied upon property, the
38 assessed value of which has been established by the state board of
39 tax appeals for the year of such levy: PROVIDED, HOWEVER, That the

1 amount refunded shall only be for the difference between the state
2 property tax paid and the amount of state property tax which would,
3 when added to all other property taxes within the one percent
4 limitation of Article VII, section 2 of the state Constitution equal
5 one percent of the assessed value established by the board;

6 (12) Paid on the basis of an assessed valuation which was
7 adjudicated to be unlawful or excessive: PROVIDED, That the amount
8 refunded shall be for the difference between the amount of tax which
9 was paid on the basis of the valuation adjudged unlawful or excessive
10 and the amount of tax payable on the basis of the assessed valuation
11 determined as a result of the proceeding;

12 (13) Paid on property acquired under RCW 84.60.050, and canceled
13 under RCW 84.60.050(2);

14 (14) Paid on the basis of an assessed valuation that was reduced
15 under RCW 84.48.065;

16 (15) Paid on the basis of an assessed valuation that was reduced
17 under RCW 84.40.039; (~~or~~)

18 (16) Abated under RCW 84.70.010; or

19 (17) Paid as a result of mistake, inadvertence, or lack of
20 knowledge by any person exempted from paying real property taxes
21 pursuant to section 3 of this act.

22 No refunds under the provisions of this section shall be made
23 because of any error in determining the valuation of property, except
24 as authorized in subsections (9), (10), (11), and (12) of this
25 section nor may any refunds be made if a bona fide purchaser has
26 acquired rights that would preclude the assessment and collection of
27 the refunded tax from the property that should properly have been
28 charged with the tax. Any refunds made on delinquent taxes must
29 include the proportionate amount of interest and penalties paid.
30 However, no refunds as a result of an incorrect payment authorized
31 under subsection (8) of this section made by a third party payee
32 shall be granted. The county treasurer may deduct from moneys
33 collected for the benefit of the state's levies, refunds of the
34 state's levies including interest on the levies as provided by this
35 section and chapter 84.68 RCW.

36 The county treasurer of each county must make all refunds
37 determined to be authorized by this section, and by the first Monday
38 in February of each year, report to the county legislative authority
39 a list of all refunds made under this section during the previous

1 year. The list is to include the name of the person receiving the
2 refund, the amount of the refund, and the reason for the refund.

3 NEW SECTION. **Sec. 5.** (1) This section is the tax preference
4 performance statement for the tax preference contained in section 3,
5 chapter . . ., Laws of 2022 (section 3 of this act). This performance
6 statement is only intended to be used for subsequent evaluation of
7 the tax preference. It is not intended to create a private right of
8 action by any party or to be used to determine eligibility for
9 preferential tax treatment.

10 (2) The legislature categorizes this tax preference as one
11 intended to induce certain designated behaviors as indicated in RCW
12 82.32.808(2) (a).

13 (3) It is the legislature's specific public policy objective to
14 financially incentivize private homeowners to participate in a host
15 home program, and increase the availability of housing available to
16 homeless and unhoused youth.

17 (4) (a) To measure the effectiveness of the tax preference
18 provided in section 3 of this act in achieving the specific public
19 policy objectives described in subsection (3) of this section, the
20 joint legislative audit and review committee must evaluate, one year
21 prior to the expiration of the tax preference: (i) Growth in the
22 number of private homes participating in the host home program; (ii)
23 number of youth housed in the program; (iii) reasons for
24 participation in the program; and (iv) any other metric the joint
25 legislative audit and review committee determines is relevant to
26 measuring success of this exemption.

27 (b) If the review finds that growth in the number of private
28 homes participating in the host home program has occurred, then the
29 legislature intends to extend the expiration date of this tax
30 preference.

31 (5) In order to obtain the data necessary to perform the review
32 in subsection (4) of this section, the joint legislative audit and
33 review committee may refer to any data collected by the state and
34 county assessors.

35 NEW SECTION. **Sec. 6.** This act applies to taxes levied for
36 collection in 2024 through 2028.

1 NEW SECTION. **Sec. 7.** This act takes effect January 1, 2023.

2 NEW SECTION. **Sec. 8.** Sections 2 and 4 of this act expire
3 December 31, 2028."

ESHB 1175 - S AMD 1392

By Senator Wilson, C.

4 On page 1, line 2 of the title, after "program;" strike the
5 remainder of the title and insert "amending RCW 74.15.020 and
6 84.69.020; adding a new section to chapter 84.36 RCW; creating new
7 sections; providing an effective date; and providing expiration
8 dates."

EFFECT: (1) Aligns the definition of a private home with
"residence" as used in property tax statutes; thereby clarifying how
the exemption applies to the tax parcel.

(2) States that application forms must not require the disclosure
of information regarding minor children or any other protected
information; requires application forms to include an attestation,
under penalty of perjury, that the property was used as a host home
for at least 180 days during the calendar year for which the
applicant is seeking the property tax exemption and meets all other
requirements; clarifies that the county assessor is responsible for
reviewing applications completeness; and makes other technical
changes.

(3) The tax exemption applies to taxes levied for collection in
2024-2028.

(4) Provides a tax preference performance statement.

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