
HOUSE BILL 1465

State of Washington

67th Legislature

2021 Regular Session

By Representatives Orwall, Ramel, Ryu, Wylie, Frame, Ormsby, Valdez, Pollet, Thai, Chopp, Macri, and Harris-Talley

Read first time 02/02/21. Referred to Committee on Finance.

1 AN ACT Relating to making the estate tax more progressive by
2 exempting small estates, reducing estate taxes on medium estates,
3 increasing the estate tax on larger estates, and addressing equity in
4 homeownership and homelessness; amending RCW 83.100.040, 83.100.047,
5 83.100.048, 83.100.220, and 61.24.172; reenacting and amending RCW
6 83.100.020; adding a new section to chapter 83.100 RCW; creating new
7 sections; and providing an effective date.

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

9 NEW SECTION. **Sec. 1.** (1) The legislature finds that the
10 COVID-19 recession has threatened the housing security of
11 Washingtonians across our state. The legislature intends to provide
12 foreclosure prevention and homelessness prevention assistance to
13 Washington residents throughout the state with increased funding for
14 the foreclosure fairness account and the funding of a new equity in
15 housing account to enable foreclosure prevention, rental assistance,
16 and housing services.

17 (2) The legislature finds that the racial wealth gap negatively
18 affects Black and African-American families across the United States
19 at an astonishing rate. According to a 2016 brookings institute
20 report, the median net worth of white households was nearly 10 times
21 that of Black families. The legislature finds that Black families and

1 families of color throughout Washington experience deep wealth and
2 income disparities.

3 (3) The legislature further finds that homeownership is critical
4 to the accumulation of wealth, and Black family homeownership rates
5 are half of those of white families. Affordable homeownership can be
6 a powerful way to strengthen housing and economic stability for
7 future generations. In 2018, 31.8 percent of Black homeowners, 31.4
8 percent of Asian homeowners, 34 percent of Latino homeowners, and
9 39.1 percent of indigenous homeowners experienced a cost burden or
10 paid more than 30 percent of total income on their home.

11 (4) The legislature further finds that many Washingtonians,
12 mainly Black and indigenous individuals and families, face systemic
13 barriers to affordable homeownership and to building generational
14 wealth. Nationally, Black family homeownership dropped five percent
15 compared to one percent for white families between 2001 and 2016.
16 Within the same years, homeownership among single Black men and Black
17 women declined at nearly the same rate, according to the urban
18 institute. The legislature finds that this significantly impacts
19 Black and indigenous families and their ability to pass a home or
20 home equity on to the next generation, ultimately contributing to
21 intergenerational poverty. Black and indigenous families experience
22 reduced access to this wealth-building tool, ultimately perpetuating
23 lower rates of intergenerational mobility. The legislature finds that
24 while nine and eight-tenths percent of Washingtonians live under the
25 federal poverty threshold, 16.9 percent are Black, 15.7 percent are
26 Latino, and 18.6 percent are native.

27 (5) The legislature finds that the historical impacts of systemic
28 housing discrimination like redlining continue to maintain the racial
29 wealth gap between white families and families of color, racial
30 disparities in poverty, incarceration rates, and access to health
31 care, which perpetuates racial disparities in homelessness. The
32 legislature also finds that Black people are overrepresented by
33 three-fold among those experiencing homelessness largely due to
34 historical and structural racism that has led to deep poverty through
35 many generations. According to a 2020 report by the national alliance
36 to end homelessness, Black individuals represent 13 percent of the
37 total United States population, but account for 40 percent of people
38 experiencing homelessness and over 50 percent of families with
39 children experiencing homelessness. The legislature finds that
40 incarceration rates among Black individuals tripled between 1968 and

1 2016, ultimately preventing many from passing background checks for
2 housing and employment. Moreover, the legislature finds that people
3 of color are more likely to be without health insurance than white
4 individuals and are less likely to seek treatment when needed due to
5 the historical mistrust of the medical community.

6 (6) Further, the legislature finds that the COVID-19 pandemic has
7 further disproportionately affected both the physical and financial
8 health of Black families and families of color, inhibiting progress
9 in upward mobility. Black, Latino, and other families of color have
10 been the hardest hit by efforts to slow the spread of COVID-19 due to
11 occupational segregation, overrepresentation in low-wage jobs, and
12 jobs that cannot be worked remotely. In April, the Black unemployment
13 rate reached 16.7 percent while the Latino unemployment rate reached
14 18.9 percent. Further, Black and Latino individuals are more likely
15 to experience an increase in housing instability related to COVID-19
16 layoffs due to higher rates of financial insecurity and less relative
17 wealth.

18 (7) Therefore, it is the intent of the legislature to restructure
19 the estate tax which taxes the benefits of accumulated wealth and
20 direct some of the proceeds to programs that directly address
21 foreclosure prevention and services and homelessness prevention and
22 services, with priority for agencies, programs, and services that
23 address current and historical racial inequities.

24 **Sec. 2.** RCW 83.100.020 and 2013 2nd sp.s. c 2 s 2 are each
25 reenacted and amended to read as follows:

26 The definitions in this section apply throughout this chapter
27 unless the context clearly requires otherwise.

28 (1)(a) "Applicable exclusion amount" means:

29 (i) (~~One million five hundred thousand dollars~~) \$1,500,000 for
30 decedents dying before January 1, 2006;

31 (ii) (~~Two million dollars~~) \$2,000,000 for estates of decedents
32 dying on or after January 1, 2006, and before January 1, 2014;

33 (~~and~~)

34 (iii) For estates of decedents dying (~~in calendar year 2014 and~~
35 ~~each calendar year thereafter~~) on or after January 1, 2014, and
36 before August 1, 2021, the amount in (a)(ii) of this subsection must

37 be adjusted annually, except as otherwise provided in this subsection
38 (1)(a)(iii). The annual adjustment is determined by multiplying (~~two~~
39 ~~million dollars~~) \$2,000,000 by one plus the percentage by which the

1 most recent October consumer price index exceeds the consumer price
2 index for October 2012, and rounding the result to the nearest (~~one~~
3 ~~thousand dollars~~) \$1,000. No adjustment is made for a calendar year
4 if the adjustment would result in the same or a lesser applicable
5 exclusion amount than the applicable exclusion amount for the
6 immediately preceding calendar year. The applicable exclusion amount
7 under this subsection (1)(a)(iii) for the decedent's estate is the
8 applicable exclusion amount in effect as of the date of the
9 decedent's death;

10 (iv) \$2,500,000 for estates of decedents dying on or after August
11 1, 2021; and

12 (v) For estates of decedents dying on or after January 1, 2023,
13 the amount in (a)(iv) of this subsection must be adjusted annually,
14 except as otherwise provided in this subsection (1)(a)(v). The annual
15 adjustment is determined by multiplying \$2,500,000 by one plus the
16 percentage by which the most recent October consumer price index
17 exceeds the consumer price index for October 2021, and rounding the
18 result to the nearest \$1,000. No adjustment is made for a calendar
19 year if the adjustment would result in the same or a lesser
20 applicable exclusion amount than the applicable exclusion amount for
21 the immediately preceding calendar year. The applicable exclusion
22 amount under this subsection (1)(a)(v) for the decedent's estate is
23 the applicable exclusion amount in effect as of the date of the
24 decedent's death.

25 (b) For purposes of this subsection, "consumer price index" means
26 the consumer price index for all urban consumers, all items, for the
27 Seattle(~~-Tacoma-Bremerton metropolitan~~) area as calculated by the
28 United States bureau of labor statistics. For purposes of this
29 subsection (1)(b), "Seattle area" means the geographic area sample
30 that includes Seattle and surrounding areas.

31 (2) "Decedent" means a deceased individual.

32 (3) "Department" means the department of revenue, the director of
33 that department, or any employee of the department exercising
34 authority lawfully delegated to him or her by the director.

35 (4) "Federal return" means any tax return required by chapter 11
36 of the internal revenue code.

37 (5) "Federal tax" means a tax under chapter 11 of the internal
38 revenue code.

39 (6) "Federal taxable estate" means the taxable estate as
40 determined under chapter 11 of the internal revenue code without

1 regard to: (a) The termination of the federal estate tax under
2 section 2210 of the internal revenue code or any other provision of
3 law, and (b) the deduction for state estate, inheritance, legacy, or
4 succession taxes allowable under section 2058 of the internal revenue
5 code.

6 (7) "Gross estate" means "gross estate" as defined and used in
7 section 2031 of the internal revenue code.

8 (8) "Internal revenue code" means the United States internal
9 revenue code of 1986, as amended or renumbered as of January 1, 2005.

10 (9) "Person" means any individual, estate, trust, receiver,
11 cooperative association, club, corporation, company, firm,
12 partnership, joint venture, syndicate, or other entity and, to the
13 extent permitted by law, any federal, state, or other governmental
14 unit or subdivision or agency, department, or instrumentality
15 thereof.

16 (10) "Person required to file the federal return" means any
17 person required to file a return required by chapter 11 of the
18 internal revenue code, such as the personal representative of an
19 estate.

20 (11) "Property" means property included in the gross estate.

21 (12) "Resident" means a decedent who was domiciled in Washington
22 at time of death.

23 (13) "Taxpayer" means a person upon whom tax is imposed under
24 this chapter, including an estate or a person liable for tax under
25 RCW 83.100.120.

26 (14) "Transfer" means "transfer" as used in section 2001 of the
27 internal revenue code and includes any shifting upon death of the
28 economic benefit in property or any power or legal privilege
29 incidental to the ownership or enjoyment of property. However,
30 "transfer" does not include a qualified heir disposing of an interest
31 in property qualifying for a deduction under RCW 83.100.046 or
32 ceasing to use the property for farming purposes.

33 (15) "Washington taxable estate" means the federal taxable estate
34 and includes, but is not limited to, the value of any property
35 included in the gross estate under section 2044 of the internal
36 revenue code, regardless of whether the decedent's interest in such
37 property was acquired before May 17, 2005, (a) plus amounts required
38 to be added to the Washington taxable estate under RCW 83.100.047,
39 (b) less: (i) The applicable exclusion amount; (ii) the amount of any
40 deduction allowed under RCW 83.100.046; (iii) amounts allowed to be

1 deducted from the Washington taxable estate under RCW 83.100.047; and
 2 (iv) the amount of any deduction allowed under RCW 83.100.048.

3 **Sec. 3.** RCW 83.100.040 and 2013 2nd sp.s. c 2 s 4 are each
 4 amended to read as follows:

5 (1) A tax in an amount computed as provided in this section is
 6 imposed on every transfer of property located in Washington. For the
 7 purposes of this section, any intangible property owned by a resident
 8 is located in Washington.

9 (2) (a) Except as provided in (b) of this subsection, the amount
 10 of tax is the amount provided in the following table:

If Washington Taxable		The amount of Tax Equals		Of Washington
Estate is at least	But Less Than	Initial Tax Amount	Plus Tax Rate %	Taxable Estate Value
				Greater than
\$0	\$1,000,000	\$0	10.00%	\$0
\$1,000,000	\$2,000,000	\$100,000	14.00%	\$1,000,000
\$2,000,000	\$3,000,000	\$240,000	15.00%	\$2,000,000
\$3,000,000	\$4,000,000	(\$390,000) <u>\$400,000</u>	((16.00%)) <u>18.00%</u>	\$3,000,000
\$4,000,000	\$6,000,000	(\$550,000) <u>\$580,000</u>	((18.00%)) <u>22.00%</u>	\$4,000,000
\$6,000,000	\$7,000,000	(\$910,000) <u>\$1,020,000</u>	((19.00%)) <u>24.00%</u>	\$6,000,000
\$7,000,000	\$9,000,000	(\$1,100,000) <u>\$1,260,000</u>	((19.50%)) <u>26.00%</u>	\$7,000,000
\$9,000,000	<u>\$12,500,000</u>	(\$1,490,000) <u>\$1,780,000</u>	((20.00%)) <u>28.00%</u>	\$9,000,000
<u>\$12,500,000</u>	<u>\$22,500,000</u>	<u>\$2,760,000</u>	<u>29.00%</u>	<u>\$12,500,000</u>
<u>\$22,500,000</u>	<u>\$100,000,000</u>	<u>\$5,660,000</u>	<u>30.00%</u>	<u>\$22,500,000</u>
<u>\$100,000,000</u>	<u>\$1,000,000,000</u>	<u>\$28,910,000</u>	<u>35.00%</u>	<u>\$100,000,000</u>
<u>\$1,000,000,000</u>		<u>\$343,910,000</u>	<u>40.00%</u>	<u>\$1,000,000,000</u>

27 (b) If any property in the decedent's estate is located outside
 28 of Washington, the amount of tax is the amount determined in (a) of
 29 this subsection multiplied by a fraction. The numerator of the
 30 fraction is the value of the property located in Washington. The
 31 denominator of the fraction is the value of the decedent's gross
 32 estate. Property qualifying for a deduction under RCW 83.100.046 must
 33 be excluded from the numerator and denominator of the fraction.

1 (3) The tax imposed under this section is a stand-alone estate
2 tax that incorporates only those provisions of the internal revenue
3 code as amended or renumbered as of January 1, 2005, that do not
4 conflict with the provisions of this chapter. The tax imposed under
5 this chapter is independent of any federal estate tax obligation and
6 is not affected by termination of the federal estate tax.

7 **Sec. 4.** RCW 83.100.047 and 2013 2nd sp.s. c 2 s 6 are each
8 amended to read as follows:

9 (1)(a) If the federal taxable estate on the federal return is
10 determined by making an election under section 2056 or 2056A of the
11 internal revenue code, or if no federal return is required to be
12 filed, the department may provide by rule for a separate election on
13 the Washington return, consistent with section 2056 or 2056A of the
14 internal revenue code and (b) of this subsection, for the purpose of
15 determining the amount of tax due under this chapter. The election is
16 binding on the estate and the beneficiaries, consistent with the
17 internal revenue code and (b) of this subsection. All other elections
18 or valuations on the Washington return must be made in a manner
19 consistent with the federal return, if a federal return is required,
20 and such rules as the department may provide.

21 (b) The department must provide by rule that a state registered
22 domestic partner is deemed to be a surviving spouse and entitled to a
23 deduction from the Washington taxable estate for any interest passing
24 from the decedent to his or her domestic partner, consistent with
25 section 2056 or 2056A of the internal revenue code but regardless of
26 whether such interest would be deductible from the federal gross
27 estate under section 2056 or 2056A of the internal revenue code.

28 (2)(a) Amounts deducted for federal income tax purposes under
29 section 642(g) of the internal revenue code of 1986 are not allowed
30 as deductions in computing the amount of tax due under this chapter.

31 (b) The following amounts deducted under section 2055 of the
32 internal revenue code for bequests, legacies, devises, or other
33 transfers are disallowed as a deduction in computing the amount of
34 tax under this chapter:

35 (i) Twenty-five percent of the first \$100,000,000 deducted under
36 section 2055 of the internal revenue code; and

37 (ii) Seventy-five percent of any amount in excess of \$100,000,000
38 deducted under section 2055 of the internal revenue code.

1 (3) Notwithstanding any department rule, if a taxpayer makes an
2 election consistent with section 2056 of the internal revenue code as
3 permitted under this section, the taxpayer's Washington taxable
4 estate, and the surviving spouse's Washington taxable estate, must be
5 adjusted as follows:

6 (a) For the taxpayer that made the election, any amount deducted
7 by reason of section 2056(b)(7) of the internal revenue code is added
8 to, and the value of property for which a Washington election under
9 this section was made is deducted from, the Washington taxable
10 estate.

11 (b) For the estate of the surviving spouse, the amount included
12 in the estate's gross estate pursuant to section 2044 (a) and
13 (b)(1)(A) of the internal revenue code is deducted from, and the
14 value of any property for which an election under this section was
15 previously made is added to, the Washington taxable estate.

16 **Sec. 5.** RCW 83.100.048 and 2013 2nd sp.s. c 2 s 3 are each
17 amended to read as follows:

18 (1) For the purposes of determining the tax due under this
19 chapter, a deduction is allowed for the value of the decedent's
20 qualified family-owned business interests (~~(, not to)~~). With the
21 exception of qualified family-owned business interests in a newspaper
22 business, the deduction under this section may not exceed ((two
23 million five hundred thousand dollars, if)) \$2,500,000. A deduction
24 not to exceed \$5,000,000 is allowed for the value of the decedent's
25 qualified family-owned business interest in a newspaper business. No
26 deduction is allowed under this section unless:

27 (a) The value of the decedent's qualified family-owned business
28 interests exceed ((~~fifty~~)) 50 percent of the decedent's Washington
29 taxable estate determined without regard to the deduction for the
30 applicable exclusion amount. This subsection (1)(a) does not apply to
31 qualified family-owned business interest in a newspaper business;

32 (b) During the eight-year period ending on the date of the
33 decedent's death, there have been periods aggregating five years or
34 more during which:

35 (i) Such interests were owned by the decedent or a member of the
36 decedent's family;

37 (ii) There was material participation, within the meaning of
38 section 2032A(e)(6) of the internal revenue code, by the decedent or

1 a member of the decedent's family in the operation of the trade or
2 business to which such interests relate;

3 (c) The qualified family-owned business interests are acquired by
4 any qualified heir from, or passed to any qualified heir from, the
5 decedent, within the meaning of RCW 83.100.046(2), and the decedent
6 was at the time of his or her death a citizen or resident of the
7 United States; and

8 (d) The value of the decedent's qualified family-owned business
9 interests is not more than (~~six million dollars~~) \$6,000,000. This
10 subsection (1)(d) does not apply to qualified family-owned business
11 interest in a newspaper business.

12 (2)(a) Only amounts included in the decedent's federal taxable
13 estate may be deducted under this subsection.

14 (b) Amounts deductible under RCW 83.100.046 may not be deducted
15 under this section.

16 (3)(a) There is imposed an additional estate tax on a qualified
17 heir if, within three years of the decedent's death and before the
18 date of the qualified heir's death:

19 (i) The material participation requirements described in section
20 2032A(c)(6)(b)(ii) of the internal revenue code are not met with
21 respect to the qualified family-owned business interest which was
22 acquired or passed from the decedent;

23 (ii) The qualified heir disposes of any portion of a qualified
24 family-owned business interest, other than by a disposition to a
25 member of the qualified heir's family or a person with an ownership
26 interest in the qualified family-owned business or through a
27 qualified conservation contribution under section 170(h) of the
28 internal revenue code;

29 (iii) The qualified heir loses United States citizenship within
30 the meaning of section 877 of the internal revenue code or with
31 respect to whom section 877(e)(1) applies, and such heir does not
32 comply with the requirements of section 877(g) of the internal
33 revenue code; or

34 (iv) The principal place of business of a trade or business of
35 the qualified family-owned business interest ceases to be located in
36 the United States.

37 (b) The amount of the additional estate tax imposed under this
38 subsection is equal to the amount of tax savings under this section
39 with respect to the qualified family-owned business interest acquired
40 or passed from the decedent.

1 (c) Interest applies to the tax due under this subsection for the
2 period beginning on the date that the estate tax liability was due
3 under this chapter and ending on the date the additional estate tax
4 due under this subsection is paid. Interest under this subsection
5 must be computed as provided in RCW 83.100.070(2).

6 (d) The tax imposed by this subsection is due the day that is six
7 months after any taxable event described in (a) of this subsection
8 occurred and must be reported on a return as provided by the
9 department.

10 (e) The qualified heir is personally liable for the additional
11 tax imposed by this subsection unless he or she has furnished a bond
12 in favor of the department for such amount and for such time as the
13 department determines necessary to secure the payment of amounts due
14 under this subsection. The qualified heir, on furnishing a bond
15 satisfactory to the department, is discharged from personal liability
16 for any additional tax and interest under this subsection and is
17 entitled to a receipt or writing showing such discharge.

18 (f) Amounts due under this subsection attributable to any
19 qualified family-owned business interest are secured by a lien in
20 favor of the state on the property in respect to which such interest
21 relates. The lien under this subsection (3)(f) arises at the time the
22 Washington return is filed on which a deduction under this section is
23 taken and continues in effect until: (i) The tax liability under this
24 subsection has been satisfied or has become unenforceable by reason
25 of lapse of time; or (ii) the department is satisfied that no further
26 tax liability will arise under this subsection.

27 (g) Security acceptable to the department may be substituted for
28 the lien imposed by (f) of this subsection.

29 (h) For purposes of the assessment or correction of an assessment
30 for additional taxes and interest imposed under this subsection, the
31 limitations period in RCW 83.100.095 begins to run on the due date of
32 the return required under (d) of this subsection.

33 (i) For purposes of this subsection, a qualified heir may not be
34 treated as disposing of an interest described in section
35 2057(e)(1)(A) of the internal revenue code by reason of ceasing to be
36 engaged in a trade or business so long as the property to which such
37 interest relates is used in a trade or business by any member of the
38 qualified heir's family.

1 (4) (a) The department may require a taxpayer claiming a deduction
2 under this section to provide the department with the names and
3 contact information of all qualified heirs.

4 (b) The department may also require any qualified heir to submit
5 to the department on an ongoing basis such information as the
6 department determines necessary or useful in determining whether the
7 qualified heir is subject to the additional tax imposed in subsection
8 (3) of this section. The department may not require such information
9 more frequently than twice per year. The department may impose a
10 penalty on a qualified heir who fails to provide the information
11 requested within thirty days of the date the department's written
12 request for the information was sent to the qualified heir. The
13 amount of the penalty under this subsection is (~~(five hundred~~
14 ~~dollars)) \$500 and may be collected in the same manner as the tax
15 imposed under subsection (3) of this section.~~

16 (5) For purposes of this section, references to section 2057 of
17 the internal revenue code refer to section 2057 of the internal
18 revenue code, as existing on December 31, 2003.

19 (6) For purposes of this section, the following definitions
20 apply:

21 (a) "Member of the decedent's family" and "member of the
22 qualified heir's family" have the same meaning as "member of the
23 family" in RCW 83.100.046(10).

24 (b) "Newspaper business" means a business, or that portion of a
25 business consisting of a newspaper as defined in RCW 82.04.214, that
26 is distributed primarily to paying customers, including subscribers
27 and persons reselling the newspaper.

28 (c) "Qualified family-owned business interest" has the same
29 meaning as provided in section 2057(e) of the internal revenue code
30 of 1986.

31 (~~(e))~~ (d) "Qualified heir" has the same meaning as provided in
32 section 2057(i) of the internal revenue code of 1986.

33 (7) This section applies to the estates of decedents dying on or
34 after January 1, 2014. However, amendments to this section apply to
35 the estates of decedents dying on or after the effective date of such
36 amendments.

37 **Sec. 6.** RCW 83.100.220 and 2005 c 516 s 16 are each amended to
38 read as follows:

1 ~~((All))~~ (1) Except as provided in subsection (2) of this section,
2 all receipts from taxes, penalties, interest, and fees collected
3 under this chapter must be deposited into the education legacy trust
4 account.

5 (2) Ten percent of all receipts from taxes, receipts from taxes,
6 penalties, interest, and fees collected under this chapter must be
7 deposited into the equity in housing account created in section 7 of
8 this act.

9 NEW SECTION. **Sec. 7.** A new section is added to chapter 83.100
10 RCW to read as follows:

11 The equity in housing account is created in the state treasury.
12 Money in the account may be spent only after appropriation.
13 Expenditures from the account may only be used to address
14 homelessness, including foreclosure prevention, rental assistance,
15 outreach engagement services, housing services, and behavioral
16 health, with priority for agencies, programs, and services which
17 address current and historical racial inequities. Of the amounts
18 deposited into the account, the legislature shall appropriate at
19 least \$6,000,000 biennially to the foreclosure fairness account
20 created in RCW 61.24.172.

21 **Sec. 8.** RCW 61.24.172 and 2016 c 196 s 1 are each amended to
22 read as follows:

23 (1) The foreclosure fairness account is created in the custody of
24 the state treasurer. All receipts received under RCW 61.24.174, as it
25 existed prior to July 1, 2016, and RCW 61.24.173 must be deposited
26 into the account. Only the director of the department of commerce or
27 the director's designee may authorize expenditures from the account.
28 Funding to agencies and organizations under this section must be
29 provided by the department through an interagency agreement or other
30 applicable contract instrument. The account is subject to allotment
31 procedures under chapter 43.88 RCW, but an appropriation is not
32 required for expenditures. ~~((Biennial))~~

33 (2) Except as provided in subsection (3) of this section,
34 biennial expenditures from the account must be used as follows:
35 ~~((Four hundred thousand dollars))~~ \$400,000 to fund the counselor
36 referral hotline. The remaining funds shall be distributed as
37 follows:

1 ~~((1))~~ (a) Sixty-nine percent for the purposes of providing
2 housing counseling activities to benefit borrowers;

3 ~~((2) eight)~~ (b) Eight percent to the office of the attorney
4 general to be used by the consumer protection division to enforce
5 this chapter;

6 ~~((3) six)~~ (c) Six percent to the office of civil legal aid to
7 be used for the purpose of contracting with qualified legal aid
8 programs for legal representation of homeowners in matters relating
9 to foreclosure. Funds provided under this subsection ~~((3))~~ (2)(c)
10 must be used to supplement, not supplant, other federal, state, and
11 local funds; and

12 ~~((4) seventeen)~~ (d) Seventeen percent to the department to be
13 used for implementation and operation of the foreclosure fairness
14 act.

15 (3) The department shall spend the money deposited into the
16 foreclosure fairness account from the equity in housing account only
17 for foreclosure prevention, with priority to agencies, programs, and
18 services that address current and historical racial inequities.

19 (4) The department shall enter into interagency agreements to
20 contract with the Washington state housing finance commission and
21 other appropriate entities to implement the foreclosure fairness act.

22 NEW SECTION. Sec. 9. This act applies to decedents dying on or
23 after August 1, 2021.

24 NEW SECTION. Sec. 10. This act takes effect August 1, 2021.

--- END ---