

**SB 1045 A STAFF MEASURE SUMMARY**

**Carrier:** Sen. Hass

**Senate Committee On Finance and Revenue**

---

**Action Date:** 05/09/19

**Action:** Do pass with amendments. (Printed A-Eng.)

**Vote:** 3-0-0-2

**Yeas:** 3 - Hass, Riley, Taylor

**Abs:** 2 - Bentz, Boquist

**Fiscal:** Has minimal fiscal impact

**Revenue:** Revenue impact issued

**Prepared By:** Jaime McGovern, Economist

**Meeting Dates:** 4/18, 5/2, 5/9

---

**WHAT THE MEASURE DOES:**

Provides through permissive city and county authority, a property tax exemption to homeowners who choose to rent a portion of their home to qualified home share seeker. Implemented through development of homeshare program. Directs a 5 year term of property tax exemption. Describes process following breach of home share agreement. Takes effect 91st day after adjournment of sine die. Is repealed January 2, 2029.

**ISSUES DISCUSSED:**

- Non-profit supporter attempting new program to deal with homelessness.
- Income would be verified for program participants.
- Scaleable technology enabled.
- HUD data and affordable housing needs in the state.
- Immediate need versus building lag time.
- San Mateo provides housing in California.
- Local non profit approaches to providing low income housing assistance in current environment.
- Questions about lease agreement and mediation process should something go awry with the match.
- Whether taxes would be paid on the transaction.
- Cost savings vs tax abatement.

**EFFECT OF AMENDMENT:**

Caps program at 500 total properties. Caps exemption at \$300,000 of assessed value. Specifies that land is included. Sets 6 months as maximum vacancy.

**BACKGROUND:**

This program would allow counties and cities opt in to exempting a portion of property taxes for a qualifying principle home owner deemed home share provider, based on portion of home rented out to home share seeker. County, city or home share program would develop, if adopted a process, including means testing, approval and notification. The program excludes specially assessed properties, and the property would only be exempt for the taxing districts electing the abatement unless 51% or more taxing districts approved.