

**2019 WASHINGTON STATE
NARPM LEGISLATIVE UPDATE**

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105 DAYS OF SESSION

- ▶ Session began on January 14 and ended on April 28.
- ▶ There were more than 30 housing related bills introduced.

House of Representatives

57 Democrats

41 Republicans

Washington State Senate

28 Democrats

20 Republicans

1 Independent Democrat



RENTAL HOUSING COALITION

RHA – single family, owners self-manage, SEATTLE

WMFHA – multi-family

WLA – single family, owners self-manage, statewide

NARPM – professional property managers



LEGISLATIVE PROCESS

A bill is introduced in either the House of Representatives or Senate by a member. It is referred to a committee for a hearing.

- ▶ The committee studies the bill and may hold public hearings on it. It can then pass, reject, or take no action on the bill.
 - ▶ If the bill is passed out of the committee, it can be referred to the Rules Committee. At the second reading, a bill is subject to debate and amendment before being placed on the third reading calendar for final passage.
 - ▶ After passing one chamber, the bill goes through the same procedure in the other chamber.
 - ▶ If amendments are made in the opposite chamber, the first chamber must approve the changes.
 - ▶ When the bill is accepted in both the House of Representatives and Senate, it is signed by the leaders of the respective chamber and sent to the governor. The governor signs the bill into law or may veto all or part of it.
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HB 1138

Service Member Termination

A member of the armed forces is required to give their landlord 20-days notice to terminate tenancy if they need to break their lease. Service member may terminate a tenancy based on a “permanent change of station”



HB 1462

120 Days Notice to Vacate

Requires a landlord give 120 days' notice for termination of a month-to-month tenancy when the termination is for the property to be substantially rehabilitated, has a change of use, or is demolished.

Substantial rehabilitation is defined as, "extensive structural repair or extensive remodeling of premises that requires a permit such as a building, electrical, plumbing, or mechanical permit, and that results in the displacement of an existing tenant".

Change of use is defined as conversion from residential to non-residential, or to another form of residential use. Displacing a tenant due to an owner or their immediate family occupying the unit does constitute a change of use.

A property owner in violation of the policy is liable in a civil action up to three times the monthly rent.

You may recognize this bill from the recently past Tacoma Rental Ordinance.



HB 1440

Rent Increase

Requires landlords to provide a minimum of sixty days written notice for any increase in rent.

Except where the rent is conditioned on the income of the tenant, in which case, the notice required is 30 days and may become effective during the term of the agreement.



Definition of Rent

Rent: recurring and periodic charges identified in the rental agreement for use and occupancy of the premises, which may include charges for utilities.

Rent is not...

- ▶ •Nonrecurring charges for costs incurred due to;
 - ▶ •Late payment
 - ▶ •Damages
 - ▶ •Deposits
 - ▶ •Legal costs,
 - ▶ •Other fees, including attorney fees
-



Rent FIRST

**Required to apply all monies
received to rent first.**



Pay or Vacate by State



ESSB 5600

14-Day Notice to Pay or Vacate

- ▶ New form with information about legal aid and 211
- ▶ Common forms available from the AG's office in multiple languages

(1) Monthly rent due for: \$ 0.00

AND/OR

(2) Utilities due for: \$ 0.00

AND/OR

(3) Other recurring or periodic charges identified in the lease for:
\$ 0.00

TOTAL AMOUNT DUE: \$ 0.00



ESSB 5600

Late fees, Attorney Fees and Court Costs

Attorney Fees

- ▶ In any default judgment, attorney fees cannot be awarded
- ▶ If the judgment for rent is the greater of two months rent or \$1200 attorney fees can be awarded
- ▶ If the tenant requests a stay and their tenancy is reinstated, the court awards attorney fees to the landlord

Court Costs & Late Fees

- ▶ Court costs are always awarded
- ▶ A judgment for late fees is capped at \$75, however the law does not prevent charging higher or additional late fees.



ESSB 5600

Judicial Discretion

- ▶ i. The tenant's willful or intentional default or intentional failure to pay rent;
- ▶ ii. Whether nonpayment of the rent was caused by exigent circumstances that were beyond the tenant's control and that are not likely to recur;
- ▶ iii. The tenant's ability to timely pay the judgment;
- ▶ iv. The tenant's payment history;
- ▶ v. Whether the tenant is otherwise in substantial compliance with the rental agreement;
- ▶ vi. Hardship on the tenant if evicted; and
- ▶ vii. Conduct related to other notices served within the last six months.



ESSB 5600

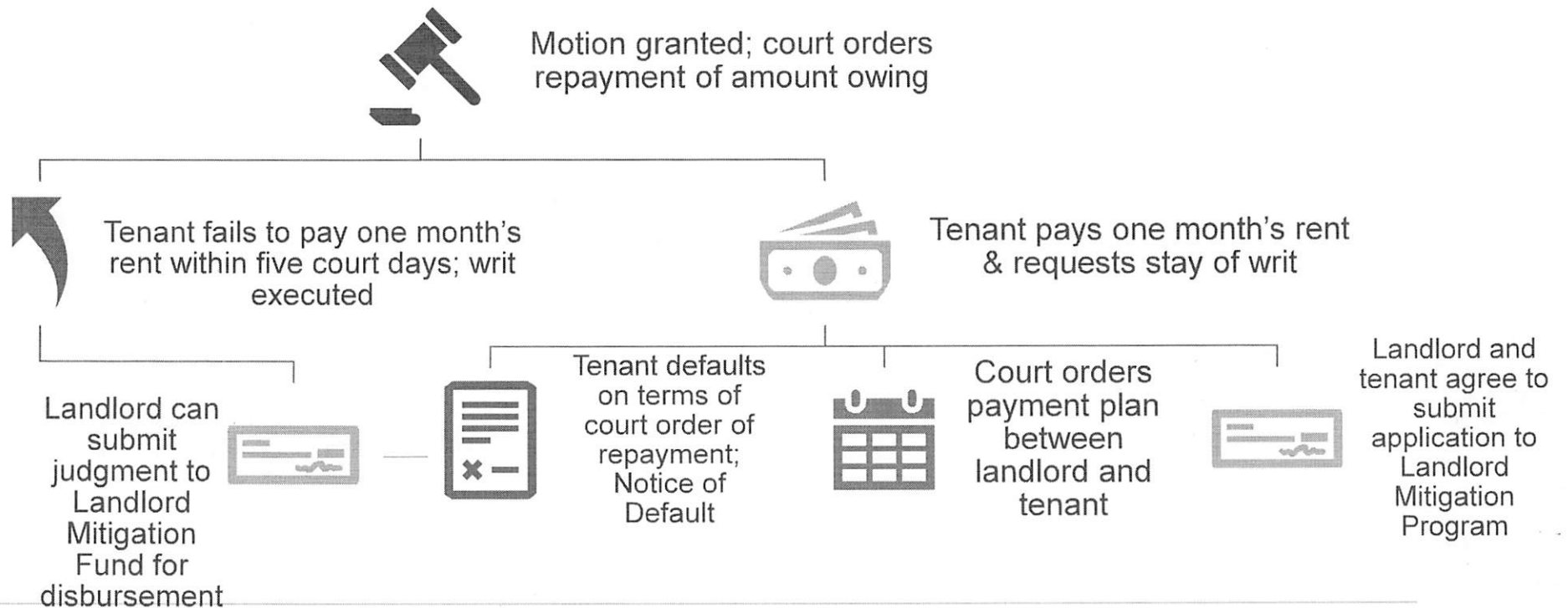
Payment Plan

- ▶ Tenant is required to remain current with rent during the payment plan
 - ▶ Tenant must pay one month's rent toward the payment plan within five business days
 - ▶ The next rent payment is due on the 1st of the following month if the order is entered on or before 15th. Orders entered after the 15th, the tenant can choice to include the next month's rent payment into the reinstatement payment plan.
 - ▶ The remaining balance of the judgment is required to be paid within 90 days of reinstatment with equal monthly payment each 30 days thereafter.

 - ▶ If the tenant fails to pay any of these payments, the landlord with 3 days' notice to tenant may execute the writ and schedule a physical eviction.
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Adding judicial reinstatement



ESSB 5600

MITIGATION PROGRAM \$1M

Some landlords may be able to submit the judgment to the Landlord Mitigation Program for reimbursement to reinstatement the tenant.

After submitting the judgment, the Department of Commerce may take up to 30 days to approve the claim and an additional 15 days for the landlord to receive the payment.

If there is insufficient funds in the Landlord Mitigation Program for the payment of the monetary judgment, the landlord may execute the writ to remove the tenant, and may hold the request for payment to be paid by the state on a first come, first served basis, when the fund is replenished

The 2019 State Legislature has appropriated \$1 million dollars in the capital budget for the Landlord Mitigation Program payment of monetary judgments that have received judicial discretion reinstatement. Future legislatures will need to appropriate further budgetary funds in the supplemental budget process and in further budget cycles.



TIPS

1. Serve notice to pay or vacate on 2nd of the month
2. Serve notices to comply or vacate
3. Apply for Washington State vendor ID number
4. Outside Seattle and Tacoma serve a 20-day notice to terminate tenancy



2019-2020

1. Burien
2. Federal Way
3. Statewide rent control
4. Statewide Just Cause
5. Local and State elections



RENT CONTROL

“Rent Stabilization”

“We need a bold and comprehensive approach to matching the scale of the problem, a policy program that puts people over profit,” Sawant said. “We need rent control.” statewide rent control.

The Economic Evictions Assistance Ordinance would expand the relocation assistance program. Under the ordinance, renters who make up to 80 percent of the area median income and face a 10 percent or greater rent increase in a year would get three times the amount of rent from a landlord.

LOOP HOLES

- ▶ Age of building
- ▶ Vacancy control
- ▶ One-one replacement



RENT CONTROL

“Rent Stabilization”

- ▶ Besides keeping track of the impacts of eviction reform, Kuderer and Macri also plan to push forward with more tenant protections next session. Macri wants to spread just-cause legislations statewide.
- ▶ Macri also wants to work toward a prohibition on rent gouging, citing a recent law in Oregon that bars landlords from raising the rent more than 7 percent plus the consumer price index.
- ▶ Oregon is the **FIRST** state in the nation to allow state-wide rent control.

