



GOVERNMENT AFFAIRS Year End Report

December 2011

STATE LEGISLATURE

It was a relatively quiet legislative session for landlord-tenant matters. This was primarily due to the extensive negotiations that took place during the fall of 2010 between landlord and tenant advocates regarding changes to the Residential Landlord Tenant Act.

HB 1266: CHANGES TO RLTA. This bill contains the changes to the RLTA that were agreed upon by the workgroup. Most of the changes are nominal because neither the landlord nor tenant advocates were willing to make significant concessions during the negotiation process. The bill took effect in late July. Highlights include requiring landlords to give receipts for any cash payments; slight modifications to the repair remedies provided for tenants; insuring that each tenant signing a rental agreement is given a copy; requiring landlords to provide an exact date and time or a range of dates and times when giving notice of entry; changes in regulations regarding holding fees for Section 8 applicants; changes to the dollar amounts governing storage of a tenant's property after abandonment or eviction.

HB 1793: JUVENILE CRIMINAL RECORDS. This bill has one provision that affects landlords. Section 2 prevents a screening company from disclosing the juvenile criminal history of an applicant if the applicant is 21 or over when the application is made. Landlords and screening companies asked the governor to veto Section 2 of the bill because it is bad policy and because it conflicts with the federal fair credit reporting act. The governor chose not to veto Section 2.

SB 5941: JUDICIAL BRANCH FUNDING. In 2009, the legislature added a temporary \$30 surcharge to all civil court filing fees including eviction cases. The surcharge was scheduled to expire July 1, 2011. SB 5941 would have made the surcharge permanent. The committee amended the bill to extend the surcharge to July 1, 2013 rather than make it permanent. A small but significant victory for landlords.

HB 1416/5289: B&O TAXES. These bills were attempts to slightly modify the legislation passed last year that imposed B&O tax obligations on property management companies for the wages paid to onsite employees. They provide that if a limited partnership or a limited liability company owns the property and a housing authority is the sole general partner or sole managing member then the onsite wages are exempt from B&O taxes. The Senate version of the bill was enacted.

OTHER BILLS: Technically all of the bills introduced this session will remain alive through the 2012 short session of the legislature. Realistically, the major bills that will be of concern to landlords are HB 1526 and SB 5826. Each of these deals with tenant screening but do so in dramatically different ways. We support HB 1526 because it is reasonable and we oppose SB 5826 because it is not. **Tenant screening will be the major issue for tenant advocates in the 2012 legislative session.**

If you want more information about any particular bill, you can go to the legislative website <http://www.leg.wa.gov> click on "bill information" in the left hand column, and type the number of the bill that you want to review in the box entitled "search by bill number."



CARBON MONOXIDE ALARMS: At present, there are temporary regulations in place that require the installation of CO alarms in existing rental units by January 1, 2013 if the units have fuel fired appliances. These regulations are likely to change. In November 2011, the State Building Code Council adopted new regulations that require CO alarms to be installed in all existing rental units when a unit is modified or repaired to the extent that a permit is required. If the work is exterior or only involves “noncombustion plumbing or mechanical systems” it will not trigger the installation requirement. Further information on CO alarms is available on the SBCC website <https://fortress.wa.gov/ga/apps/sbcc/default.aspx>.

SEATTLE

INSPECTIONS: In January 2011, a taskforce was appointed to work with the Department of Planning and Development to develop a report to the city council regarding licensing and inspections of rental properties in the city. Joe Puckett was asked to serve on that taskforce. The group met for several months and DPD issued a draft report in November with recommendations. Tenant advocates are not pleased with the report and more meetings may take place and the proposal may be modified. Information about the taskforce and the inspection issue is available on the DPD website www.seattle.gov/dpd/compliance/rentalhousing/overview/default.asp.

EX-OFFENDERS AS A PROTECTED CLASS: Late in 2010, the Seattle Office of Civil Rights (SOCR) put forth a proposal that would make ex-offenders a protected class in Seattle in both housing and employment. The proposal would allow a convicted felon to file a complaint of unlawful discrimination with SOCR if he/ she felt that he/she had been rejected for housing or employment because of his/her criminal history. SOCR stated that this proposal was similar to law in Madison, Wisconsin and would help to reduce recidivism. Landlords and employers strongly objected to the proposal and met with both SOCR staff and members of the city council. Although landlords make recommendations to SOCR for changing the proposal to make it more palatable, no changes have been made. Landlords also met with members of the council and it currently appears that the proposal has lost momentum but may reappear in a different form that is perhaps limited only to employment. Further information can be found on the website of the Seattle Human Rights Commission www.seattle.gov/humanrights.

CITY COUNCIL ELECTIONS: After conducting surveys of and interviewing candidates, WMFHA endorsed all of the five incumbent members of the council who were facing reelection. All five were reelected and WMFHA IS pleased to have established a good working relationship with each of them.

ENERGY USE BENCHMARKING: In 2010, Seattle passed legislation requiring both commercial and multifamily properties to engage in a program to benchmark, disclose and report energy usage. At the urging of WMFHA, the legislation also setup a pilot program to test the feasibility of the reporting system. The pilot program is almost completed and reporting requirements are set to start in April 2012. WMFHA is working with the city to make sure that the program is simple and easy to administer. We will also be providing information and training to members as this program moves forward.

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