

SENATE BILL REPORT

SB 5549

As Reported by Senate Committee On:
Financial Institutions, Housing & Insurance, February 25, 2009

Title: An act relating to the termination of month to month or other periodic tenancies governed by the residential landlord-tenant act.

Brief Description: Concerning the termination of month to month or other periodic residential tenancies governed by the residential landlord-tenant act.

Sponsors: Senators Kohl-Welles, Kline, Keiser, Franklin, Kauffman and Fraser.

Brief History:

Committee Activity: Financial Institutions, Housing & Insurance: 2/11/09, 2/25/09 [DPS, w/oRec].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & INSURANCE

Majority Report: That Substitute Senate Bill No. 5549 be substituted therefor, and the substitute bill do pass.

Signed by Senators Berkey, Chair; Hobbs, Vice Chair; Franklin and McDermott.

Minority Report: That it be referred without recommendation.

Signed by Senators Parlette and Schoesler.

Staff: Diane Smith (786-7410)

Background: The Residential Landlord-Tenant Act establishes the rights and duties of landlords and tenants. Its provisions appear in the standard form of lease or rental agreement used in this state. Its provisions may not be waived except in a very limited circumstance, one element of which is that there is no substantial inequality in the bargaining position of the two parties.

Tenancies of an indeterminate period of time are called month-to-month. They may be terminated by written notice of at least 20 days by either the landlord or the tenant.

Summary of Bill (Recommended Substitute): Members of the armed forces may give less than 20-days' notice if they receive reassignment or deployment orders that do not allow them to give 20-days' notice.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The length of notice required by the act for month-to-month and tenancies of members of armed forces is 30 days.

EFFECT OF CHANGES MADE BY FINANCIAL INSTITUTIONS, HOUSING & INSURANCE COMMITTEE (Recommended Substitute): The only change made to the act is to lengthen the 20-day notice period to 30 days.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: Notification of the conversion of an apartment building to condominiums has been increased from 90 days to 120 days. Washington gives one of the longest notices for condo conversion and the shortest for termination of month-to-month tenancies, only 20 days, when the termination is without cause. This is not a fair notice time for working families a paycheck away from homelessness. The notice should be lengthened from 20 days to 30 days as is the case in the vast majority of our sister states. Sixty days adds a little more fairness. This is a no-cost policy solution to homelessness. California has used the 30/60 day notice for at least five years. It carefully balances the interests of the tenant, landlord, and the community at large. Tenants have their money tied up in their units, needing three months' rent just to move in – first and last month and deposit. Finding affordable rental housing for fixed income people is very hard.

CON: This bill changes the law that has been in effect over 100 years. The notice from and to the landlord and tenant should be the same. This bill does not address homelessness. There is a potential conflict between these changes without also changing the unlawful detainer chapter. Asking for the last month's rent at the inception of the tenancy is not best practices and many landlords do not require it. An unintended consequence may be that landlords, who did not before, will start requiring last month's rent as a deposit.

OTHER: No good landlord will kick out a good tenant. We want to protect good tenants and to get rid of bad apples as fast as possible. A noncause eviction costs \$1,000 to \$2,000. It is counterproductive to encourage landlords to open up more housing to poor and low income people.

Persons Testifying: PRO: Mia Wells, Washington State Coalition for the Homeless; Greg Provenzano, Columbia Legal Services; Karen Matson, Housing Hope; Michelle Thomas, Tenants Union.

CON: Joe Puckett, Washington Multifamily Housing Association; Julie Johnson, Rental Housing Association; Charles Beck, Washington Landlord Association; Darlene Pennock, Washington Apartment Association.

OTHER: Tim Seth, Washington Landlord Association; John Wells, Crown Properties Inc.