Z-0200.1

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SENATE BILL 5365**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**State of Washington 65th Legislature 2017 Regular Session**

**By** Senators King, Hobbs, Liias, and Wilson; by request of Department of Transportation

AN ACT Relating to relocation assistance for persons displaced by agency property acquisitions; and amending RCW 8.26.035, 8.26.045, and 8.26.055.

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

**Sec.**  RCW 8.26.035 and 2003 c 357 s 1 are each amended to read as follows:

(1) Whenever a program or project to be undertaken by a displacing agency will result in the displacement of any person, the displacing agency shall provide for the payment to the displaced person of:

(a) Actual reasonable expenses in moving himself or herself, or his or her family, business, farm operation, or other personal property;

(b) Actual direct losses of tangible personal property as a result of moving or discontinuing a business or farm operation, but not to exceed an amount equal to the reasonable expenses that would have been required to relocate the property, in accordance with criteria established by the lead agency;

(c) Actual reasonable expenses in searching for a replacement business or farm; and

(d) Actual reasonable expenses necessary to reestablish a displaced farm, nonprofit organization, or small business at its new site, in accordance with criteria established by the lead agency, but not to exceed fifty thousand dollars or the dollar amount allowed under 42 U.S.C. Sec. 4622 as it existed on the effective date of this section, or such subsequent date as may be provided by the displacing agency by rule or regulation, consistent with the purposes of this section, whichever is greater.

(2) A displaced person eligible for payments under subsection (1) of this section who is displaced from a dwelling and who elects to accept the payments authorized by this subsection in lieu of the payments authorized by subsection (1) of this section may receive an expense and dislocation allowance determined according to a schedule established by the lead agency.

(3) A displaced person eligible for payments under subsection (1) of this section who is displaced from the person's place of business or farm operation and who is eligible under criteria established by the lead agency may elect to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (1) of this section. The payment shall consist of a fixed payment in an amount to be determined according to criteria established by the lead agency, except that the payment shall be not less than ((~~one thousand dollars nor more than twenty thousand dollars~~)) the dollar amount allowed under 42 U.S.C. Sec. 4622 as it existed on the effective date of this section, or such subsequent date as may be provided by the displacing agency by rule or regulation, consistent with the purposes of this section. A person whose sole business at the displacement dwelling is the rental of that property to others does not qualify for a payment under this subsection.

**Sec.**  RCW 8.26.045 and 1988 c 90 s 4 are each amended to read as follows:

(1) In addition to payments otherwise authorized by this chapter, the displacing agency shall make an additional payment, not in excess of ((~~twenty-two thousand five hundred dollars~~)) the dollar amount allowed under 42 U.S.C. Sec. 4623 as it existed on the effective date of this section, or such subsequent date as may be provided by the displacing agency by rule or regulation, consistent with the purposes of this section, to any displaced person who is displaced from a dwelling actually owned and occupied by the displaced person for not less than ((~~one hundred and eighty~~)) ninety days immediately before the initiation of negotiations for the acquisition of the property. The additional payment shall include the following elements:

(a) The amount, if any, that when added to the acquisition cost of the dwelling acquired by the displacing agency, equals the reasonable and necessary cost of a comparable replacement dwelling;

(b) The amount, if any, that will compensate the displaced person for any increased mortgage interest costs and other debt service costs that the person is required to pay for financing the acquisition of any such comparable replacement dwelling. This amount shall be paid only if the dwelling acquired by the displacing agency was encumbered by a bona fide mortgage that was a valid lien on the dwelling for not less than one hundred and eighty days immediately before the initiation of negotiations for the acquisition of the dwelling;

(c) Reasonable expenses incurred by the displaced person for evidence of title, recording fees, and other closing costs incident to the purchase of the replacement dwelling, but not including prepaid expenses.

(2) The additional payment authorized by this section shall be made only to a displaced person who purchases and occupies a decent, safe, and sanitary replacement dwelling within one year after the date on which the person receives final payment from the displacing agency for the acquired dwelling or the date on which the obligation of the displacing agency under RCW 8.26.075 is met, whichever date is later, except that the displacing agency may extend the period for good cause. If the period is extended, the payment under this section shall be based on the costs of relocating the person to a comparable replacement dwelling within one year of that date.

**Sec.**  RCW 8.26.055 and 1988 c 90 s 5 are each amended to read as follows:

(1) In addition to amounts otherwise authorized by this chapter, a displacing agency shall make a payment to or for a displaced person displaced from a dwelling not eligible to receive a payment under RCW 8.26.045 if the dwelling was actually and lawfully occupied by the displaced person for not less than ninety days immediately before (a) the initiation of negotiations for acquisition of the dwelling, or (b) in any case in which displacement is not a direct result of acquisition, such other event as the lead agency prescribes. The payment shall consist of the amount necessary to enable the person to lease or rent for a period not to exceed forty-two months, a comparable replacement dwelling, but not to exceed ((~~five thousand two hundred fifty dollars~~)) the dollar amount allowed under 42 U.S.C. Sec. 4624 as it existed on the effective date of this section, or such subsequent date as may be provided by the displacing agency by rule or regulation, consistent with the purposes of this section. At the discretion of the displacing agency, a payment under this subsection may be made in periodic installments. Computation of a payment under this subsection to a low-income displaced person for a comparable replacement dwelling shall take into account the person's income.

(2) A person eligible for a payment under subsection (1) of this section may elect to apply the payment to a down payment on, and other incidental expenses pursuant to, the purchase of a decent, safe, and sanitary replacement dwelling. The person may, at the discretion of the displacing agency, be eligible under this subsection for the maximum payment allowed under subsection (1) of this section((~~, except that, in the case of a displaced homeowner who has owned and occupied the displacement dwelling for at least ninety days but not more than one hundred eighty days immediately before the initiation of negotiations for the acquisition of the dwelling, the payment shall not exceed the payment the person would otherwise have received under RCW 8.26.045(1) had the person owned and occupied the displacement dwelling one hundred eighty days immediately before the initiation of the negotiations~~)).

**--- END ---**