
ENGROSSED HOUSE BILL 2971

State of Washington 64th Legislature 2016 Regular Session

By Representatives McBride and Nealey

Read first time 02/04/16. Referred to Committee on Finance.

1 AN ACT Relating to real estate as it concerns the local
2 government authority in the use of real estate excise tax revenues
3 and regulating real estate transactions; and amending RCW 64.06.080,
4 43.110.030, 82.46.015, and 82.46.037.

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

6 **Sec. 1.** RCW 64.06.080 and 2015 2nd sp.s. c 10 s 4 are each
7 amended to read as follows:

8 (1) Any ordinance, resolution, or policy adopted by a city or
9 county that imposes a requirement on landlords or sellers of real
10 property, or their agents, to provide information to a buyer or
11 tenant pertaining to the subject property or the surrounding area is
12 effective only after:

13 (a) A summary of the ordinance, resolution, or policy is posted
14 electronically in accordance with RCW 43.110.030(2)(e); and

15 (b) An internet link to the ordinance, resolution, or policy, or
16 the relevant portion of the actual language of the ordinance,
17 resolution, or policy, is posted electronically in accordance with
18 RCW 43.110.030(2)(e).

19 (2) If, prior to September 26, 2015, a city or county adopted an
20 ordinance, resolution, or policy that imposes a requirement on
21 landlords or sellers of real property, or their agents, to provide

1 information to a buyer or tenant pertaining to the subject property
2 or the surrounding area, the city or county must cause, within ninety
3 days of September 26, 2015:

4 (a) A summary of the ordinance, resolution, or policy to be
5 posted electronically in accordance with RCW 43.110.030(2)(e); and

6 (b) An internet link to the ordinance, resolution, or policy, or
7 the relevant portion of the actual language of the ordinance,
8 resolution, or policy, to be posted electronically in accordance with
9 RCW 43.110.030(2)(e) ((within ninety days of September 26, 2015, or
10 the requirement shall)). If the requirement is not electronically
11 posted as required by this subsection, the requirement must
12 thereafter cease to be in effect.

13 **Sec. 2.** RCW 43.110.030 and 2015 2nd sp.s. c 10 s 5 are each
14 amended to read as follows:

15 (1) The department of commerce must contract for the provision of
16 municipal research and services to cities, towns, and counties.
17 Contracts for municipal research and services must be made with state
18 agencies, educational institutions, or private consulting firms, that
19 in the judgment of the department are qualified to provide such
20 research and services. Contracts for staff support may be made with
21 state agencies, educational institutions, or private consulting firms
22 that in the judgment of the department are qualified to provide such
23 support.

24 (2) Municipal research and services consists of:

25 (a) Studying and researching city, town, and county government
26 and issues relating to city, town, and county government;

27 (b) Acquiring, preparing, and distributing publications related
28 to city, town, and county government and issues relating to city,
29 town, and county government;

30 (c) Providing educational conferences relating to city, town, and
31 county government and issues relating to city, town, and county
32 government;

33 (d) Furnishing legal, technical, consultative, and field services
34 to cities, towns, and counties concerning planning, public health,
35 utility services, fire protection, law enforcement, public works, and
36 other issues relating to city, town, and county government; and

37 ~~(e) ((Providing a list of all requirements imposed by all cities,~~
38 ~~towns, and counties))~~ (i) For any ordinance, resolution, or policy
39 adopted by a city, town, or county that imposes a requirement on

1 landlords or sellers of real property to provide information to a
2 buyer or tenant pertaining to the subject property or the surrounding
3 area(~~(. The list)~~), posting:

4 (A) A summary of the ordinance, resolution, or policy; and

5 (B) An internet link to the ordinance, resolution, or policy, or
6 the relevant portion of the actual language of the ordinance,
7 resolution, or policy.

8 (ii) Information provided by cities, towns, and counties
9 regarding an ordinance, resolution, or policy under (e)(i) of this
10 subsection must be posted in a specific section on a web site
11 maintained by the entity with which the department of commerce
12 contracts for the provision of municipal research and services under
13 this section, and must list by jurisdiction all applicable
14 requirements. Cities, towns, and counties must provide information
15 for posting on the web site in accordance with RCW 64.06.080.

16 (3) Requests for legal services by county officials must be sent
17 to the office of the county prosecuting attorney. Responses by the
18 department of commerce to county requests for legal services must be
19 provided to the requesting official and the county prosecuting
20 attorney.

21 (4) The department of commerce must coordinate with the
22 association of Washington cities and the Washington state association
23 of counties in carrying out the activities in this section.

24 **Sec. 3.** RCW 82.46.015 and 2015 2nd sp.s. c 10 s 2 are each
25 amended to read as follows:

26 (1) A city or county that meets the requirements of subsection
27 (2) of this section may use the greater of one hundred thousand
28 dollars or twenty-five percent of available funds, but not to exceed
29 one million dollars per year, from revenues collected under RCW
30 82.46.010 for the maintenance of capital projects, as defined in RCW
31 82.46.010(6)(b).

32 (2) A city or county may use revenues pursuant to subsection (1)
33 of this section if:

34 (a) The city or county prepares a written report demonstrating
35 that it has or will have adequate funding from all sources of public
36 funding to pay for all capital projects, as defined in RCW 82.46.010,
37 identified in its capital facilities plan for the succeeding two-year
38 period. Cities or counties not required to prepare a capital
39 facilities plan may satisfy this provision by using a document that,

1 at a minimum, identifies capital project needs and available public
2 funding sources for the succeeding two-year period; and

3 (b)(i) The city or county has not enacted, after September 26,
4 2015(~~(7)~~): Any requirement on the listing(~~(, leasing,)~~) or sale of
5 real property(~~(, unless the requirement is either)~~); or any
6 requirement on landlords, at the time of executing a lease, to
7 perform or provide physical improvements or modifications to real
8 property or fixtures, except if necessary to address an immediate
9 threat to health or safety; or

10 (ii) Any local requirement adopted by the city or county under
11 (b)(i) of this subsection is: Specifically authorized by RCW
12 35.80.030, 35A.11.020, chapter 7.48 RCW, or chapter 19.27 RCW;
13 specifically authorized by other state or federal law; or ((is)) a
14 seller or landlord disclosure requirement pursuant to RCW 64.06.080.

15 (3) The report prepared under subsection (2)(a) of this section
16 must: (a) Include information necessary to determine compliance with
17 the requirements of subsection (2)(a) of this section; (b) identify
18 how revenues collected under RCW 82.46.010 were used by the city or
19 county during the prior two-year period; (c) identify how funds
20 authorized under subsection (1) of this section will be used during
21 the succeeding two-year period; and (d) identify what percentage of
22 funding for capital projects within the city or county is
23 attributable to revenues under RCW 82.46.010 compared to all other
24 sources of capital project funding. The city or county must prepare
25 and adopt the report as part of its regular, public budget process.

26 (4) The authority to use funds as authorized in this section is
27 in addition to the authority to use funds pursuant to RCW
28 82.46.010(7), which remains in effect through December 31, 2016.

29 (5) For purposes of this section, "maintenance" means the use of
30 funds for labor and materials that will preserve, prevent the decline
31 of, or extend the useful life of a capital project. "Maintenance"
32 does not include labor or material costs for routine operations of a
33 capital project.

34 **Sec. 4.** RCW 82.46.037 and 2015 2nd sp.s. c 10 s 3 are each
35 amended to read as follows:

36 (1) A city or county that meets the requirements of subsection
37 (2) of this section may use the greater of one hundred thousand
38 dollars or twenty-five percent of available funds, but not to exceed

1 one million dollars per year, from revenues collected under RCW
2 82.46.035 for:

3 (a) The maintenance of capital projects, as defined in RCW
4 82.46.035(5); or

5 (b) The planning, acquisition, construction, reconstruction,
6 repair, replacement, rehabilitation, improvement, or maintenance of
7 capital projects as defined in RCW 82.46.010(6)(b) that are not also
8 included within the definition of capital projects in RCW
9 82.46.035(5).

10 (2) A city or county may use revenues pursuant to subsection (1)
11 of this section if:

12 (a) The city or county prepares a written report demonstrating
13 that it has or will have adequate funding from all sources of public
14 funding to pay for all capital projects, as defined in RCW
15 82.46.035(5), identified in its capital facilities plan for the
16 succeeding two-year period; and

17 (b)(i) The city or county has not enacted, after September 26,
18 2015, any requirement on the listing(~~(, leasing,)~~) or sale of real
19 property(~~(, unless the requirement is either)~~); or any requirement on
20 landlords, at the time of executing a lease, to perform or provide
21 physical improvements or modifications to real property or fixtures,
22 except if necessary to address an immediate threat to health or
23 safety; or

24 (ii) Any local requirement adopted by the city or county under
25 (b)(i) of this subsection is: Specifically authorized by RCW
26 35.80.030, 35A.11.020, chapter 7.48 RCW, or chapter 19.27 RCW;
27 specifically authorized by other state or federal law; or ((is)) a
28 seller or landlord disclosure requirement pursuant to RCW 64.06.080.

29 (3) The report prepared under subsection (2)(a) of this section
30 must: (a) Include information necessary to determine compliance with
31 the requirements of subsection (2)(a) of this section; (b) identify
32 how revenues collected under RCW 82.46.035 were used by the city or
33 county during the prior two-year period; (c) identify how funds
34 authorized under subsection (1) of this section will be used during
35 the succeeding two-year period; and (d) identify what percentage of
36 funding for capital projects within the city or county is
37 attributable to revenues under RCW 82.46.035 compared to all other
38 sources of capital project funding. The city or county must prepare
39 and adopt the report as part of its regular, public budget process.

1 (4) The authority to use funds as authorized in this section is
2 in addition to the authority to use funds pursuant to RCW
3 82.46.035(7), which remains in effect through December 31, 2016.

4 (5) For purposes of this section, "maintenance" means the use of
5 funds for labor and materials that will preserve, prevent the decline
6 of, or extend the useful life of a capital project. "Maintenance"
7 does not include labor or material costs for routine operations of a
8 capital project.

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