HOUSE BILL REPORT HB 1462

As Amended by the Senate

- **Title**: An act relating to providing notice of plans to demolish, substantially rehabilitate, or change use of residential premises.
- **Brief Description**: Providing notice of plans to demolish, substantially rehabilitate, or change use of residential premises.
- **Sponsors**: Representatives Barkis, Reeves, Kirby, Riccelli, Jenkin, Stokesbary, Gildon, Walsh, Chambers, Dye, Hoff, Volz and Irwin.

Brief History:

Committee Activity: Civil Rights & Judiciary: 2/5/19, 2/15/19 [DP].

Floor Activity:

Passed House: 3/5/19, 94-4. Senate Amended. Passed Senate: 4/13/19, 44-1.

Brief Summary of Bill

• Requires a landlord under the Residential Landlord-Tenant Act to provide at least 120 days' written notice to a tenant whenever the landlord plans to demolish or substantially rehabilitate premises or plans a change of use of premises.

HOUSE COMMITTEE ON CIVIL RIGHTS & JUDICIARY

Majority Report: Do pass. Signed by 14 members: Representatives Jinkins, Chair; Thai, Vice Chair; Irwin, Ranking Minority Member; Dufault, Assistant Ranking Minority Member; Goodman, Graham, Hansen, Kilduff, Kirby, Klippert, Orwall, Shea, Valdez and Walen.

Minority Report: Do not pass. Signed by 1 member: Representative Ybarra.

Staff: Cece Clynch (786-7195).

Background:

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 Residential Landlord-Tenant Act (RLTA) regulates the relationship between residential landlords and tenants, and includes provisions regarding the duties of tenants and landlords, remedies for violations of those duties, and definitions. Subject to a few exceptions spelled out in statute, the rental of a dwelling unit for living purposes is generally covered under the RLTA. "Dwelling unit" is a structure or that part of a structure which is used as a home, residence, or sleeping place.

A tenancy for a specified time such as one year, sometimes also called a lease, is deemed terminated at the end of the specified period. Alternatively, premises may be rented for an indefinite time, from period to period or month to month. Generally, such a tenancy is automatically renewed for another period until terminated by either the landlord or the tenant by giving at least 20 days' written notice prior to the end of any of the months or periods of tenancy.

A landlord under the RLTA must provide longer notice in certain situations:

- Whenever a landlord plans to change to a policy of excluding children, the landlord must give written notice of at least 90 days before termination of the tenancy to effectuate that change. If, after giving the 90 days' notice, the change in policy is delayed, the general 20 days' notice applies unless waived by the tenant.
- Whenever a landlord plans to change any apartment or apartments to a condominium form of ownership, the landlord must provide written notice of at least 120 days before termination of the tenancy. If, after giving the 120 days' notice, the change in policy is delayed, the general 20 days' notice applies unless waived by the tenant.

Summary of Bill:

A landlord under the Residential Landlord-Tenant Act must provide at least 120 days' written notice to a tenant whenever the landlord plans to demolish or substantially rehabilitate premises or plans a change of use of premises.

Certain terms are defined as follows:

- "Assisted housing development" means a multifamily rental housing development that either receives government assistance and is defined as federally assisted housing, or that receives other federal, state, or local government assistance and is subject to use restrictions.
- "Change of use" means:
 - conversion of any premises from a residential use to a nonresidential use that results in the displacement of an existing tenant;
 - conversion from one type of residential use to another type of residential use that results in the displacement of an existing tenant, such as conversion to a retirement home, emergency shelter, or transient hotel; or
 - conversion following removal of use restrictions from an assisted housing development that results in the displacement of an existing tenant. However, displacement of an existing tenant in order that the owner or a member of the owner's immediate family may occupy the premises does not constitute a change of use.
- "Demolish" means the destruction of premises or the relocation of premises to another site that results in the displacement of an existing tenant.

• "Substantially rehabilitate" means 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.

EFFECT OF SENATE AMENDMENT(S):

Retains the entirety of House Bill 1462 with the following exception and addition:

- Excepts, from the provision requiring 120 days' notice of plans to demolish/ substantially rehabilitate/change use of premises, those jurisdictions that have created a relocation assistance program under RCW 59.18.440 and otherwise provide 120 days' notice. (Per RCW 59.18.440, certain counties and cities that must develop a comprehensive plan may require property owners to provide their portion of reasonable relocation assistance to low-income tenants upon the demolition, substantial rehabilitation, or change of use of residential property, or removal of use restrictions in an assisted-housing development.)
- Adds a provision that a person in violation of the requirement to provide notice may be held liable in a civil action up to three times the monthly rent of the real property at issue, and allows the prevailing party to recover court costs and reasonable attorneys' fees.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The idea for this bill came out of recent headlines. In Burien, Tacoma, and Spokane, there were changes with respect to the use of some significant buildings which forced tenants to have to relocate very quickly with little notice. Tenants need more time. Landlords already have to spend a considerable amount of time getting their plans ready and obtaining permits. They might as well give tenants more time to plan and move. Although this does not occur very often, in the situations which have been seen recently there was a significant impact, and a significant number of tenants were affected. This is modelled after current law, RCW 59.18.200, that pertains to the notice required for condominium conversions and changes to policies that prohibit children. The fear expressed by some that landlords will duck the 120-day notice provisions of this bill and just use a 20-day notice have not been seen with respect to the longer notice requirements found in RCW 59.18.200. Landlords and property managers deal with people, are generally empathetic, and rarely take action without cause. A 50-year old building is going to have to be substantially rehabilitated at some point.

(Opposed) None.

(Other) This bill is a good, positive first step, but does not go far enough. Without requiring cause for eviction, this will not work. A landlord can just get around this by using a 20-day

notice to terminate, and the tenants will not even know of the landlord's noncompliance with this 120-day requirement until after he or she loses his or her home. The no-cause loophole must be closed. After 14 years living at the Tiki Apartments in Tacoma, tenants had to leave with little notice. When a lease is up it is very scary for the tenants because landlords do not have to have cause to evict.

Persons Testifying: (In support) Representative Barkis, prime sponsor; Kyle Woodring, Rental Housing Association; Kathryn Hedrick, Washington Multifamily Housing Association; and Lyle Crews, National Association of Rental Property Managers.

(Other) Michele Thomas, Washington Low Income Housing Alliance; Debbie Simmons; and Edmund Witter, King County Bar Association.

Persons Signed In To Testify But Not Testifying: None.