
SENATE BILL 6595

State of Washington

66th Legislature

2020 Regular Session

By Senators Lovelett, Das, and Wilson, C.

Read first time 01/23/20. Referred to Committee on Law & Justice.

1 AN ACT Relating to making condominium and homeowner association
2 dues allocated based on the assessed value of each condominium or
3 home as a percentage of the total value of all units or lots in the
4 association; amending RCW 64.34.224 and 64.90.235; and adding a new
5 section to chapter 64.38 RCW.

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

7 **Sec. 1.** RCW 64.34.224 and 1992 c 220 s 8 are each amended to
8 read as follows:

9 (1) The declaration shall allocate a fraction or percentage of
10 undivided interests in the common elements and in the common expenses
11 of the association, and a portion of the votes in the association, to
12 each unit and state the formulas or methods used to establish those
13 allocations. Those allocations may not discriminate in favor of units
14 owned by the declarant or an affiliate of the declarant. A unit
15 owner's percent share of the annual assessment for common expenses
16 must not exceed the percentage of the assessed value of that unit in
17 relation to the total assessed value of all units in the association
18 as calculated in Title 84 RCW.

19 (2) If units may be added to or withdrawn from the condominium,
20 the declaration shall state the formulas or methods to be used to

1 reallocate the allocated interests among all units included in the
2 condominium after the addition or withdrawal.

3 (3) The declaration may provide: (a) For cumulative voting only
4 for the purpose of electing members of the board of directors; and
5 (b) for class voting on specified issues affecting the class if
6 necessary to protect valid interests of the class. A declarant may
7 not utilize cumulative or class voting for the purpose of evading any
8 limitation imposed on declarants by this chapter, nor may units
9 constitute a class because they are owned by a declarant.

10 (4) Except for minor variations due to rounding, the sum of the
11 undivided interests in the common elements and common expense
12 liabilities allocated at any time to all the units must each equal
13 one if stated as fractions or one hundred percent if stated as
14 percentages. In the event of discrepancy between an allocated
15 interest and the result derived from application of the pertinent
16 formula, the allocated interest prevails.

17 (5) Except where permitted by other sections of this chapter, the
18 common elements are not subject to partition, and any purported
19 conveyance, encumbrance, judicial sale, or other voluntary or
20 involuntary transfer of an undivided interest in the common elements
21 made without the unit to which that interest is allocated is void.

22 NEW SECTION. **Sec. 2.** A new section is added to chapter 64.38
23 RCW to read as follows:

24 An owner's percent share of the annual assessment for common
25 expenses must not exceed the percentage of the assessed value of that
26 unit in relation to the total assessed value of all lots in the
27 homeowner's association as calculated in Title 84 RCW.

28 **Sec. 3.** RCW 64.90.235 and 2018 c 277 s 208 are each amended to
29 read as follows:

30 (1) (a) The declaration must allocate to each unit:

31 ~~((a))~~ (i) In a condominium, a fraction or percentage of
32 undivided interests in the common elements and in the common expenses
33 of the association and a portion of the votes in the association;

34 ~~((b))~~ (ii) In a cooperative, an ownership interest in the
35 association, a fraction or percentage of the common expenses of the
36 association, and a portion of the votes in the association; and

1 (~~(e)~~) (iii) In a plat community and miscellaneous community, a
2 fraction or percentage of the common expenses of the association and
3 a portion of the votes in the association.

4 (b) An owner's percent share of the annual assessment for common
5 expenses must not exceed the percentage of the assessed value of that
6 unit in relation to the total assessed value of all lots in the
7 homeowner's association as calculated in Title 84 RCW.

8 (2) The declaration must state the formulas used to establish
9 allocations of interests. Those allocations may not discriminate in
10 favor of units owned by the declarant or an affiliate of the
11 declarant.

12 (3) If units may be added to or withdrawn from the common
13 interest community, the declaration must state the formulas to be
14 used to reallocate the allocated interests among all units included
15 in the common interest community after the addition or withdrawal.

16 (4) (a) The declaration may provide:

17 (i) That different allocations of votes are made to the units on
18 particular matters specified in the declaration;

19 (ii) For cumulative voting only for the purpose of electing board
20 members; and

21 (iii) For class voting on specified issues affecting the class if
22 necessary to protect valid interests of the class.

23 (b) A declarant may not utilize cumulative or class voting for
24 the purpose of evading any limitation imposed on declarants under
25 this chapter, and units do not constitute a class because they are
26 owned by a declarant.

27 (5) Except for minor variations due to rounding, the sum of the
28 common expense liabilities and, in a condominium, the sum of the
29 undivided interests in the common elements allocated at any time to
30 all the units must each equal one if stated as a fraction or one
31 hundred percent if stated as a percentage. In the event of
32 discrepancy between an allocated interest and the result derived from
33 application of the pertinent formula, the allocated interest
34 prevails.

35 (6) (a) In a condominium, the common elements are not subject to
36 partition, and any purported conveyance, encumbrance, judicial sale,
37 or other voluntary or involuntary transfer of an undivided interest
38 in the common elements made without the unit to which that interest
39 is allocated is void.

1 (b) In a cooperative, any purported conveyance, encumbrance,
2 judicial sale, or other voluntary or involuntary transfer of an
3 ownership interest in the association made without the possessory
4 interest in the unit to which that interest is related is void.

--- END ---