

FINAL BILL REPORT

HB 1054

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Synopsis as Enacted

Brief Description: Addressing the authority of owners' associations in common interest communities to regulate or limit occupancy by unrelated persons.

Sponsors: Representatives Walen, Simmons, Ryu, Bateman, Ramel, Doglio, Macri, Gregerson, Springer, Thai, Kloba and Donaghy.

House Committee on Housing

Senate Committee on Law & Justice

Background:

A common interest community (CIC) is a form of real estate in which each unit owner or homeowner has an exclusive interest in a unit or lot and a shared or undivided interest in common area property. In Washington, several statutes govern residential CICs, such as condominiums, cooperatives, leasehold CICs, miscellaneous communities, and plat communities, sometimes referred to as homeowners' associations.

The Washington Uniform Common Interest Ownership Act (WUCIOA) is applicable to CICs created on or after July 1, 2018. A CIC created prior to July 1, 2018 may choose to opt in to the WUCIOA, which contains comprehensive provisions addressing the management of property under its jurisdiction.

Otherwise, CICs created before July 1, 2018, remain subject to the following acts, which generally leave much of the working of a CIC to the governing documents:

- the Horizontal Property Regimes Act, which applies to residential condominiums created on or before July 1, 1990;
- the Washington Condominium Act, which applies to condominiums created after July 1, 1990; and
- the Homeowners' Association Act, which provides a framework for the formation and legal administration of homeowners' associations.

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

A CIC is administered by an association of unit owners or a homeowners' association—an organization consisting of property owners and homeowners within the CIC. An association of unit owners derives its authority from several documents, including the declaration of covenants, conditions, and restrictions; the association's bylaws and articles of incorporation; and the deeds to the property within a development.

The primary functions of a unit owners' association include: managing and maintaining common areas, such as parks, roads, and community centers, for the benefit of the community; imposing and collecting assessments on unit owners; and enforcing restrictive covenants that govern the community. In addition, a unit owners' association may adopt rules and regulations concerning property use in the community and impose fines for violations of those rules.

Summary:

An association of unit owners in a common interest community is prohibited from regulating or limiting the number of unrelated persons that may occupy a unit.

This prohibition applies to associations of unit owners in common interest communities subject to the Washington Uniform Common Interest Ownership Act, the Homeowners' Association Act, the Washington Condominium Act, and the Horizontal Property Regimes Act. However, lawful limits on occupant load per square foot or generally applicable health and safety provisions as established by building code, city ordinance, or county ordinance do not violate this prohibition.

Votes on Final Passage:

House	67	26	
House	68	29	
Senate	30	19	(Senate amended)
House	68	29	(House concurred)

Effective: June 6, 2024