
HOUSE BILL 2033

State of Washington

68th Legislature

2024 Regular Session

By Representatives Cheney, Hutchins, Couture, Waters, Connors, Barkis, Christian, Klicker, Barnard, Graham, and Jacobsen

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1 AN ACT Relating to creating a rent relief incentive program;
2 adding a new section to chapter 43.31 RCW; creating a new section;
3 and providing an expiration date.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that both landlords
6 and tenants have been impacted by the increasing costs of maintaining
7 and operating rental housing. The legislature further finds that
8 increasing state property taxes contribute to these rising costs and
9 adversely affect the ability of all Washingtonians, particularly low-
10 income and middle-income households, in obtaining safe, decent, and
11 affordable housing. The legislature also finds that the state lacks
12 adequate support for low-income and middle-income families seeking
13 affordable housing and that it is in the public interest to provide
14 resources for these households. Therefore, the legislature intends to
15 mitigate the impact of property taxes by offering a credit, in the
16 form of an incentive grant program, to landlords who voluntarily
17 agree to maintain or reduce rents for their tenants, and to use a
18 percentage of the total rent paid as a proxy for the amount of state
19 property tax paid by a landlord.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.31
2 RCW to read as follows:

3 (1) The rent relief incentive program is created as a grant
4 program administered by the department of commerce. The department
5 shall have such rule-making authority as the department deems
6 necessary to administer the program.

7 (2) Beginning January 1, 2025, and each January 1st thereafter, a
8 landlord meeting the conditions of this section may apply to the
9 department for an incentive under this section based on the total
10 amount of rent owed for all qualifying rental units under subsections
11 (3) and (4) of this section.

12 (3) To be eligible for an incentive, a landlord must:

13 (a) Be the property owner of record of at least one of the
14 following:

15 (i) A dwelling unit occupied by a tenant or tenants in this state
16 as those terms are defined in RCW 59.18.030; or

17 (ii) A manufactured/mobile home community as defined in RCW
18 59.20.030;

19 (b) Offer dwelling units at a rental amount that does not exceed
20 200 percent of fair market rent as calculated by the United States
21 department of housing and urban development;

22 (c) Commit to executing all new rental agreements and rental
23 agreement renewals for the calendar year in which the incentive
24 application is submitted at a rental amount that does not exceed the
25 rental amount on December 31st of the previous year; and

26 (d) Apply to the department for an incentive.

27 (4) A landlord approved by the department is eligible for an
28 incentive in the following amounts:

29 (a) For landlords offering no increase in the rental amount for
30 new rental agreements or rental agreement renewals, an incentive
31 equal to two percent of the annual rent owed for each dwelling unit;

32 (b) For landlords offering a three percent decrease in rent for
33 new rental agreements or rental agreement renewals, an incentive
34 equal to four percent of the annual rent owed for each dwelling unit;
35 and

36 (c) For landlords offering a seven percent decrease in rent for
37 new rental agreements or rental agreement renewals, an incentive
38 equal to seven percent of the annual rent owed for each dwelling
39 unit.

1 (5) Incentive payments are subject to appropriation. The
2 department must approve applications on a first-come, first-served
3 basis.

4 (6) Landlords seeking incentive payments under this section must
5 submit records necessary for the department to determine eligibility
6 including signed and dated copies of rental agreements for each
7 dwelling unit and an attestation of program participation signed by
8 both the landlord and the tenant.

9 (7) If a landlord fails to comply with the incentive program
10 requirements, the full amount of all incentives received by the
11 landlord is due and is required to be paid to the state treasurer
12 within 30 days of the department notifying the landlord of
13 ineligibility.

14 (8) Beginning June 30, 2026, the department must prepare and
15 publish on its website an annual report summarizing the number of
16 landlords receiving an incentive, the number of dwelling units for
17 which a landlord received an incentive, and the total amount of
18 annual incentives paid to landlords.

19 (9) The joint legislative audit and review committee must
20 complete a review of the impact of the rent relief incentive program
21 on statewide rents and the relief provided to landlords and tenants
22 and report its findings to the appropriate committees of the
23 legislature by December 1, 2034.

24 (10) This section expires June 30, 2036.

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