

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 5577

Chapter 364, Laws of 2005

59th Legislature
2005 Regular Session

LANDLORD-TENANT--RELOCATION ASSISTANCE

EFFECTIVE DATE: 7/24/05

Passed by the Senate April 18, 2005
YEAS 46 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House April 7, 2005
YEAS 84 NAYS 12

FRANK CHOPP

Speaker of the House of Representatives

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5577** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

Approved May 10, 2005.

FILED

May 10, 2005 - 9:34 a.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5577

AS AMENDED BY THE HOUSE

Passed Legislature - 2005 Regular Session

State of Washington 59th Legislature 2005 Regular Session

By Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senators Fairley, Keiser, Kline, Fraser, Poulsen and Kohl-Welles)

READ FIRST TIME 02/25/05.

1 AN ACT Relating to relocation assistance payments to tenants;
2 amending RCW 59.18.085 and 35.80.030; creating new sections; and
3 prescribing penalties.

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

5 NEW SECTION. **Sec. 1.** The people of the state of Washington
6 deserve decent, safe, and sanitary housing. Certain tenants in the
7 state of Washington have remained in rental housing that does not meet
8 the state's minimum standards for health and safety because they cannot
9 afford to pay the costs of relocation in advance of occupying new,
10 safe, and habitable housing. In egregious cases, authorities have been
11 forced to condemn property when landlords have failed to remedy
12 building code or health code violations after repeated notice, and, as
13 a result, families with limited financial resources have been displaced
14 and left with nowhere to go.

15 The purpose of this act is to establish a process by which
16 displaced tenants would receive funds for relocation from landlords who
17 fail to provide safe and sanitary housing after due notice of building
18 code or health code violations. It is also the purpose of this act to
19 provide enforcement mechanisms to cities, towns, counties, or municipal

1 corporations including the ability to advance relocation funds to
2 tenants who are displaced as a result of a landlord's failure to remedy
3 building code or health code violations and later to collect the full
4 amounts of these relocation funds, along with interest and penalties,
5 from landlords.

6 **Sec. 2.** RCW 59.18.085 and 1989 c 342 s 13 are each amended to read
7 as follows:

8 (1) If a governmental agency responsible for the enforcement of a
9 building, housing, or other appropriate code has notified the landlord
10 that a dwelling is condemned or unlawful to occupy due to the existence
11 of conditions that violate applicable codes, statutes, ordinances, or
12 regulations, a landlord shall not enter into a rental agreement for the
13 dwelling unit until the conditions are corrected.

14 (2) If a landlord knowingly violates subsection (1) of this
15 section, the tenant shall recover either three months' periodic rent or
16 up to treble the actual damages sustained as a result of the violation,
17 whichever is greater, costs of suit, or arbitration and reasonable
18 attorneys' fees. If the tenant elects to terminate the tenancy as a
19 result of the conditions leading to the posting, or if the appropriate
20 governmental agency requires that the tenant vacate the premises, the
21 tenant also shall recover:

- 22 (a) The entire amount of any deposit prepaid by the tenant; and
- 23 (b) All prepaid rent.

24 (3)(a) If a governmental agency responsible for the enforcement of
25 a building, housing, or other appropriate code has notified the
26 landlord that a dwelling will be condemned or will be unlawful to
27 occupy due to the existence of conditions that violate applicable
28 codes, statutes, ordinances, or regulations, a landlord, who knew or
29 should have known of the existence of these conditions, shall be
30 required to pay relocation assistance to the displaced tenants except
31 that:

32 (i) A landlord shall not be required to pay relocation assistance
33 to any displaced tenant in a case in which the condemnation or no
34 occupancy order affects one or more dwelling units and directly results
35 from conditions caused by a tenant's or any third party's illegal
36 conduct without the landlord's prior knowledge;

1 (ii) A landlord shall not be required to pay relocation assistance
2 to any displaced tenant in a case in which the condemnation or no
3 occupancy order affects one or more dwelling units and results from
4 conditions arising from a natural disaster such as, but not
5 exclusively, an earthquake, tsunami, wind storm, or hurricane; and

6 (iii) A landlord shall not be required to pay relocation assistance
7 to any displaced tenant in a case in which a condemnation affects one
8 or more dwelling units and the tenant's displacement is a direct result
9 of the acquisition of the property by eminent domain.

10 (b) Relocation assistance provided to displaced tenants under this
11 subsection shall be the greater amount of two thousand dollars per
12 dwelling unit or three times the monthly rent. In addition to
13 relocation assistance, the landlord shall be required to pay to the
14 displaced tenants the entire amount of any deposit prepaid by the
15 tenant and all prepaid rent.

16 (c) The landlord shall pay relocation assistance and any prepaid
17 deposit and prepaid rent to displaced tenants within seven days of the
18 governmental agency sending notice of the condemnation, eviction, or
19 displacement order to the landlord. The landlord shall pay relocation
20 assistance and any prepaid deposit and prepaid rent either by making
21 individual payments by certified check to displaced tenants or by
22 providing a certified check to the governmental agency ordering
23 condemnation, eviction, or displacement, for distribution to the
24 displaced tenants. If the landlord fails to complete payment of
25 relocation assistance within the period required under this subsection,
26 the city, town, county, or municipal corporation may advance the cost
27 of the relocation assistance payments to the displaced tenants.

28 (d) During the period from the date that a governmental agency
29 responsible for the enforcement of a building, housing, or other
30 appropriate code first notifies the landlord of conditions that violate
31 applicable codes, statutes, ordinances, or regulations to the time that
32 relocation assistance payments are paid to eligible tenants, or the
33 conditions leading to the notification are corrected, the landlord may
34 not:

35 (i) Evict, harass, or intimidate tenants into vacating their units
36 for the purpose of avoiding or diminishing application of this section;

37 (ii) Reduce services to any tenant; or

1 (iii) Materially increase or change the obligations of any tenant,
2 including but not limited to any rent increase.

3 (e) Displaced tenants shall be entitled to recover any relocation
4 assistance, prepaid deposits, and prepaid rent required by (b) of this
5 subsection. In addition, displaced tenants shall be entitled to
6 recover any actual damages sustained by them as a result of the
7 condemnation, eviction, or displacement that exceed the amount of
8 relocation assistance that is payable. In any action brought by
9 displaced tenants to recover any payments or damages required or
10 authorized by this subsection (3)(e) or (c) of this subsection that are
11 not paid by the landlord or advanced by the city, town, county, or
12 municipal corporation, the displaced tenants shall also be entitled to
13 recover their costs of suit or arbitration and reasonable attorneys'
14 fees.

15 (f) If, after sixty days from the date that the city, town, county,
16 or municipal corporation first advanced relocation assistance funds to
17 the displaced tenants, a landlord has failed to repay the amount of
18 relocation assistance advanced by the city, town, county, or municipal
19 corporation under (c) of this subsection, then the city, town, county,
20 or municipal corporation shall assess civil penalties in the amount of
21 fifty dollars per day for each tenant to whom the city, town, county,
22 or municipal corporation has advanced a relocation assistance payment.

23 (g) In addition to the penalties set forth in (f) of this
24 subsection, interest will accrue on the amount of relocation assistance
25 paid by the city, town, county, or municipal corporation for which the
26 property owner has not reimbursed the city, town, county, or municipal
27 corporation. The rate of interest shall be the maximum legal rate of
28 interest permitted under RCW 19.52.020, commencing thirty days after
29 the date that the city first advanced relocation assistance funds to
30 the displaced tenants.

31 (h) If the city, town, county, or municipal corporation must
32 initiate legal action in order to recover the amount of relocation
33 assistance payments that it has advanced to low-income tenants,
34 including any interest and penalties under (f) and (g) of this
35 subsection, the city, town, county, or municipal corporation shall be
36 entitled to attorneys' fees and costs arising from its legal action.

37 (4) The government agency that has notified the landlord that a

1 dwelling will be condemned or will be unlawful to occupy shall notify
2 the displaced tenants that they may be entitled to relocation
3 assistance under this section.

4 (5) No payment received by a displaced tenant under this section
5 may be considered as income for the purpose of determining the
6 eligibility or extent of eligibility of any person for assistance under
7 any state law or for the purposes of any tax imposed under Title 82
8 RCW, and the payments shall not be deducted from any amount to which
9 any recipient would otherwise be entitled under Title 74 RCW.

10 **Sec. 3.** RCW 35.80.030 and 1989 c 133 s 3 are each amended to read
11 as follows:

12 (1) Whenever the local governing body of a municipality finds that
13 one or more conditions of the character described in RCW 35.80.010
14 exist within its territorial limits, (~~said~~) that governing body may
15 adopt ordinances relating to such dwellings, buildings, structures, or
16 premises. Such ordinances may provide for the following:

17 (a) That an "improvement board" or officer be designated or
18 appointed to exercise the powers assigned to such board or officer by
19 the ordinance as specified (~~herein. Said~~) in this section. The
20 board or officer may be an existing municipal board or officer in the
21 municipality, or may be a separate board or officer appointed solely
22 for the purpose of exercising the powers assigned by (~~said~~) the
23 ordinance.

24 If a board is created, the ordinance shall specify the terms,
25 method of appointment, and type of membership of (~~said~~) the board,
26 which may be limited, if the local governing body chooses, to public
27 officers (~~as herein defined~~) under this section.

28 (b) That if a board is created, a public officer, other than a
29 member of the improvement board, may be designated to work with the
30 board and carry out the duties and exercise the powers assigned to
31 (~~said~~) the public officer by the ordinance.

32 (c) That if, after a preliminary investigation of any dwelling,
33 building, structure, or premises, the board or officer finds that it is
34 unfit for human habitation or other use, he or she shall cause to be
35 served either personally or by certified mail, with return receipt
36 requested, upon all persons having any interest therein, as shown upon
37 the records of the auditor's office of the county in which such

1 property is located, and shall post in a conspicuous place on such
2 property, a complaint stating in what respects such dwelling, building,
3 structure, or premises is unfit for human habitation or other use. If
4 the whereabouts of any of such persons is unknown and the same cannot
5 be ascertained by the board or officer in the exercise of reasonable
6 diligence, and the board or officer makes an affidavit to that effect,
7 then the serving of such complaint or order upon such persons may be
8 made either by personal service or by mailing a copy of the complaint
9 and order by certified mail, postage prepaid, return receipt requested,
10 to each such person at the address of the building involved in the
11 proceedings, and mailing a copy of the complaint and order by first
12 class mail to any address of each such person in the records of the
13 county assessor or the county auditor for the county where the property
14 is located. Such complaint shall contain a notice that a hearing will
15 be held before the board or officer, at a place therein fixed, not less
16 than ten days nor more than thirty days after the serving of (~~said~~)
17 the complaint; and that all parties in interest shall be given the
18 right to file an answer to the complaint, to appear in person, or
19 otherwise, and to give testimony at the time and place in the
20 complaint. The rules of evidence prevailing in courts of law or equity
21 shall not be controlling in hearings before the board or officer. A
22 copy of such complaint shall also be filed with the auditor of the
23 county in which the dwelling, building, structure, or (~~premise~~
24 ~~[premises]~~) premises is located, and such filing of the complaint or
25 order shall have the same force and effect as other lis pendens notices
26 provided by law.

27 (d) That the board or officer may determine that a dwelling,
28 building, structure, or premises is unfit for human habitation or other
29 use if it finds that conditions exist in such dwelling, building,
30 structure, or premises which are dangerous or injurious to the health
31 or safety of the occupants of such dwelling, building, structure, or
32 premises, the occupants of neighboring dwellings, or other residents of
33 such municipality. Such conditions may include the following, without
34 limitations: Defects therein increasing the hazards of fire or
35 accident; inadequate ventilation, light, or sanitary facilities,
36 dilapidation, disrepair, structural defects, uncleanness,
37 overcrowding, or inadequate drainage. The ordinance shall state
38 reasonable and minimum standards covering such conditions, including

1 those contained in ordinances adopted in accordance with
2 (~~(subdivision)~~) subsection (7)(a) (~~(herein)~~) of this section, to guide
3 the board or the public officer and the agents and employees of either,
4 in determining the fitness of a dwelling for human habitation, or
5 building, structure, or premises for other use.

6 (e) That the determination of whether a dwelling, building,
7 structure, or premises should be repaired or demolished, shall be based
8 on specific stated standards on (i) the degree of structural
9 deterioration of the dwelling, building, structure, or premises, or
10 (ii) the relationship that the estimated cost of repair bears to the
11 value of the dwelling, building, structure, or premises, with the
12 method of determining this value to be specified in the ordinance.

13 (f) That if, after the required hearing, the board or officer
14 determines that the dwelling is unfit for human habitation, or building
15 or structure or premises is unfit for other use, it shall state in
16 writing its findings of fact in support of such determination, and
17 shall issue and cause to be served upon the owner or party in interest
18 thereof, as is provided in (~~(subdivision (1))~~) (c) of this subsection,
19 and shall post in a conspicuous place on (~~(said)~~) the property, an
20 order (~~(which)~~) that (i) requires the owner or party in interest,
21 within the time specified in the order, to repair, alter, or improve
22 such dwelling, building, structure, or premises to render it fit for
23 human habitation, or for other use, or to vacate and close the
24 dwelling, building, structure, or premises, if such course of action is
25 deemed proper on the basis of the standards set forth as required in
26 (~~(subdivision (1))~~) (e) of this subsection; or (ii) requires the owner
27 or party in interest, within the time specified in the order, to remove
28 or demolish such dwelling, building, structure, or premises, if this
29 course of action is deemed proper on the basis of (~~(said)~~) those
30 standards. If no appeal is filed, a copy of such order shall be filed
31 with the auditor of the county in which the dwelling, building,
32 structure, or premises is located.

33 (g) That the owner or any party in interest, within thirty days
34 from the date of service upon the owner and posting of an order issued
35 by the board under (~~(the provisions of subdivision)~~) (c) of this
36 subsection, may file an appeal with the appeals commission.

37 The local governing body of the municipality shall designate or
38 establish a municipal agency to serve as the appeals commission. The

1 local governing body shall also establish rules of procedure adequate
2 to assure a prompt and thorough review of matters submitted to the
3 appeals commission, and such rules of procedure shall include the
4 following, without being limited thereto: (i) All matters submitted to
5 the appeals commission must be resolved by the commission within sixty
6 days from the date of filing therewith and (ii) a transcript of the
7 findings of fact of the appeals commission shall be made available to
8 the owner or other party in interest upon demand.

9 The findings and orders of the appeals commission shall be reported
10 in the same manner and shall bear the same legal consequences as if
11 issued by the board, and shall be subject to review only in the manner
12 and to the extent provided in (~~subdivision~~) subsection (2) of this
13 section.

14 If the owner or party in interest, following exhaustion of his or
15 her rights to appeal, fails to comply with the final order to repair,
16 alter, improve, vacate, close, remove, or demolish the dwelling,
17 building, structure, or premises, the board or officer may direct or
18 cause such dwelling, building, structure, or premises to be repaired,
19 altered, improved, vacated, and closed, removed, or demolished.

20 (h) That the amount of the cost of such repairs, alterations or
21 improvements; or vacating and closing; or removal or demolition by the
22 board or officer, shall be assessed against the real property upon
23 which such cost was incurred unless such amount is previously paid.
24 For purposes of this subsection, the cost of vacating and closing shall
25 include (i) the amount of relocation assistance payments that a
26 property owner has not repaid to a municipality or other local
27 government entity that has advanced relocation assistance payments to
28 tenants under RCW 59.18.085 and (ii) all penalties and interest that
29 accrue as a result of the failure of the property owner to timely repay
30 the amount of these relocation assistance payments under RCW 59.18.085.
31 Upon certification to him or her by the treasurer of the municipality
32 in cases arising out of the city or town or by the county improvement
33 board or officer, in cases arising out of the county, of the assessment
34 amount being due and owing, the county treasurer shall enter the amount
35 of such assessment upon the tax rolls against the property for the
36 current year and the same shall become a part of the general taxes for
37 that year to be collected at the same time and with interest at such
38 rates and in such manner as provided for in RCW 84.56.020(~~, as now or~~

1 ~~hereafter amended,~~) for delinquent taxes, and when collected to be
2 deposited to the credit of the general fund of the municipality. If
3 the dwelling, building, structure, or premises is removed or demolished
4 by the board or officer, the board or officer shall, if possible, sell
5 the materials of such dwelling, building, structure, (~~{or}~~) or
6 premises in accordance with procedures set forth in (~~said~~) the
7 ordinance, and shall credit the proceeds of such sale against the cost
8 of the removal or demolition and if there be any balance remaining, it
9 shall be paid to the parties entitled thereto, as determined by the
10 board or officer, after deducting the costs incident thereto.

11 The assessment shall constitute a lien against the property which
12 shall be of equal rank with state, county and municipal taxes.

13 (2) Any person affected by an order issued by the appeals
14 commission pursuant to (~~subdivision (1)(f) hereof~~) subsection (1)(g)
15 of this section may, within thirty days after the posting and service
16 of the order, petition to the superior court for an injunction
17 restraining the public officer or members of the board from carrying
18 out the provisions of the order. In all such proceedings the court is
19 authorized to affirm, reverse, or modify the order and such trial shall
20 be heard de novo.

21 (3) An ordinance adopted by the local governing body of the
22 municipality may authorize the board or officer to exercise such powers
23 as may be necessary or convenient to carry out and effectuate the
24 purposes and provisions of this section. These powers shall include
25 the following in addition to others (~~herein~~) granted in this section:
26 (a)(i) To determine which dwellings within the municipality are unfit
27 for human habitation; (ii) to determine which buildings, structures, or
28 premises are unfit for other use; (b) to administer oaths and
29 affirmations, examine witnesses, and receive evidence; and (c) to
30 investigate the dwelling and other property conditions in the
31 municipality or county and to enter upon premises for the purpose of
32 making examinations when the board or officer has reasonable ground for
33 believing they are unfit for human habitation, or for other use:
34 PROVIDED, That such entries shall be made in such manner as to cause
35 the least possible inconvenience to the persons in possession, and to
36 obtain an order for this purpose after submitting evidence in support
37 of an application which is adequate to justify such an order from a

1 court of competent jurisdiction in the event entry is denied or
2 resisted.

3 (4) The local governing body of any municipality adopting an
4 ordinance pursuant to this chapter may appropriate the necessary funds
5 to administer such ordinance.

6 (5) (~~Nothing in~~) This section (~~(shall be construed to)~~) does not
7 abrogate or impair the powers of the courts or of any department of any
8 municipality to enforce any provisions of its charter or its ordinances
9 or regulations, nor to prevent or punish violations thereof; and the
10 powers conferred by this section shall be in addition and supplemental
11 to the powers conferred by any other law.

12 (6) (~~Nothing in~~) This section (~~(shall be construed to)~~) does not
13 impair or limit in any way the power of the municipality to define and
14 declare nuisances and to cause their removal or abatement, by summary
15 proceedings or otherwise.

16 (7) Any municipality may (~~(+)~~)by ordinance adopted by its governing
17 body(~~(+)~~) (a) prescribe minimum standards for the use and occupancy of
18 dwellings throughout the municipality(~~(+)~~) or county, (b) prescribe
19 minimum standards for the use or occupancy of any building, structure,
20 or premises used for any other purpose, (c) prevent the use or
21 occupancy of any dwelling, building, structure, or premises, (~~which~~)
22 that is injurious to the public health, safety, morals, or welfare, and
23 (d) prescribe punishment for the violation of any provision of such
24 ordinance.

25 NEW SECTION. Sec. 4. The powers and authority conferred by this
26 act are in addition and supplemental to powers or authority conferred
27 by any other law or authority, and nothing contained herein shall be
28 construed to preempt any local ordinance requiring relocation
29 assistance to tenants displaced by a landlord's failure to remedy
30 building code or health code violations.

Passed by the Senate April 18, 2005.
Passed by the House April 7, 2005.
Approved by the Governor May 10, 2005.
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