SENATE BILL REPORT SB 5569

As Reported by Senate Committee On: Law & Justice, February 16, 2017

Title: An act relating to protected classes in housing.

Brief Description: Concerning protected classes in housing.

Sponsors: Senators Angel, Sheldon, Rivers and Padden.

Brief History:

Committee Activity: Law & Justice: 2/08/17, 2/16/17 [DP, DNP].

Brief Summary of Bill

- Preempts a city, town, code city, or county from enacting an ordinance to create a protected class against housing discrimination.
- Permits agreements with private persons or groups to protect against discrimination.

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: Do pass.

Signed by Senators Padden, Chair; O'Ban, Vice Chair; Angel and Wilson.

Minority Report: Do not pass.

Signed by Senators Pedersen, Ranking Minority Member; Darneille and Frockt.

Staff: Tim Ford (786-7423)

Background: The Washington Law Against Discrimination (WLAD), first adopted in 1949, establishes that it is a civil right to be free from discrimination based on race, creed, color, national origin, families with children, sex, marital status, age, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal by a disabled person. This right applies to employment, places of public resort, accommodation, assemblage, or amusement, commerce, housing and real estate, credit, and insurance transactions.

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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.

For housing, under WLAD it is an unfair practice to discriminate in the sale or rental, or to make unavailable or deny a dwelling, to any person based on:

- sex;
- marital status:
- sexual orientation;
- race:
- creed;
- color;
- national origin;
- families with children status;
- honorably discharged veteran or military status;
- the presence of any sensory, mental, or physical disability; or
- the use of a trained dog guide or service animal by a person with a disability.

The Human Rights Commission (Commission) may receive and investigate complaints of discrimination under WLAD. Upon investigation, if the Commission makes a reasonable cause determination that an unfair practice has been committed, then the commission's staff must immediately endeavor to eliminate the unfair practice by conference, conciliation, and persuasion. If the complainant and respondent cannot agree to end the unfair practice, then the Commission may appoint an administrative law judge to hear the complaint.

The administrative law judge may issue a final order with written findings. Where the administrative law judge finds an unfair practice in housing, the final order may order relief from the unfair practice including actual damages as provided by the federal fair housing amendments act of 1988 (42 U.S.C. Sec. 3601 et seq.), and injunctive or other equitable relief. In addition to further the public interest, the final order may assess a civil penalty against the respondent:

- up to \$10,000 dollars if the respondent has not committed any prior unfair practice in a real estate transaction:
- up to \$25,000 dollars if the respondent has committed one other unfair practice in a real estate transaction during the five-year period prior to the filed charge; or
- up to \$50,000 dollars if the respondent has committed two or more unfair practices in a real estate transaction during the seven-year period prior to the filed charge.

Final orders of the administrative law judge are appealable to superior court within 30 days.

Summary of Bill: The state preempts a city, town, code city, or county from enacting, maintaining, or enforcing an ordinance or other provisions to create additional protected classes against housing discrimination declared to be an unfair practice by the WLAD. A city, town, code city, or county may make agreements with private persons that create groups to protect from discrimination.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Allowing any local jurisdictions to enact whatever additional protected classes serves to increase confusion, frustrate uniform standards, and reduce predictability in the housing market. This bill will create a single statewide standard that provides certainty and predictability for residents. It will prevent confusion from one jurisdiction to another within Washington State. It will ensure a uniform standard of enforcement throughout the state. It reduces the state's administrative costs and oversight burden inherent with multiple standards. It protects tenants and landlords from capricious changes in the law from jurisdictions to jurisdiction. It creates a fair and efficient market for tenancy. It ensures Compliance with Federal Regulatory Policy.

Protected classes are very important, and cities are not the right place to create protected classes for the rest of the state. It should come through the Legislature. Allowing cities to make these decisions creates confusion. Seattle created a first-in-line class, and so you can't rent another applicant except to the first-in-line. Small landlords are pulling out of the market. That makes the market more expensive. This is about piecemeal rent control by Seattle.

CON: This would cause immediate harm to low-income renters who are facing a housing crisis. Cities that have enacted fair housing laws have made great strides in helping renters find housing. You can be denied housing based on your source of income, no Section 8 payments, or other subsidy programs. This is discrimination. Housing is increasingly unaffordable and many people are made homeless. We are opposed to any state preemption of local ordinances to protect renters.

OTHER: The ability of cities and counties to prevent homelessness is important. More tenants will receive eviction notices. The state Department of Commerce told HUD that a barrier to housing is income discrimination.

Persons Testifying: PRO: Senator Jan Angel, Prime Sponsor; Chester Baldwin, WA Rental Owners Association, WA Manufactured Housing Association; Jason Dollahn, Rental Housing Association of WA; Sean Flynn, Rental Housing Association of WA; Todd Monohon, Olympic Rentals; Rodger Valdes, Smart Growth Seattle; Thomas Callahan, landlord, citizen.

CON: Arturo Velasquez, Solid Ground; Loren Othon, City of Seattle Office of Civil Rights; April Putney, King County; Michele Thomas, WA Low Income Housing Alliance; Bill Daley, WA Community Action Network; Michael Althauser, Columbia Legal Services.

OTHER: Scott Crain, NW Justice Project.

Persons Signed In To Testify But Not Testifying: PRO: Rob Trickler, WA Rental Owners Association.

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