

SENATE BILL REPORT

SSB 5749

As Amended by House, March 4, 2022

Title: An act relating to rent payments made by residential and manufactured housing community tenants.

Brief Description: Concerning rent payments made by residential and manufactured housing community tenants.

Sponsors: Senate Committee on Housing & Local Government (originally sponsored by Senators Trudeau, Salomon, Hasegawa, Nobles and Wilson, C.).

Brief History:

Committee Activity: Housing & Local Government: 1/19/22, 1/27/22 [DPS].

Floor Activity: Passed Senate: 2/2/22, 47-0.

Passed House: 3/4/22, 91-5.

Brief Summary of First Substitute Bill

- Requires a landlord to accept a personal check, cashier's check, or money order for rent payments.
- Requires a landlord to allow tenants to submit rent payments by mail or at an accessible, on-site location.
- Prohibits a landlord from including in the rental agreement a provision in which the tenant agrees to make rent payments through electronic means only.

SENATE COMMITTEE ON HOUSING & LOCAL GOVERNMENT

Majority Report: That Substitute Senate Bill No. 5749 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kuderer, Chair; Das, Vice Chair; Fortunato, Ranking Member; Gildon, Assistant Ranking Member; Cleveland, Lovelett, Salomon, Sefzik, Trudeau,

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.

Warnick and Wilson, J.

Staff: Brandon Popovac (786-7465)

Background: The Residential Landlord-Tenant Act (RLTA) regulates the creation of residential tenancies and the relationship between landlords and tenants of residential dwelling units. The RLTA establishes rights and duties of both tenants and landlords, procedures for the parties to enforce their rights, and remedies for violations of the RLTA. Under the RLTA, a rental agreement may not include provisions in which the tenant, for example:

- agrees to waive or forgo rights or remedies available under the RLTA;
- agrees to pay the landlord's attorneys' fees except as authorized; or
- agrees to pay late fees for rent paid within five days following its due date.

The Manufactured/Mobile Home Landlord-Tenant Act (MHLTA) governs the legal rights, remedies, and obligations arising from any rental agreement between a landlord and a tenant regarding a mobile home lot within a mobile home park where the tenant has no ownership interest in the property or in the association that owns the property. Under the MHLTA, a rental agreement may not include provisions, for example:

- that includes a guest fee, fee for guest parking, or an entrance or exit fee with exceptions; or
- in which a tenant agrees to waive or forgo rights or remedies available under the MHLTA.

Under the RLTA, a landlord may refuse to accept cash for any payment of rent made by a tenant. Under both the RLTA and MHLTA, a landlord must provide a receipt for any payment made by a tenant in the form of cash, and must also provide, upon the request of a tenant, a written receipt for any payments made by the tenant in a form other than cash.

Summary of First Substitute Bill: Residential and manufactured housing community landlords must accept a personal check, cashier's check, or money order for any payment of rent made by a tenant. Such landlords must also allow the tenant to submit rent payments by mail or at an accessible, on-site location. Such landlords may not include in the rental agreement a provision in which the tenant agrees to make rent payments through electronic means only.

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 on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: The bill will help renters stay in housing, remove barriers to other housing, and provide time for renters to receive rental assistance. It does not change or prohibit the use of electronic portals or systems by landlords to accept rent payments through an agreement with the tenant. Some senior citizens prefer paying rent with personal checks. Implementing electronic rent payment systems often comes with unregulated fees, which can be a hardship for low-income households who are unbanked or have poor Internet access. There are also risks if the electronic rent payment system does not work or is hacked, potentially exposing the personal or financial information of tenants. It is critical to ensure a variety of options for tenants to pay rent. The bill should be expanded to include tenants in manufactured housing communities. Having a bank account is a privilege that is not accessible to all persons. People should have equal access to any means to pay rent and other bills.

Persons Testifying: PRO: Senator Yasmin Trudeau, Prime Sponsor; Michele Thomas, Washington Low Income Housing Alliance; Jennifer Bereskin, RAP - Resident Action Project.

Persons Signed In To Testify But Not Testifying: No one.

EFFECT OF HOUSE AMENDMENT(S):

- Provides that a landlord is not required to accept a personal check for payment of rent if the tenant has had a personal check written to the landlord or the landlord's agent returned for insufficient funds or account closure within the previous nine months.
- Requires a landlord to accept rental payments by mail only if the landlord does not provide an accessible, on-site location for rental payments.