

SENATE BILL REPORT

SB 6064

As of January 24, 2024

Title: An act relating to moneys collected by a landlord as fees, deposit, or security for pets.

Brief Description: Concerning moneys collected by a landlord as fees, deposit, or security for pets.

Sponsors: Senators Hansen, Kuderer and Liias.

Brief History:

Committee Activity: Housing: 1/24/24.

Brief Summary of Bill

- Modifies deposit requirements to include provisions related to pet fees and deposits.

SENATE COMMITTEE ON HOUSING

Staff: Samantha Doyle (786-7335)

Background: Residential Landlord-Tenant Act. The Residential Landlord-Tenant Act (RLTA) governs the relationship and agreements between residential landlords and tenants. These regulations include provisions regarding the rights and duties of both landlords and tenants. The RLTA further establishes the procedures for enforcement and remedies for violations.

Deposits. The RLTA provides regulations around how and when a landlord may require a deposit from a tenant. Among other requirements, deposits must be written in a lease agreement that includes a checklist of the condition of the existing premise and appliances. Deposits must be able to be paid in installments and shall not be withheld at the end of tenancy for regular wear resulting from ordinary use of the premise. There are no restrictions relating to pet deposits.

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.

Summary of Bill: Any money paid to the landlord as a condition of allowing a tenant's pet to reside at the residence is considered a deposit and may not exceed \$150. This deposit must be refundable, as landlords may not charge any nonrefundable pet fees or deposits within a lease agreement. There may not be any additional rent for keeping a pet.

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: Some but not all landlords charge deposits, fees, and rents for pets. This causes problems for people trying to afford keeping their animals and often results in relinquishing their pets to shelters, some shelters even have special funds just for this instead of taking on additional animals and have maxed out these funds. It is illegal to charge extra for children who are arguably more destructive. While the current approach sets a maximum refundable deposit at \$150, this may not be the best approach and after surveying the landlord community it could potentially be a percentage of rent cap as Seattle and Tacoma have done.

As a landlord in Olympia, nearly 17 years, I see that it is increasing difficult to house a pet. Because of new local laws, many landlords started charging monthly fees larger than other deposits. However, I have found that many issues with pets can be mitigated with screening and have rarely had problems with my tenants with pets. Housing is the second most common reason that pets are relinquished. A single mother with two children and two pets recently had to give the larger dog up due to pet restrictions. Many pets have loving families that cannot keep them due to costs or restrictions on pets.

Disaggregation policies have begun cropping up as a revenue increasing strategy. This is particularly difficult on low-income renters, often forced to choose between housing or pets. It is an unsubstantiated belief that pets always cause damage. One third of Washingtonians own pets. There are renters insurance policies to cover pets. I have lived in large cities and lived in many dwelling types. I found Washington had very limited options and it was harder than any other city. It nearly tripled the moving cost due to the delay in finding housing that allowed my pet. This is a small dent in tenant affordability. When I moved into my current unit, I had to pay a \$500 non-refundable pet deposit, a \$1,200 security deposit, first- and last- months rent, and \$30 dollars a month pet rent. While I could probably pay for pet insurance, how do you differentiate between pet or human damage, why can't the initial deposit cover it all?

CON: The risk of property damage and safety is beyond ordinary use (soiled floors, scratches, fleas, doors). Costs to repair excessive damage that is caused specifically by

animals is far greater and can be several thousand. Pet rent initially began when larger facilities managing community spaces like dog runs wanted to distribute the cost to just the pet owners. As a landlord, I started pet friendly, but after a poor experience that cost several thousand dollars and looking at the possible restrictions on deposits, it has made it not worth the risk to allow pets.

My concern is regarding the large amount of damage a pet can do. These deposits are refundable, so no damage no cost. I think people are abusing the emotional support animal. I don't think ordinary use should include animal use. It is a choice not a right to have a pet. Tenants know they will have to pay for this choice. This cap is too low and it does not state how many pets under this deposit. Is it for each pet or in total for a unit. I do not see going to insurance as being a timely enough of an option and it may not even cover the costs in the end either. As a property manager, if you take away a property owner's ability to mitigate risk through higher pet deposits, you will find fewer landlords will allow pets. The presence of pets has increased costs of shared spaces and requires increased cleaning and management, including deep cleaning between tenants to address allergens. Implementing pet rent and deposits allow landlords to manage these costs by those that create the costs.

Persons Testifying: PRO: Senator Drew Hansen, Prime Sponsor; Susan Riggs, ASPCA; Julie McCabe, Seattle Humane Society; Kim Schulze; Whitney Bowerman; Talauna Reed, Tenants Union of Washington State.

CON: Constance Nelson; Marlene Scheffer; William Shadbolt, Washington Business Properties Association; Bruce Becker; Mike Morris; Katie Phelan-Chostner, Executive Vice-President, 1UP Floors; Lauren Trujillo, Regional Manager, Equity Residential; Patricia Hoendermis, Yakima Valley Landlords Assoc.; JIM HENDERSON, National Association of Residential Property Managers and Benton Franklin County Rental Owners Assoc; Morgan Irwin, Association of Washington Business.

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