
SUBSTITUTE SENATE BILL 5060

State of Washington

68th Legislature

2023 Regular Session

By Senate Housing (originally sponsored by Senators Kuderer, Trudeau, Dhingra, Frame, Keiser, Nguyen, Nobles, Randall, Robinson, and Wellman)

READ FIRST TIME 02/09/23.

1 AN ACT Relating to the registration of rental and vacant housing
2 units; reenacting and amending RCW 43.79A.040; and adding a new
3 chapter to Title 59 RCW.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that the lack of
6 sufficient affordable housing inventory, specifically rental housing,
7 is deeply felt statewide. To accurately track and maintain the level
8 of rental housing in this state, the legislature intends with this
9 act to require the registration of rental and vacant properties.

10 NEW SECTION. **Sec. 2.** The definitions in this section apply
11 throughout this chapter unless the context clearly requires
12 otherwise.

13 (1) "Department" means the department of commerce.

14 (2) "Director" means the director of the department of commerce.

15 (3) "Housing unit" means any structure or part of a structure
16 that is used or may be used by one or more persons as a home,
17 residence, dwelling, or sleeping place including, but not limited to,
18 single-family residences, duplexes, triplexes, and fourplexes;
19 multifamily units, apartment units, condominium units, rooming-house
20 units, microdwelling units, housekeeping units, single-room occupancy

1 units, and accessory dwelling units; mobile homes; short-term rentals
2 that are not owner occupied or the owner's primary residence upon
3 listing of unit; and any other structure having similar living
4 accommodations.

5 (4) "Mobile home" means a manufactured home or a mobile home as
6 in RCW 59.20.030.

7 (5) "Owner" has the same meaning as in RCW 59.18.030.

8 (6) "Rental housing unit" means a housing unit that is or may be
9 available for rent, or is occupied or rented by a tenant or subtenant
10 in exchange for any form of consideration.

11 (7) "Short-term rental" has the same meaning as in RCW 64.37.010.

12 (8) "Vacant housing unit" means a housing unit that is not a
13 principal residence of the owner, the owner's family member or
14 friend, or other permitted occupier for at least six months of the
15 calendar year; or is not rented for residential purposes for at least
16 six months of the calendar year, in periods of 30 or more consecutive
17 days.

18 NEW SECTION. **Sec. 3.** (1) Except as provided in section 5 of
19 this act, in cities with populations of 130,000 or more:

20 (a) All rental housing units must be registered with the
21 department every two years when:

22 (i) A tenant occupies the rental housing unit; or

23 (ii) The rental housing unit is made available or listed as a
24 rental housing unit;

25 (b) All vacant housing units must be registered with the
26 department every two years.

27 (2) Monthly rental rates for rental housing units under
28 subsection (1)(a) of this section must also be reported to the
29 department at the time of registration.

30 (3) The registration fee for each initial rental housing unit or
31 vacant housing unit is \$70, plus a fee of \$15 for each additional
32 unit. Fee revenue must be deposited into the rental property
33 registration account created in section 4 of this act.

34 (4)(a) The current registration information for a rental housing
35 unit or vacant housing unit must be updated within 60 days after the
36 sale is closed on the rental housing unit or vacant housing unit.

37 (b) Any change in information contained in an initial or renewal
38 registration application must be updated within 60 days.

1 (c) The department may deny or revoke a rental housing unit
2 registration based on a failure to comply with this subsection (4).

3 (5) The department must create and maintain a website that tracks
4 and discloses statewide rental and vacant housing unit inventory in
5 real time as well as reported monthly rental rate data. The
6 department must also provide landlords who manage or own four or
7 fewer rental housing units with resources or information regarding
8 rental assistance programming.

9 NEW SECTION. **Sec. 4.** The rental property registration account
10 is created in the custody of the state treasurer. All receipts from
11 section 3(3) of this act must be deposited into the account.
12 Expenditures from the account may be used only for: Programs that
13 provide legal representation in eviction cases; distributions to
14 local governments to assist in inspections of rental housing units;
15 and administration purposes. Only the director or the director's
16 designee may authorize expenditures from the account. The account is
17 subject to allotment procedures under chapter 43.88 RCW, but an
18 appropriation is not required for expenditures.

19 NEW SECTION. **Sec. 5.** (1) The registration requirements under
20 section 3 of this act do not apply to the following housing units:

21 (a) A housing unit lawfully used as a short-term rental that is
22 the primary residence of the rental owner;

23 (b) A housing unit rented for less than one year because the
24 property owner, who lives in the unit, takes a work-related leave of
25 absence or assignment that temporarily transfers them to another
26 location;

27 (c) A room for rent in an owner-occupied home;

28 (d) A housing unit in hotels, motels, inns, bed and breakfasts,
29 or in similar accommodations that provide lodging for guests;

30 (e) A housing unit in facilities licensed or required to be
31 licensed under chapter 18.20, 70.128, or 72.36 RCW;

32 (f) A housing unit in any state licensed hospital, hospice,
33 community care facility, intermediate care facility, or nursing home;

34 (g) A housing unit in any convent, monastery, or other facility
35 occupied exclusively by members of a religious order or congregation;

36 (h) Emergency or temporary shelter or transitional housing
37 accommodations;

1 (i) A housing unit owned, operated, or managed by a major
2 educational or medical institution or by a third party for the
3 institution; and

4 (j) A housing unit owned, operated, or managed by a government
5 entity or housing authority, or unit exempted from municipal
6 regulation by federal, state, or local law.

7 (2) Any property owner with a rental housing unit within a city
8 with a population of at least 700,000 that administers a rental
9 property registration program or within a city that requires
10 residential landlords to obtain a business license is not subject to
11 the registration requirement under section 3(1)(a) of this act or the
12 applicable fee requirements under this chapter; however, the local
13 jurisdiction or agency that administers such city's rental property
14 registration program or landlord licensing program must report
15 program data to the department monthly.

16 NEW SECTION. **Sec. 6.** The owner of a rental housing unit may not
17 end a tenancy or evict a tenant from the rental housing unit under
18 RCW 59.18.650, except for the cause listed under RCW 59.18.650(2)(c),
19 unless the unit is registered under this chapter.

20 NEW SECTION. **Sec. 7.** The department may adopt any rules
21 necessary to implement this chapter.

22 **Sec. 8.** RCW 43.79A.040 and 2022 c 244 s 3, 2022 c 206 s 8, 2022
23 c 183 s 16, and 2022 c 162 s 6 are each reenacted and amended to read
24 as follows:

25 (1) Money in the treasurer's trust fund may be deposited,
26 invested, and reinvested by the state treasurer in accordance with
27 RCW 43.84.080 in the same manner and to the same extent as if the
28 money were in the state treasury, and may be commingled with moneys
29 in the state treasury for cash management and cash balance purposes.

30 (2) All income received from investment of the treasurer's trust
31 fund must be set aside in an account in the treasury trust fund to be
32 known as the investment income account.

33 (3) The investment income account may be utilized for the payment
34 of purchased banking services on behalf of treasurer's trust funds
35 including, but not limited to, depository, safekeeping, and
36 disbursement functions for the state treasurer or affected state
37 agencies. The investment income account is subject in all respects to

1 chapter 43.88 RCW, but no appropriation is required for payments to
2 financial institutions. Payments must occur prior to distribution of
3 earnings set forth in subsection (4) of this section.

4 (4)(a) Monthly, the state treasurer must distribute the earnings
5 credited to the investment income account to the state general fund
6 except under (b), (c), and (d) of this subsection.

7 (b) The following accounts and funds must receive their
8 proportionate share of earnings based upon each account's or fund's
9 average daily balance for the period: The 24/7 sobriety account, the
10 Washington promise scholarship account, the Gina Grant Bull memorial
11 legislative page scholarship account, the Rosa Franklin legislative
12 internship program scholarship account, the Washington advanced
13 college tuition payment program account, the Washington college
14 savings program account, the accessible communities account, the
15 Washington achieving a better life experience program account, the
16 Washington career and college pathways innovation challenge program
17 account, the community and technical college innovation account, the
18 agricultural local fund, the American Indian scholarship endowment
19 fund, the behavioral health loan repayment program account, the
20 foster care scholarship endowment fund, the foster care endowed
21 scholarship trust fund, the contract harvesting revolving account,
22 the Washington state combined fund drive account, the commemorative
23 works account, the county enhanced 911 excise tax account, the county
24 road administration board emergency loan account, the toll collection
25 account, the developmental disabilities endowment trust fund, the
26 energy account, the energy facility site evaluation council account,
27 the fair fund, the family and medical leave insurance account, the
28 fish and wildlife federal lands revolving account, the natural
29 resources federal lands revolving account, the food animal
30 veterinarian conditional scholarship account, the forest health
31 revolving account, the fruit and vegetable inspection account, the
32 educator conditional scholarship account, the game farm alternative
33 account, the GET ready for math and science scholarship account, the
34 Washington global health technologies and product development
35 account, the grain inspection revolving fund, the Washington history
36 day account, the industrial insurance rainy day fund, the juvenile
37 accountability incentive account, the law enforcement officers' and
38 firefighters' plan 2 expense fund, the local tourism promotion
39 account, the low-income home rehabilitation revolving loan program
40 account, the multiagency permitting team account, the northeast

1 Washington wolf-livestock management account, the produce railcar
2 pool account, the public use general aviation airport loan revolving
3 account, the regional transportation investment district account, the
4 rental property registration account, the rural rehabilitation
5 account, the Washington sexual assault kit account, the stadium and
6 exhibition center account, the youth athletic facility account, the
7 self-insurance revolving fund, the children's trust fund, the
8 Washington horse racing commission Washington bred owners' bonus fund
9 and breeder awards account, the Washington horse racing commission
10 class C purse fund account, the individual development account
11 program account, the Washington horse racing commission operating
12 account, the life sciences discovery fund, the Washington state
13 library-archives building account, the reduced cigarette ignition
14 propensity account, the center for deaf and hard of hearing youth
15 account, the school for the blind account, the Millersylvania park
16 trust fund, the public employees' and retirees' insurance reserve
17 fund, the school employees' benefits board insurance reserve fund,
18 the public employees' and retirees' insurance account, the school
19 employees' insurance account, the long-term services and supports
20 trust account, the radiation perpetual maintenance fund, the Indian
21 health improvement reinvestment account, the department of licensing
22 tuition recovery trust fund, the student achievement council tuition
23 recovery trust fund, the tuition recovery trust fund, the Washington
24 student loan account, the industrial insurance premium refund
25 account, the mobile home park relocation fund, the natural resources
26 deposit fund, the Washington state health insurance pool account, the
27 federal forest revolving account, and the library operations account.

28 (c) The following accounts and funds must receive 80 percent of
29 their proportionate share of earnings based upon each account's or
30 fund's average daily balance for the period: The advance right-of-way
31 revolving fund, the advanced environmental mitigation revolving
32 account, the federal narcotics asset forfeitures account, the high
33 occupancy vehicle account, the local rail service assistance account,
34 and the miscellaneous transportation programs account.

35 (d) Any state agency that has independent authority over accounts
36 or funds not statutorily required to be held in the custody of the
37 state treasurer that deposits funds into a fund or account in the
38 custody of the state treasurer pursuant to an agreement with the
39 office of the state treasurer shall receive its proportionate share

1 of earnings based upon each account's or fund's average daily balance
2 for the period.

3 (5) In conformance with Article II, section 37 of the state
4 Constitution, no trust accounts or funds shall be allocated earnings
5 without the specific affirmative directive of this section.

6 NEW SECTION. **Sec. 9.** Sections 1 through 7 of this act
7 constitute a new chapter in Title 59 RCW.

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