ENGROSSED SUBSTITUTE SENATE BILL 5973

State of Washington 68th Legislature 2024 Regular Session

By Senate Law & Justice (originally sponsored by Senators Liias, Nguyen, Kuderer, Mullet, Nobles, Shewmake, and Valdez)

READ FIRST TIME 01/26/24.

AN ACT Relating to heat pumps in common interest communities; adding a new section to chapter 64.32 RCW; adding a new section to chapter 64.34 RCW; adding a new section to chapter 64.38 RCW; adding a new section to chapter 64.90 RCW; creating a new section; prescribing penalties; and providing a contingent expiration date.

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

7 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 64.32 8 RCW to read as follows:

9 (1)(a) An association of apartment owners may not adopt or 10 enforce a restriction, covenant, condition, bylaw, rule, regulation, 11 provision of a governing document, or master deed provision that:

12 (i) Effectively prohibits or unreasonably restricts the 13 installation or use of a heat pump in compliance with the 14 requirements of this section and for the personal use of an apartment 15 owner within the boundaries of an apartment; or

16 (ii) Is in conflict with the provisions of this section.

17 (b) Nothing in this section prohibits an association from 18 imposing reasonable restrictions on heat pumps.

19 (c) This section must not be construed to permit installation by 20 an apartment owner of heat pump equipment on or in common areas without approval of the association, or the manager or board of
 directors acting on the association's behalf.

3 (2) An association of apartment owners may require an apartment 4 owner to submit an application for approval for the installation of a 5 heat pump before installing the heat pump.

6 (3)(a) If approval is required for the installation of a heat 7 pump, the application for approval must be processed and approved in 8 the same manner as an application for approval of an architectural 9 modification.

10 (b) The approval or denial of an application must be in writing 11 and must not be willfully avoided or delayed.

12 (c) If an application is not denied in writing within 60 days 13 from the date of receipt of the application, the application is 14 deemed approved, unless that delay is the result of a reasonable 15 request for additional information.

(d) An association of apartment owners may not assess or charge an apartment owner a fee for the installation of a heat pump. An association may charge a reasonable fee for processing the application to approve the installation of a heat pump, but only if such a fee exists for all applications for approval of architectural modifications.

(4) If approval is required for the installation of a heat pump, an association of apartment owners must approve the installation if the installation is reasonably possible and the apartment owner agrees in writing to:

26 (a) Comply with the association's reasonable architectural27 standards applicable to the installation of the heat pump;

(b) Engage a heating, ventilation, and air conditioning (HVAC) contractor familiar with the standards for the installation of heat pumps to assess the existing infrastructure necessary to support the proposed heat pump, identify additional infrastructure needs, and install the heat pump; and

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(c) Comply with the requirements of this section.

34 (5)(a) An apartment owner must obtain any permit or approval for 35 a heat pump as required by the local government in which the common 36 interest community is located and comply with all relevant building 37 codes and safety standards.

38 (b) A heat pump must meet all applicable health and safety 39 standards and requirements imposed by national, state, or local

authorities, and all other applicable zoning, land use or other
 ordinances, building codes, or land use permits.

3 (6)(a) Unless otherwise agreed to by written contract with the 4 association, an apartment owner is responsible for the costs of 5 installing a heat pump.

6 (b) Heat pump equipment that is installed at the apartment 7 owner's cost and is removable without damage to the property owned by 8 others may be removed at the apartment owner's cost.

9 (7) The apartment owner and each successive owner of the heat 10 pump is responsible for:

11 (a) Costs for the maintenance, repair, and replacement of the 12 heat pump up until the heat pump is removed;

(b) Costs for damage to the heat pump, any apartment, common area, or limited common area resulting from the installation, use, maintenance, repair, removal, or replacement of the heat pump;

16 (c) If the owner decides to remove the heat pump, costs for the 17 removal and the restoration of the common area or limited common area 18 after the removal; and

19 (d) Removing heat pump equipment if reasonably necessary for the 20 repair, maintenance, or replacement of the common area or limited 21 common area.

(8) (a) An association of apartment owners that willfully violates this section is liable to the apartment owner for actual damages, and shall pay a civil penalty to the apartment owner in an amount not to exceed \$1,000.

(b) In any action by an apartment owner requesting to have a heat pump installed and seeking to enforce compliance with this section, the court shall award reasonable attorneys' fees and costs to any prevailing apartment owner.

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(9) For the purposes of this section:

31 (a) "Heat pump" means a heating or refrigerating system used to 32 transfer heat. The heat pump condenser and evaporator may change 33 roles to transfer heat in either direction. By receiving the flow of 34 air or other fluid, a heat pump is used to cool or heat.

35 (b) "Reasonable restriction" means a restriction that does not 36 significantly increase the cost of a heat pump or significantly 37 decrease its efficiency or specified performance.

38 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 64.34 39 RCW to read as follows:

1 (1)(a) A unit owners' association may not adopt or enforce a 2 restriction, covenant, condition, bylaw, rule, regulation, provision 3 of a governing document, or master deed provision that:

4 (i) Effectively prohibits or unreasonably restricts the 5 installation or use of a heat pump in compliance with the 6 requirements of this section and for the personal use of a unit owner 7 within the boundaries of a unit; or

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(ii) Is in conflict with the provisions of this section.

9 (b) Nothing in this section prohibits an association from 10 imposing reasonable restrictions on heat pumps.

(c) This section must not be construed to permit installation by a unit owner of heat pump equipment on or in common elements without approval of the board of directors.

14 (2) A unit owners' association may require a unit owner to submit 15 an application for approval for the installation of a heat pump 16 before installing the heat pump.

(3) (a) If approval is required for the installation of a heat pump, the application for approval must be processed and approved in the same manner as an application for approval of an architectural modification.

(b) The approval or denial of an application must be in writing and must not be willfully avoided or delayed.

(c) If an application is not denied in writing within 60 days from the date of receipt of the application, the application is deemed approved, unless that delay is the result of a reasonable request for additional information.

(d) An association may not assess or charge a unit owner a fee for the installation of a heat pump. An association may charge a reasonable fee for processing the application to approve the installation of a heat pump, but only if such a fee exists for all applications for approval of architectural modifications.

32 (4) If approval is required for the installation of a heat pump, 33 a unit owners' association must approve the installation if the 34 installation is reasonably possible and the unit owner agrees in 35 writing to:

36 (a) Comply with the association's reasonable architectural37 standards applicable to the installation of the heat pump;

(b) Engage a heating, ventilation, and air conditioning (HVAC) contractor familiar with the standards for the installation of heat pumps to assess the existing infrastructure necessary to support the

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proposed heat pump, identify additional infrastructure needs, and
 install the heat pump; and

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(c) Comply with the requirements of this section.

4 (5)(a) A unit owner must obtain any permit or approval for a heat
5 pump as required by the local government in which the common interest
6 community is located and comply with all relevant building codes and
7 safety standards.

8 (b) A heat pump must meet all applicable health and safety 9 standards and requirements imposed by national, state, or local 10 authorities, and all other applicable zoning, land use or other 11 ordinances, building codes, or land use permits.

12 (6) (a) Unless otherwise agreed to by written contract with the 13 unit owners' association, a unit owner is responsible for the costs 14 of installing a heat pump.

(b) Heat pump equipment that is installed at the unit owner's cost and is removable without damage to the property owned by others may be removed at the unit owner's cost.

18 (7) The unit owner and each successive owner of the heat pump is 19 responsible for:

(a) Costs for the maintenance, repair, and replacement of theheat pump up until the heat pump is removed;

(b) Costs for damage to the heat pump, any unit, common element, or limited common element resulting from the installation, use, maintenance, repair, removal, or replacement of the heat pump;

(c) If the unit owner decides to remove the heat pump, costs for the removal and the restoration of the common elements or limited common elements after the removal; and

(d) Removing heat pump equipment if reasonably necessary for the repair, maintenance, or replacement of the common element or limited common element.

31 (8) (a) A unit owners' association that willfully violates this 32 section is liable to the unit owner for actual damages, and shall pay 33 a civil penalty to the unit owner in an amount not to exceed \$1,000.

34 (b) In any action by a unit owner requesting to have a heat pump 35 installed and seeking to enforce compliance with this section, the 36 court shall award reasonable attorneys' fees and costs to any 37 prevailing unit owner.

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(9) For the purposes of this section:

(a) "Heat pump" means a heating or refrigerating system used totransfer heat. The heat pump condenser and evaporator may change

1 roles to transfer heat in either direction. By receiving the flow of 2 air or other fluid, a heat pump is used to cool or heat.

3 (b) "Reasonable restriction" means a restriction that does not 4 significantly increase the cost of a heat pump or significantly 5 decrease its efficiency or specified performance.

6 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 64.38 7 RCW to read as follows:

8 (1)(a) A homeowners' association may not adopt or enforce a 9 restriction, covenant, condition, bylaw, rule, regulation, provision 10 of a governing document, or master deed provision that:

11 (i) Effectively prohibits or unreasonably restricts the 12 installation or use of a heat pump in compliance with the 13 requirements of this section and for the personal use of an owner 14 within the boundaries of a lot; or

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(ii) Is in conflict with the provisions of this section.

16 (b) Nothing in this section prohibits an association from 17 imposing reasonable restrictions on heat pumps.

18 (c) This section must not be construed to permit installation by 19 an owner of heat pump equipment on or in common areas without 20 approval of the board of directors.

(2) A homeowners' association may require an owner to submit an application for approval for the installation of a heat pump before installing the heat pump.

(3) (a) If approval is required for the installation of a heat pump, the application for approval must be processed and approved in the same manner as an application for approval of an architectural modification.

(b) The approval or denial of an application must be in writing and must not be willfully avoided or delayed.

30 (c) If an application is not denied in writing within 60 days 31 from the date of receipt of the application, the application is 32 deemed approved, unless that delay is the result of a reasonable 33 request for additional information.

(d) An association may not assess or charge an owner a fee for the installation of a heat pump. An association may charge a reasonable fee for processing the application to approve the installation of a heat pump, but only if such a fee exists for all applications for approval of architectural modifications.

1 (4) If approval is required for the installation of a heat pump, 2 a homeowners' association must approve the installation if the 3 installation is reasonably possible and the owner agrees in writing 4 to:

5 (a) Comply with the association's reasonable architectural 6 standards applicable to the installation of the heat pump;

7 (b) Engage a heating, ventilation, and air conditioning (HVAC) 8 contractor familiar with the standards for the installation of heat 9 pumps to assess the existing infrastructure necessary to support the 10 proposed heat pump, identify additional infrastructure needs, and 11 install the heat pump; and

12 (c) Comply with the requirements of this section.

(5) (a) An owner must obtain any permit or approval for a heat pump as required by the local government in which the common interest community is located and comply with all relevant building codes and safety standards.

(b) A heat pump must meet all applicable health and safety standards and requirements imposed by national, state, or local authorities, and all other applicable zoning, land use or other ordinances, building codes, or land use permits.

(6) (a) Unless otherwise agreed to by written contract with the homeowners' association, an owner is responsible for the costs of installing a heat pump.

(b) Heat pump equipment that is installed at the owner's cost and is removable without damage to the property owned by others may be removed at the owner's cost.

27 (7) The owner and each successive owner of the heat pump is 28 responsible for:

(a) Costs for the maintenance, repair, and replacement of theheat pump up until the heat pump is removed;

(b) Costs for damage to the heat pump, any unit, common area, or limited common area resulting from the installation, use, maintenance, repair, removal, or replacement of the heat pump;

34 (c) If the owner decides to remove the heat pump, costs for the 35 removal and the restoration of the common areas or limited common 36 areas after the removal; and

37 (d) Removing heat pump equipment if reasonably necessary for the 38 repair, maintenance, or replacement of the common area or limited 39 common area.

1 (8)(a) A homeowners' association that willfully violates this 2 section is liable to the owner for actual damages, and shall pay a 3 civil penalty to the owner in an amount not to exceed \$1,000.

4 (b) In any action by an owner requesting to have a heat pump 5 installed and seeking to enforce compliance with this section, the 6 court shall award reasonable attorneys' fees and costs to any 7 prevailing owner.

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(9) For the purposes of this section:

9 (a) "Heat pump" means a heating or refrigerating system used to 10 transfer heat. The heat pump condenser and evaporator may change 11 roles to transfer heat in either direction. By receiving the flow of 12 air or other fluid, a heat pump is used to cool or heat.

(b) "Reasonable restriction" means a restriction that does not significantly increase the cost of a heat pump or significantly decrease its efficiency or specified performance.

16 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 64.90 17 RCW to read as follows:

18 (1) (a) A unit owners association may not adopt or enforce a 19 restriction, covenant, condition, bylaw, rule, regulation, provision 20 of a governing document, or master deed provision that:

(i) Effectively prohibits or unreasonably restricts the installation or use of a heat pump in compliance with the requirements of this section and for the personal use of a unit owner within the boundaries of a unit; or

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(ii) Is in conflict with the provisions of this section.

26 (b) Nothing in this section prohibits an association from 27 imposing reasonable restrictions on heat pumps.

(c) This section must not be construed to permit installation by a unit owner of heat pump equipment on or in common elements without approval of the board.

31 (2) A unit owners association may require a unit owner to submit 32 an application for approval for the installation of a heat pump 33 before installing the heat pump.

34 (3)(a) If approval is required for the installation of a heat 35 pump, the application for approval must be processed and approved in 36 the same manner as an application for approval of an architectural 37 modification.

38 (b) The approval or denial of an application must be in writing 39 and must not be willfully avoided or delayed. 1 (c) If an application is not denied in writing within 60 days 2 from the date of receipt of the application, the application is 3 deemed approved, unless that delay is the result of a reasonable 4 request for additional information.

5 (d) An association may not assess or charge a unit owner a fee 6 for the installation of a heat pump. An association may charge a 7 reasonable fee for processing the application to approve the 8 installation of a heat pump, but only if such a fee exists for all 9 applications for approval of architectural modifications.

10 (4) If approval is required for the installation of a heat pump, 11 a unit owners association must approve the installation if the 12 installation is reasonably possible and the unit owner agrees in 13 writing to:

14 (a) Comply with the association's reasonable architectural15 standards applicable to the installation of the heat pump;

16 (b) Engage a heating, ventilation, and air conditioning (HVAC) 17 contractor familiar with the standards for the installation of heat 18 pumps to assess the existing infrastructure necessary to support the 19 proposed heat pump, identify additional infrastructure needs, and 20 install the heat pump; and

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(c) Comply with the requirements of this section.

(5) (a) A unit owner must obtain any permit or approval for a heat pump as required by the local government in which the common interest community is located and comply with all relevant building codes and safety standards.

(b) A heat pump must meet all applicable health and safety standards and requirements imposed by national, state, or local authorities, and all other applicable zoning, land use or other ordinances, building codes, or land use permits.

30 (6) (a) Unless otherwise agreed to by written contract with the 31 unit owners association, a unit owner is responsible for the costs of 32 installing a heat pump.

33 (b) Heat pump equipment that is installed at the unit owner's 34 cost and is removable without damage to the property owned by others 35 may be removed at the unit owner's cost.

36 (7) The unit owner and each successive owner of the heat pump is 37 responsible for:

38 (a) Costs for the maintenance, repair, and replacement of the39 heat pump up until the heat pump is removed;

(b) Costs for damage to the heat pump, any unit, common element,
 or limited common element resulting from the installation, use,
 maintenance, repair, removal, or replacement of the heat pump;

4 (c) If the unit owner decides to remove the heat pump, costs for 5 the removal and the restoration of the common elements or limited 6 common elements after the removal; and

7 (d) Removing heat pump equipment if reasonably necessary for the 8 repair, maintenance, or replacement of the common element or limited 9 common element.

10 (8) (a) A unit owners association that willfully violates this 11 section is liable to the unit owner for actual damages, and shall pay 12 a civil penalty to the unit owner in an amount not to exceed \$1,000.

(b) In any action by a unit owner requesting to have a heat pump installed and seeking to enforce compliance with this section, the court shall award reasonable attorneys' fees and costs to any prevailing unit owner.

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(9) For the purposes of this section:

(a) "Heat pump" means a heating or refrigerating system used to
 transfer heat. The heat pump condenser and evaporator may change
 roles to transfer heat in either direction. By receiving the flow of
 air or other fluid, a heat pump is used to cool or heat.

(b) "Reasonable restriction" means a restriction that does not significantly increase the cost of a heat pump or significantly decrease its efficiency or specified performance.

<u>NEW SECTION.</u> Sec. 5. If chapter . . . (Senate Bill No. 5796),
Laws of 2024 is enacted by June 30, 2024, sections 1 through 3 of
this act expire January 1, 2028.

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