
SENATE BILL 5580

State of Washington

69th Legislature

2025 Regular Session

By Senators Orwall, Alvarado, Frame, Hasegawa, Lovelett, Nobles, Ramos, Saldaña, Shewmake, Trudeau, Valdez, and C. Wilson

Read first time 01/30/25. Referred to Committee on Housing.

1 AN ACT Relating to the registration of certain corporations and
2 trusts that own single-family homes and condominium units; reenacting
3 and amending RCW 43.79A.040 and 43.79A.040; adding a new chapter to
4 Title 19 RCW; providing effective dates; and providing an expiration
5 date.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that the acquisition
8 of single-family homes and condominiums by private equity firms, real
9 estate investment trusts, and other corporate entities is rapidly
10 increasing in Washington, accounting for 22 percent of single-family
11 home purchases in Washington in 2022, a 102 percent increase from
12 2020. The legislature further finds that corporate buyers often
13 target lower-priced starter homes, typically located in neighborhoods
14 with higher concentrations of families of color, working individuals,
15 and single parent families. Leveraging significant financial
16 advantages, such as purchasing homes with cash, these entities
17 outcompete individual buyers and remove homes from the market,
18 reducing opportunities for homeownership and increasing the risk of
19 neighborhood displacement and gentrification. Once acquired, these
20 properties are often converted into rental units or sold in bulk to

1 other entities, permanently reducing the supply of affordable housing
2 available for individual ownership.

3 This trend is making a profound impact on Washington's housing
4 market with rapidly rising housing costs, diminishing affordability,
5 and increasing challenges for first-time and lower-income buyers
6 disproportionately impacting working-class families and communities
7 of color.

8 The legislature finds that transparency is essential to
9 understanding the dynamics of Washington's housing market and
10 responding effectively to its challenges. While progress has been
11 made through local rental registries, there remains a critical gap in
12 tracking and analyzing the scale, nature, and impact of corporate and
13 institutional ownership, particularly in the single-family housing
14 sector. Currently, no centralized system exists to monitor these
15 ownership patterns statewide.

16 To address this gap, the legislature intends to establish a
17 corporate homeowner registration program within the office of the
18 secretary of state. This program will require corporate entities to
19 report ownership structures, property uses, and other basic
20 information, ensuring accurate and timely data collection. This data
21 will provide policymakers, local governments, and the public with the
22 tools needed to make informed, evidence-based decisions to preserve
23 housing affordability, equity, and accessibility across the state.

24 This act constitutes an exercise of the state's responsibility to
25 protect and promote the health, safety, and welfare of Washington's
26 residents. As such, it is intended to foster fairness and
27 transparency in the housing market, mitigate the negative impacts of
28 monopolistic ownership, and support measures to close the racial
29 wealth gap and housing affordability crisis.

30 NEW SECTION. **Sec. 2.** The corporate homeowner registration
31 program is established at the office of the secretary of state.

32 NEW SECTION. **Sec. 3.** The definitions in this section apply
33 throughout this chapter unless the context clearly requires
34 otherwise.

35 (1) "Applicable housing unit" means a single-family residence or
36 a condominium unit.

37 (2) "Condominium" means real property, portions of which are
38 designated for separate ownership and the remainder of which is

1 designated for common ownership solely by the owners of those
2 portions. Real property is not a condominium unless the undivided
3 interests in the common elements are vested in the unit owners, and
4 unless a declaration and a survey map and plans have been recorded
5 pursuant to chapter 64.34 RCW.

6 (3) "Corporation" or "domestic corporation" means a corporation
7 for profit, including a social purpose corporation, which is not a
8 foreign corporation, incorporated under or subject to the provisions
9 of Title 23B RCW.

10 (4) "Entity" means a foreign or domestic corporation, business
11 trust, estate, trust, partnership, limited liability company,
12 association, joint venture, government, governmental subdivision,
13 agency, or instrumentality.

14 (5) "Foreign corporation" means a corporation for profit
15 incorporated under a law other than the laws of this state.

16 (6) "Program" means the corporate homeowner registration program.

17 (7) "Real estate investment trust" means an entity that owns or
18 finances income-producing real estate as defined in 26 U.S.C Sec.
19 856.

20 (8) "Secretary" means the secretary of state, or their designee.

21 (9) "Single-family residence" means a structure maintained and
22 used as a single dwelling unit. Notwithstanding that a dwelling unit
23 shares one or more walls with another dwelling unit, a dwelling unit
24 is a single-family residence if it has direct access to a street and
25 shares neither heating facilities nor hot water equipment, nor any
26 other essential facility or service, with any other dwelling unit.

27 NEW SECTION. **Sec. 4.** (1) Entities with an ownership interest in
28 20 or more applicable housing units in the state of Washington shall
29 register with the program and report the following information:

30 (a) Contact information for the entity including, but not limited
31 to, the following information:

32 (i) Name of the entity seeking registration;

33 (ii) Names under which the entity conducts business in the state
34 of Washington;

35 (iii) Business address;

36 (iv) Phone contact information;

37 (v) Electronic mail information;

38 (vi) Description of the ownership structure for the entity; and

1 (vii) Name, physical address of the entity's primary place of
2 business, and contact information for any corporation, partnership,
3 or other business entity that owns 10 percent or more of the entity;

4 (b) Number of applicable housing units owned in Washington state;

5 (c) Address for each applicable housing unit;

6 (d) The end use for each applicable housing unit, which may
7 include, but is not limited to, the following:

8 (i) Rental property;

9 (ii) Lease-purchase agreement, as defined in chapter 63.19 RCW;

10 or

11 (iii) Sale;

12 (e) Purchase price for each applicable housing unit; and

13 (f) A list of states and countries that the entity does business
14 in.

15 (2) The secretary shall determine the registration fee by rule.
16 The fee revenue must be deposited into the corporate homeowner
17 transparency account created in section 5 of this act.

18 (3) (a) The entity's registration must be updated within 60 days
19 after the sale is closed on any of the entity's applicable housing
20 units.

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

23 (4) The following entities are exempt from subsection (1) of this
24 section:

25 (a) Banks and financial institutions that have acquired
26 applicable housing units through foreclosure and possessed the
27 applicable housing units for less than 12 months; and

28 (b) Build to rent units.

29 NEW SECTION. **Sec. 5.** The corporate homeowner transparency
30 account is created in the custody of the state treasurer. All
31 receipts from section 4(2) of this act must be deposited into the
32 account. Expenditures from the account may be used only to administer
33 the registration of entities that own or are divesting applicable
34 housing units. The account is subject to allotment procedures under
35 chapter 43.88 RCW, but an appropriation is not required for
36 expenditures.

37 NEW SECTION. **Sec. 6.** The secretary may adopt any rules
38 necessary to implement this chapter.

1 **Sec. 7.** RCW 43.79A.040 and 2024 c 327 s 16 and 2024 c 168 s 10
2 are each reenacted and amended to read as follows:

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

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

11 (3) The investment income account may be utilized for the payment
12 of purchased banking services on behalf of treasurer's trust funds
13 including, but not limited to, depository, safekeeping, and
14 disbursement functions for the state treasurer or affected state
15 agencies. The investment income account is subject in all respects to
16 chapter 43.88 RCW, but no appropriation is required for payments to
17 financial institutions. Payments must occur prior to distribution of
18 earnings set forth in subsection (4) of this section.

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

22 (b) The following accounts and funds must receive their
23 proportionate share of earnings based upon each account's or fund's
24 average daily balance for the period: The 24/7 sobriety account, the
25 Washington promise scholarship account, the Gina Grant Bull memorial
26 legislative page scholarship account, the Rosa Franklin legislative
27 internship program scholarship account, the Washington advanced
28 college tuition payment program account, the Washington college
29 savings program account, the accessible communities account, the
30 Washington achieving a better life experience program account, the
31 Washington career and college pathways innovation challenge program
32 account, the community and technical college innovation account, the
33 agricultural local fund, the American Indian scholarship endowment
34 fund, the behavioral health loan repayment and scholarship program
35 account, the Billy Frank Jr. national statuary hall collection fund,
36 the foster care scholarship endowment fund, the foster care endowed
37 scholarship trust fund, the contract harvesting revolving account,
38 the Washington state combined fund drive account, the commemorative
39 works account, the county 911 excise tax account, the corporate
40 homeowner transparency account, the county road administration board

1 emergency loan account, the toll collection account, the
2 developmental disabilities endowment trust fund, the energy account,
3 the energy facility site evaluation council account, the fair fund,
4 the family and medical leave insurance account, the Fern Lodge
5 maintenance account, the fish and wildlife federal lands revolving
6 account, the natural resources federal lands revolving account, the
7 food animal veterinarian conditional scholarship account, the forest
8 health revolving account, the fruit and vegetable inspection account,
9 the educator conditional scholarship account, the game farm
10 alternative account, the GET ready for math and science scholarship
11 account, the Washington global health technologies and product
12 development account, the grain inspection revolving fund, the
13 Washington history day account, the industrial insurance rainy day
14 fund, the juvenile accountability incentive account, the law
15 enforcement officers' and firefighters' plan 2 expense fund, the
16 local tourism promotion account, the low-income home rehabilitation
17 account, the medication for people living with HIV rebate revenue
18 account, the homeowner recovery account, the multiagency permitting
19 team account, the northeast Washington wolf-livestock management
20 account, the pollution liability insurance program trust account, the
21 produce railcar pool account, the public use general aviation airport
22 loan revolving account, the regional transportation investment
23 district account, the rural rehabilitation account, the Washington
24 sexual assault kit account, the stadium and exhibition center
25 account, the youth athletic facility account, the self-insurance
26 revolving fund, the children's trust fund, the Washington horse
27 racing commission Washington bred owners' bonus fund and breeder
28 awards account, the Washington horse racing commission class C purse
29 fund account, the individual development account program account, the
30 Washington horse racing commission operating account, the life
31 sciences discovery fund, the Washington state library-archives
32 building account, the reduced cigarette ignition propensity account,
33 the center for deaf and hard of hearing youth account, the school for
34 the blind account, the Millersylvania park trust fund, the public
35 employees' and retirees' insurance reserve fund, the school
36 employees' benefits board insurance reserve fund, the public
37 employees' and retirees' insurance account, the school employees'
38 insurance account, the long-term services and supports trust account,
39 the radiation perpetual maintenance fund, the Indian health
40 improvement reinvestment account, the department of licensing tuition

1 recovery trust fund, the student achievement council tuition recovery
2 trust fund, the tuition recovery trust fund, the industrial insurance
3 premium refund account, the mobile home park relocation fund, the
4 natural resources deposit fund, the Washington state health insurance
5 pool account, the federal forest revolving account, the Washington
6 saves administrative treasury trust account, and the library
7 operations account.

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

15 (d) Any state agency that has independent authority over accounts
16 or funds not statutorily required to be held in the custody of the
17 state treasurer that deposits funds into a fund or account in the
18 custody of the state treasurer pursuant to an agreement with the
19 office of the state treasurer shall receive its proportionate share
20 of earnings based upon each account's or fund's average daily balance
21 for the period.

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

25 **Sec. 8.** RCW 43.79A.040 and 2024 c 327 s 17 and 2024 c 168 s 11
26 are each reenacted and amended to read as follows:

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

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

35 (3) The investment income account may be utilized for the payment
36 of purchased banking services on behalf of treasurer's trust funds
37 including, but not limited to, depository, safekeeping, and
38 disbursement functions for the state treasurer or affected state
39 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 and scholarship program
20 account, the Billy Frank Jr. national statuary hall collection fund,
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22 scholarship trust fund, the contract harvesting revolving account,
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24 works account, the county 911 excise tax account, the corporate
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31 account, the natural resources federal lands revolving account, the
32 food animal veterinarian conditional scholarship account, the forest
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6 aviation airport loan revolving account, the regional transportation
7 investment district account, the rural rehabilitation account, the
8 Washington sexual assault kit account, the stadium and exhibition
9 center account, the youth athletic facility account, the self-
10 insurance revolving fund, the children's trust fund, the Washington
11 horse racing commission Washington bred owners' bonus fund and
12 breeder awards account, the Washington horse racing commission class
13 C purse fund account, the individual development account program
14 account, the Washington horse racing commission operating account,
15 the life sciences discovery fund, the Washington state library-
16 archives building account, the reduced cigarette ignition propensity
17 account, the center for deaf and hard of hearing youth account, the
18 school for the blind account, the Millersylvania park trust fund, the
19 public employees' and retirees' insurance reserve fund, the school
20 employees' benefits board insurance reserve fund, the public
21 employees' and retirees' insurance account, the school employees'
22 insurance account, the long-term services and supports trust account,
23 the radiation perpetual maintenance fund, the Indian health
24 improvement reinvestment account, the department of licensing tuition
25 recovery trust fund, the student achievement council tuition recovery
26 trust fund, the tuition recovery trust fund, the industrial insurance
27 premium refund account, the mobile home park relocation fund, the
28 natural resources deposit fund, the Washington state health insurance
29 pool account, the federal forest revolving account, the Washington
30 saves administrative treasury trust account, and the library
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33 their proportionate share of earnings based upon each account's or
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37 occupancy vehicle account, the local rail service assistance account,
38 and the miscellaneous transportation programs account.

39 (d) Any state agency that has independent authority over accounts
40 or funds not statutorily required to be held in the custody of the

1 state treasurer that deposits funds into a fund or account in the
2 custody of the state treasurer pursuant to an agreement with the
3 office of the state treasurer shall receive its proportionate share
4 of earnings based upon each account's or fund's average daily balance
5 for the period.

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

9 NEW SECTION. **Sec. 9.** Section 4 of this act takes effect January
10 1, 2026.

11 NEW SECTION. **Sec. 10.** Section 7 of this act expires July 1,
12 2030.

13 NEW SECTION. **Sec. 11.** Section 8 of this act takes effect July
14 1, 2030.

15 NEW SECTION. **Sec. 12.** Sections 1 through 6 of this act
16 constitute a new chapter in Title 19 RCW.

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