



Government Affairs Committee Legislative Report

January 26, 2017

State Legislative Update

The 65th Legislative session opened January 9, 2017 for a “long session.” The length of the legislative session alternates between a short session in even numbered years, and a long session in odd numbered years. The long session is 120 days, and if all business is taken care of by the end of the 120th day, the legislature will close on April 23, 2017. In previous years, there has been at least one special session, which is limited to 30 days to resolve outstanding issues. Multiple special sessions may occur.

The focus of the 2017 Legislature will be four-fold. First, at the top of the priorities list, is funding basic education and complying with the 2012 McCleary decision. Policy makers are searching far and wide for revenue streams they can tap to fund the gap. Some policies introduced already include a capital gains excise tax, and an increase in the B&O tax. This is a huge task and likely will result in the need for a few special sessions.

Second and third policymakers will tackle mental health and homelessness, two issues that greatly affect our region. Legislators are looking for resources such as extending surcharges on court filing fees, and increases in the document recording fees.

Finally, there will be an emphasis on policies to create housing that is affordable to all residents of the State. Some proposals, if passed, will directly affect operations, while others will be directed at decreasing bureaucratic hurdles to develop and build lower cost housing.

Your WMFHA team is tracking numerous bills on all of these subjects. Below is a detailed summary of active legislation.

Bill Details

WMFHA’s Position

Dispute Resolution Fees

Oppose

[HB 1070](#)

This proposed legislation adds a \$20 filing fee on each civil filing in superior court, including unlawful detainers (evictions). It also increases current civil filing surcharges from \$10 to \$20 in district court and increases civil filing fees on small claims actions from \$15 to \$20. The increase in funds and surcharge would be used to fund dispute resolution centers in district and superior court cases. Dispute resolution is mandatory in many civil claims; however, it is not required in unlawful detainer actions.

	<u>Commercial Rent Control</u>	Support
HB 1082 (SB 5286)	This proposed legislation prohibits a city or town from enacting, maintaining, or enforcing ordinances or other provisions which regulate the amount of rent to be charged for commercial rental structures or sites other than properties in public ownership or properties under public management. A companion bill is being considered in the Senate.	
	<u>Single-Family Residential Dwellings</u>	Support
HB 1085	This proposed legislation authorizes amendments to the uniform building code that: (1) eliminate any minimum gross floor area requirement for single-family detached dwellings; or (2) provide a minimum gross floor area requirement below the minimum performance standards and objectives contained in the state building code.	
	<u>Court Filing Fee Surcharge</u>	Oppose
HB 1140	This proposed legislation extends the current surcharges on court filing fees for deposit into the judicial stabilization trust account through July 1, 2021.	
	<u>Unlawful Entry</u>	Support
HB 1305 (SB 5388)	<p>This proposal authorizes a peace officer to remove a person from the premises and order the person to remain off the premises, when the person is unlawfully entering the premises. The proposal also authorizes an owner of premises to initiate an investigation and request the removal of an unauthorized person from the premises by providing a statutory declaration to law enforcement.</p> <p>** A similar bill HB 1216 has also been introduced by Rep. Klippert that eliminates two requirements of HB 1305: (1) that prior notice be given to the unauthorized occupant, and (2) requiring that the building be abandoned.</p>	
	<u>Homeless Housing & Assistance</u>	Oppose
HB 1570	This proposal increases the county auditor surcharge on document recording from \$10 to \$90 and makes this surcharge permanent. The funds would be directed to programs such as a state-wide homeless housing strategic plan, landlord education and a landlord liaison program, and the homeless housing grant. The bill also expands the definition of private market housing to include non-profit managed housing. Finally, the bill sets requirements on reporting of various agencies, to create and update strategic homeless plans.	
	<u>Tenant Property, Disposition</u>	Support
SB 5013	This proposal authorizes the disposal of any tenant property placed upon the nearest public property by the landlord after the property has remained for a period of at least five days. Currently, the time period that is required varies from jurisdiction to jurisdiction and some local code enforcement consider disposition of tenant property a public nuisance.	

Bill Details

WMFHA's Position

At-Will Tenancy/Unlawful Detainer

Support

[HB 5015](#)

This proposal creates a claim for unlawful detainer when, after 20-days' notice the tenant refuses to leave real property. The tenant in this situation occupies property with the consent of the owner but without any rental agreement defining the terms of the tenancy. Currently, at-will tenancy is not subject to landlord tenant laws or to unlawful detainer proceedings.

Housing Assistance/WCCW

Support

[SB 5077](#)

This proposal authorizes the Department of Corrections to provide temporary housing assistance for a person being released from the Washington Corrections Center for Women through the use of temporary rental vouchers. The proposal does not provide any source of funding for this program.

Fire Safety Compliance

Oppose

[SB 5082](#)

This bill would require an insurer, before issuing or renewing a policy of insurance to the owner for coverage of a commercial or residential rental property, to obtain certification from the owner that he or she is in compliance with fire safety requirements.

Capital Gains Excise Tax

Oppose

[SB 5111](#)

This proposal enacts an excise tax on capital gains to improve the fairness of Washington's tax system and provide funding for the education legacy trust account for the purpose of providing funding for the education legacy trust account. The tax would be imposed on individuals for the privilege of: (1) Selling or exchanging long-term capital assets; or (2) Receiving Washington capital gains.

B&O Tax/Education

Oppose

[SB 5113](#)
[\(HB 1550\)](#)

This tax proposal modifies and increases the collection of the business and occupation tax (B&O tax) from 1.5% to 2.8%, and provides small business tax relief for the purpose of partially funding basic education.

Affordable Housing Options

Support

[SB 5182](#)

This proposal authorizes a city and county governing authority to adopt a property tax exemption program, to preserve affordable housing for very low-income households at risk of displacement or that cannot afford market-rate housing. The law, which is similar to the MFTE program requires the resident to provide identifying information and income data in order to administer the program.

Source of Income/Housing

Oppose

[SB 5407](#)
[\(HB 1633\)](#)

This bill would make source of income a protected class across the State. The proposal makes it illegal to refuse to rent, or set different terms for individuals who seek to pay their rent with a source of income other than standard employment income. The proposal also requires housing providers to subtract any subsidy paid from the total rent before applying any income-to-rent qualifying criteria.

Tenancy Termination Notices

Oppose

[SB 5408](#)

This bill increases the termination notice required in month-to-month tenancies from 20 days to 30 days. The proposal also requires a 60-day termination notice when the resident has occupied the premises for two or more years.

Voter Registration

Oppose

[SB 5480](#)

This proposal requires housing providers to provide a voter registration form or link to an electronic voter registration form when the tenant signs a lease.

Local Legislative Action

The new year continues to bring local legislative action in various municipalities.

Seattle: Fair Chance Housing legislation has been drafted and circulated within the stakeholder group. In short, the law would require a legitimate business reason when denial may result from a prior criminal conviction. The law also limits the “look back” period to two-years from date of disposition of the crime.

Kent: The City of Kent passed Source of Income discrimination on January 17, 2016. The law takes effect February 16, 2017. The protects individuals receiving income and subsidies from all sources. The law does not describe how a housing provider may verify income and does not limit how subsidies are considered.

WMFHA Political Action Committee

WMFHA thanks all those who have made contributions to the WMFHA PAC. In 2016, the WMFHA PAC made contributions to 35 statewide legislative races; 32 of those candidates for statewide office won election. Candidates receiving contributions from the WMFHA PAC support legislative actions for WMFHA's members to continue building a successful multi-family apartment industry in the State of Washington. We urge your continued support of the WMFHA PAC and support for candidates whose political views align with the multi-family apartment industry.

Our Team



Government Affairs

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wmfha.org

WMFHA Day on the Hill, February 3, 2016

WMFHA takes pride in representing our members before the State Legislature. Our presence is sought and respected by members of both political parties because of the professionalism, knowledge and constructive dialogue we bring to the table. We thank all of your commitment to the industry, your professionalism and being a part of our team.