



2021 SESSION REVIEW

Landlord-Tenant

Key changes

- The current eviction moratorium will end June 30, 2021.
- Just cause/forced lease renewal legislation was signed making it more difficult for property owners to remove tenants.
- Commerce will continue to roll out more rental assistance for both tenants and property owners.
- An additional \$100 document recording was tacked onto the current \$83 in document recording fees going toward various homeless housing programs.

Background

Landlord-tenant issues have been a hot topic in the legislature for several years. A variety of factors have led to an affordable housing crisis: housing inventory is low while there is an increasing demand for housing, there are strict regulations on new construction and suburban development, and ever-changing laws require costly paperwork changes and other changes for property owners. COVID-19 exacerbated these issues which eventually led to the Governor's Eviction Moratorium prohibiting a property owner from asking or requiring a tenant to vacate the premises. The current moratorium is scheduled to end on June 30, 2021—15 months after it began.

Bills

- ✓ [House Bill 1236](#) (Macri) – **Just Cause Eviction/Forced Renewal.** Outside of specific qualifications in a bill (e.g. the tenancies revert to an indefinite period/month-to-month after an agreement expires) a landlord must renew a tenant's lease unless one of 16 specified reasons is met. The same 16 reasons are required for a landlord to evict a tenant mid-tenancy. These reasons include failure to pay rent, the property owner or their immediate family taking over the residence, and if the owner decides to sell, among others. Property owners that fail to meet the requirements in the bill are subject to pay the greater of the tenant's economic and noneconomic damages or three times the monthly rent and reasonable attorneys' fees and costs. *Passed House 54-44. Signed by Governor. Effective May 10, 2021.*
- ✓ [House Bill 1277](#) (Ormsby) – **Adding an Additional Surcharge on the Document Recording Fee.** Establishes an additional \$100 surcharge on recorded documents to go to the Affordable Housing for All Account (housing and shelter for extremely low-income households), the Landlord Mitigation Fund (funds for lost rent and damage), the Home Security Fund Account (homeless housing program), and the Eviction Prevention Rental Assistance Program (foreclosure prevention services, rental assistance, and tenant education/legal assistance). *Passed House 57-39-2. Signed by Governor. Effective July 25, 2021.*
- ✓ [Senate Bill 5160](#) (Kuderer) – **Tenant Protections.** This bill ends the Governor's Eviction Moratorium on June 30, 2021. The bill also requires landlords to offer payment plans for unpaid rent during the state of emergency. Allows landlords to apply for funds in the Landlord Mitigation program for unpaid rent between March 1, 2020 and six months after the eviction moratorium. Creates a new process to evict tenants through a statewide Eviction Resolution Program as a two-year pilot to facilitate resolution of nonpayment of rent. Requires the courts to appoint counsel for indigent tenants facing eviction. *Passed House 72-26. Signed by Governor. Effective April 22, 2021.*

- ✓ [House Bill 1083](#) (Gregerson) – **Mobile Home Relocation Assistance for Park Closures.** Increases the amount eligible tenants can receive from the Relocation Assistance Program from \$12,000 to \$17,000 for a multi-section home and from \$7,500 to \$11,000 for a single section home with a phased-in approach requiring action within 90 days to get the full payment. *House Passed 98-0. Signed by Governor. Effective July 25, 2021.*
- ✗ [House Bill 1300](#) (Thai) – **Damage Claims.** Would have set additional parameters for when and what a property owner can classify as damage for the purposes of keeping a tenant’s damage deposit. Would have also allowed a tenant to request a walkthrough of the premises not more than 30 days and not less than 14 days before the end of a rental agreement in which the property owner must provide a checklist of the damages of the premises. *Died in House Rules.*

Budget information

Emergency Rental and Utility Assistance – Provides rental or utility payment assistance to eligible households at or below 80 percent of the area median who have missed or partially paid a rent or utility payment. Payments go directly to property owners or utility (\$403,000,000 Coronavirus Recovery Account–Federal)

Eviction Rental Assistance Program – Provides rental payment assistance to eligible households at or below 80 percent of the area median income and who have a missed or partially paid rent payment. Rental payments made through the program will be provided directly to landlords. (\$30,000,000 CARES Act–Federal)

Landlord Mitigation Fund – With the enactment of SB 5160, this fund allows property owners to apply for arrears accrued rent between March 1, 2020 and six months after the end of the moratorium in addition to current statutory allowances of the funds. Also provides landlords of tenants who receive a housing subsidy with up to \$1,000 for move-in upgrades, up to 14 days of lost rent, and up to \$5,000 for damage caused by a tenant. (\$11,680,000 Coronavirus Recovery Account–Federal)

Landlords Financial Hardship – Provides grants to landlords who have encountered a significant financial hardship due to the eviction moratorium, are the sole investor in the property from which they are seeking rental arrears, own no more than six dwelling units from which they receive rental payments, and have an elective nonpayer tenant who is in arrears in rent or utilities or both. (\$2,000,000 CARES Act–Federal for FY21)

Eviction Prevention Rental Assistance Program – Provides resources to households most likely to become homeless or to suffer severe health consequences, or both, after an eviction while prioritizing households impacted by public health emergencies, homelessness, and housing instability. (\$88,800,000 General Fund–State)

Housing/Homelessness Assistance – Provides funding for nonprofit housing providers or public housing authorities housing services, rapid rehousing, emergency, housing, or acquisition. (\$133,200,000 General Fund–State)

Permanent Supportive Housing O&M – Provides funding for operations, maintenance, and service grants for subsidized, leased housing with no limit on the length of stay that prioritizes people who need comprehensive support services to retain tenancy also known as permanent supportive housing. (\$58,400,000 General Fund–State)

Providing Lawyers for Indigent Tenants (SB 5160 Implementation) – Commerce will provide a report by June 30, 2022 that will include the expenditures and outcomes of these efforts. (\$22,250,000 General Fund–State).

Study of Incident Tenant Representation – This study will look at the differences in outcomes for tenants facing eviction who receive legal representation and tenants facing eviction without legal representation in unlawful detainer cases filed under the residential landlord tenant act. (\$57,000 General Fund–State)

Additional information

- Commerce COVID-19 Information Regarding Rent Assistance and Homelessness Prevention Programs <https://www.commerce.wa.gov/covid-19-homeless-services/>
- Local Housing Resources, contact your local housing authority <https://www.awha.org/find-a-housing-authority.html>