



# Government Affairs Report

March 14, 2016

## State Legislative Update

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The 2016 regular legislative session ended March 10 without consensus on a supplemental budget. As a result the Governor ordered a 30-day special session and vetoed certain bills which passed the House and Senate. The special session begins immediately to hash out a supplemental budget which provides updates to the State's two-year spending plan agreed to last year. This is the sixth time in the past seven years that legislators have needed a special session to complete their work under a time frame established by the Constitution.

Upon calling a special session, the Governor followed through on an earlier promise to veto legislation if legislators did not reach an agreement on a supplemental budget by the end of the session. The Governor vetoed 27 bills which were previously sent to him. He did sign 10 bills into law. The ten bills the Governor did sign addressed issues relating to public safety, health and law enforcement.

The primary focus of disagreement between Republicans and Democrats is the Democrat's request to use the State's rainy day fund to commit resources to, among other things, homelessness and wildfire prevention resources. However, the purpose of a supplemental budget is a check-up of sorts, to make adjustments where adjustments are needed.

One of the bills we tracked throughout this session passed and has been sent to the Governor's office. WMFHA worked diligently with the Rental Housing Association and other landlord groups to reach a compromise on issues that have been pushed by tenants' advocates for years.

### [ESB 6413: Omnibus Landlord-Tenant legislation / Portable Tenant Screening](#)

This bill has three parts: (1) requiring landlords to indicate in their criteria and on their property's website whether they accept a reusable tenant screening report; (2) limits a screening company's ability to report certain eviction cases, if a judge signs an 'Order of Limited Dissemination'; and (3) increases the time required to return security deposits from 14 to 21 days.

This is a compromise between landlords and tenants, which does not require landlords to accept a reusable tenant screening report but permits them to do so, in exchange the bill provides landlords an additional 7 days' time to return the security deposit at the end of tenancy.

The original Senate bill passed by a vote of 46 in favor and 2 opposing. This Bill passed the House by a unanimous vote 97-0 with a small technical language amendment. This required the bill to return to

the Senate for a vote of concurrence. The Senate concurred on the Amendment by a vote of 49-0 and the bill is now on the Governor's desk for his signature.

## Federal Advocacy in Washington D.C.

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Last week, WMFHA travelled to Washington DC to participate in the National Apartment Association's annual [Capitol Conference and Lobby Day](#). While in Washington DC, your WMFHA team met with staff for nine Congressmen representing Washington State and both Senator Patty Murray and Senator Maria Cantwell. The WMFHA team lobbied support for the following issues: (1) Section 8 reform to continue to streamline the inspection process and to create additional funding to lower the number of individuals and families on local housing authorities waiting list; (2) reauthorization of the National Flood Insurance Program which is set to expire in 2017; and (3) for ADA reform to provide a 120 day period to cure any alleged deficiencies.



WMFHA is excited to begin working with Representative Rick Larsen, Representative Dan Newhouse and Senator Cantwell, to assist and work with them on various issues surrounding affordable housing, especially the national effort to end veterans' homelessness. WMFHA asks all members to consider opening available units in their communities to veterans using HUD-VASH rental assistance, where they receive case management and supportive services to create a sustainable and successful future for each person who served our country.

## Bills 'dead' for this State Legislative session

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There are a number of bills which did not move out of their assigned policy committee or did not get a vote on the floor of their originating chamber.

**[2SSB 6239: Authorizes Multifamily Tax Exemptions for Existing Buildings.](#)** This bill would have authorized local governments to grant real estate tax exemptions to existing multifamily properties for 15 years under certain conditions similar to the MFTE program. Although this bill received bi-partisan support at its introduction, politics made its path through the Legislature difficult. After passing through the Senate by a vote of 36 to 13, the House Speaker proposed an amendment that would have limited the use of the tax exemption to non-profit owners only. The bill did not make to the floor.

**[SB 5894: Unlawful Activities on Certain Properties.](#)** This bill would have expanded the definition of criminal trespass in the first degree if the person is a tenant by sufferance or resides a rental property and is not identified as a tenant on the rental agreement, and subsequently refuses to surrender possession of the premises to the owner, or vacate the property. The Senate passed this bill on partisan lines 26 to 23 on February 16. The Senate bill passed out of committee but did not receive a vote on the House floor prior to the cutoff. The House version did not receive a policy committee hearing prior to the cutoff, but the House did consider the Senate version.

**[HB 1565: Makes Source of Income a Protected Class.](#)** Although tenant advocates and a number of

legislators have increased their push for legislation that would make Section 8 voucher holders and all lawful sources of income a protected class across the State, this bill did not receive a hearing in the policy committee before the cut-off. The Senate version (SB 5378) did not move forward out of committee.

**[SSB 5221: Allows for Disposition of Tenant's Property after Eviction](#)**. The bill allows a landlord to dispose of any tenant property that has been removed from the unit during a physical eviction after a 5-day waiting period. The bill passed the Senate but did not have enough support to move out of policy committee in the House.

**[2SHB 1278: Energy Benchmarking and Disclosure](#)**. This bill would have mandated an energy benchmarking requirement similar to the one in existence in Seattle. Property owners would be required to supply energy data using the EPA website.

**[HB 1824: Long Life Smoke Detectors](#)**. This bill would have required retailers to only sell "long life smoke detectors" beginning July 1, 2017. These detectors have a lithium battery that supporters of the bill claim will last 10 years. The bill does not impose any duties on owners or property managers although the language might change.

**[HB 1609 / SB 5846: Creates Exemptions to Plumbing and Electrical Codes](#)**. These bills would have eliminated the need for using a licensed electrician or plumber for minor repairs or modifications.

**[SB 5185: Creates a 6-Year Timeframe for Substantial Building Code Amendments](#)**. The summary of the bill says it all. WMFHA supported this bill.

**[SSB 5218: Allowing Use of Unlawful Detainer for At-Will Tenancies](#)**. This bill would have added a new section to the unlawful detainer statutes (RCW 59.12) and would require a 30-day notice to terminate an at-will tenancy.

**[SSB 5219: Allowing a 3-day Notice to Pay Rent to Include All Fees](#)**. This would allow a landlord to include late fees and other fees such as utilities in a 3-day notice to pay rent. The bill has been amended to make clear that a 3-day notice could only be used if rent and other charges were owing. A 3-day could not be used only for other charges.

**[SB 5220: Allowing for Money Judgments Against Tenants After Alternate Service](#)**. This bill would have modified the existing statute regarding service of eviction lawsuits by posting and mailing to allow for a money judgment to be entered if the tenant answers and defends against the lawsuit.

**[SHB 1929 / SB 5446: Requiring Electric Car Charging Stations](#)**. These bills would have required local governments to offer incentives to developers and owners of new and existing multifamily properties for installation of charging stations for electric cars.

**[SHB 2051 / SB 5377: Requiring 90-days Notice for Rent Increases of 10% or more](#)**. These bills would have authorized but not required a city to adopt a law that could require 90-days' notice for such a rent increase. They would also increase the number of people who would qualify for relocation assistance if a property is demolished or substantially remodeled. Seattle already has an ordinance that requires 60-days notice for a rent increase of 10% or more in any 12-month period.

**[SB 6441: Increasing the notice of termination for tenancies](#)**. This bill would have required a landlord and a tenant to give a 30-day notice of termination in a tenancy under 1 year and would have required both the landlord and the tenant to give a 60-day notice of termination if the tenancy has been

in existence for 2 years. The bill did not even get a hearing in the Senate committee.

**HB 2395: Authorizing Fees for Condominium Conversions.** This bill authorizes a local government to implement a fee to be assessed for the conversion of a multifamily rental property to a condominium. The fee varies depending on the number of units at the property. The fee goes into a fund specifically designed for the creation of affordable housing.

**HB 2397: Authorizing Fees for Demolition.** This bill is similar to HB 2395 and would have authorized the assessment of a fee for the demolition of a structure to be placed into a fund specifically designed for the creation of affordable housing.

## WMFHA Political Action Committee

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The Washington Multi-Family Housing Association Political Action Committee is an essential arm of WMFHA’s government affairs program. WMFHA members provide contributions to the non-partisan political action committee (PAC).

The PAC in turn contributes to candidates at the local and state level who are open to the apartment industry’s views on political issues crucial to our members, their employees and the multi-family housing industry at large.

In this 2016 election year, we anticipate several contested seats in the House and Senate that could alter our ability to successfully promote positions favorable to our industry and oppose initiatives that would act to our detriment.

WMFHA thanks all those who have contributed to the PAC and asks for your continued support by making a contribution to the WMFHA PAC.

## Our Team

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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.

### 2016 Government Affairs Committee

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|----------------------|---------------------------|
| Bill Austin          | Epic Asset Mgmt.          |
| Jessica Blakely      | Trinity Property Mgmt.    |
| Greg Cerbana         | Weidner Apt. Homes        |
| Emma Davis           | Seattle Rental Group      |
| Kimberly Erler-Board | NALS Apt. Homes           |
| Cassandra Haavisto   | NW Selected Real Estate   |
| Jaimie Karnik        | Equity Residential        |
| Melissa Koenig       | Allied Residential        |
| Allison Lambert      | Indigo Real Estate        |
| Evan Loeffler        | Loeffler Law Group        |
| Janee Lovett         | Bowen Prop. Mgmt.         |
| Katelyn Manzella     | RentDebt                  |
| Morgan McKean        | Pinnacle Prop. Mgmt.      |
| Chea Morgan          | Berkshire Properties      |
| Eric Moselle         | Weidner Apt. Homes        |
| Jahna Overcash       | Pacific Living Properties |
| Larry Palmer         | The Insurance Store       |
| Barry Savage         | Resource Mgmt., Inc.      |
| Joe Stanley          | Pinnacle Prop. Mgmt.      |
| Matt Steele          | Thrive Communities        |
| Neely Stratton       | Epic Asset Mgmt.          |
| Jeff Swanson         | NAI Black                 |

**Joseph Puckett**, Director of Government Affairs  
**Brett Waller**, Dep. Director of Government Affairs  
**Kathryn Hedrick**, State Lobbyist  
**Tim Hatley**, Seattle Lobbyist