House Bill (HB) 2578
Synopsis

<u>Residential Landlord-Tenant Act</u>

The Residential Landlord-Tenant Act (RLTA) sets forth the rights and duties of residential landlords and tenants. Under the RLTA, landlords may screen and evaluate prospective tenants either by conducting their own search or by using companies that provide tenant screening reports. Information gathered may include details about a prospective tenant's credit, employment, criminal history, eviction history, and rental history. A landlord may use this information to determine whether a prospective tenant would make a suitable tenant. The RLTA prohibits a landlord from terminating a tenancy, failing to renew a tenancy, or refusing to enter into a rental agreement based on a tenant's, applicant's, or a household member's status as a victim of domestic violence, sexual assault, or stalking. A landlord who violates this prohibition may be liable to the tenant or applicant in a civil action for damages sustained by the tenant or applicant. The prevailing party may recover court costs and reasonable attorney fees.

Additionally, under the Washington Law Against Discrimination it is an unfair practice to discriminate against a prospective tenant based on race, creed, color, national origin, sex, marital status, sexual orientation, or any of the following:

- honorably discharged veteran or military status;
- families with children status;
- the presence of any sensory, mental, or physical disability; or
- the use of a trained guide dog or service animal by a person with a disability.

What's New?

<u>Landlord Mitigation – Effective June 7, 2018</u>

The 2016 Supplemental Capital Budget included a $125,000 appropriation to the Department of Commerce for the Rapid Housing Improvement Program, together with a proviso for landlord mitigation for the cost of damages that may be caused to private market units rented to housing choice voucher holders in jurisdictions that prohibit denying tenancy based solely on an applicant's source of income.

Reimbursement is allowed only for amounts related to property damage, unpaid rent, and other damages caused as a result of the tenant's occupancy. To be eligible, damages must exceed normal wear and tear and be in excess of $500 but not more than $5,000 per tenancy. In order to be eligible, a landlord must first obtain a judgment against the tenant and submit the claim within one year of that judgment.

Details on **Landlord Mitigation** can be found at:

www.commerce.wa.gov/building-infrastructure/housing/landlord-mitigation-program/

What's still to come?

<u>Residential Landlord-Tenant Act – Effective September 30, 2018</u>

A new section is added to the Residential Landlord-Tenant Act, prohibiting a landlord from taking any of the following actions based on the source of income of an otherwise eligible prospective or current tenant (tenant):

- refusing to rent or lease the property, unless the tenant's source of income is conditioned on the real property passing inspection, the written estimate of the cost of improvements is more then $1500, and the landlord has not received moneys from the Landlord Mitigation Program Account (Account) to make the improvements;
- expelling a tenant;
- making any distinction, discrimination, or restriction in the price, terms, conditions, or privileges relating to the rental, lease, or occupancy;
- attempting to discourage the rental or lease;
- assisting, inducing, inciting, or coercing another person to commit an act or engage in a practice that violates this new section;
- coercing, intimidating, threatening, or interfering with any person in the exercise or enjoyment of any right granted under this new section; and
- representing to a person that a dwelling unit is not available for inspection or rental when the dwelling unit is available for inspection or rental.

Additionally, a landlord may not publish, circulate, issue, or display, or cause to be published, circulated, issued, or displayed, any communication, notice, advertisement, or sign of any kind relating to the rental or lease of real property that indicates a preference, limitation, or requirement based on any source of income.

"Source of income" includes benefits or subsidy programs including housing assistance [HCV, TBRA], public assistance, emergency rental assistance, veteran benefits, Social Security, Supplemental Security Income or other retirement programs, and other programs administered by a federal, state, local, or nonprofit entity. The term does not include income derived in an illegal manner.

If a landlord requires a tenant to have a certain threshold level of income, any source of income in the form of a rent voucher or subsidy must be subtracted from the total of the monthly rent prior to calculating if the income criteria have been met.

  - ***Example***: *Owner's policy is the applicant must make 3 times the rent to qualify; Rent is $700/mo. A voucher holder with rental subsidy of $535/mo. applies. This applicant will only have to make a minimum of $495/month income from other sources. ($700-$535= $165; $165x3=$495)*

A person determined in a civil action to be in violation of these prohibitions and requirements is liable for four and one-half (4 ½) times the monthly rent of the real property, as well as court costs and reasonable attorneys' fees.

Residential **Landlord-Tenant Act** (RLTA) can be found at:

http://apps.leg.wa.gov/RCW/default.aspx?cite=59.18