

Weekly Legislative Update: Housing and Homelessness

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Bills Needing Action This Week

Note that there are also several housing-related bills that are described in the Growth Management weekly update here.

<u>SB 5045</u> Incentivizing rental of accessory dwelling units to low-income households, was moved as a substitute bill out of the Senate Housing Committee and has been referred to the Senate Ways & Means Committee. It is scheduled for public hearing on Monday, February 6 at 4:00 pm. Sign in PRO here before 3:00 pm on Monday.

SB 5301 Concerning housing programs administered by the department of commerce, would authorize the Housing Trust Fund administered by the Department of Commerce to support low-income residents in new ways. This bill was moved as a substitute with a Do Pass recommendation from the Senate Housing Committee and referred to the Senate Ways & Means Committee, where it has a public hearing on Thursday, February 9 at 4:00 pm. Sign in PRO here before 3:00 pm on Thursday.

<u>HB 1474</u> Creating the covenant homeownership account and program to address the history of housing discrimination due to racially restrictive real estate covenants in Washington state. Sign in PRO <u>here</u>.

SB 5496 Creating the covenant homeownership account and program to address the history of housing discrimination due to racially restrictive real estate covenants in Washington state. This is a companion bill to HB 1474, above. It is scheduled for public hearing in the Senate Housing Committee at 1:30 pm on Wednesday, February 8. Sign in PRO here before 12:30 pm on Wednesday.

HB 1517 Promoting transit-oriented development. Scheduled for public hearing in the House Housing Committee at 4:00 pm on Tuesday, February 7. Sign in PRO here before 3:00 pm on Tuesday.

<u>HB 1596</u> Providing local governments with options to increase affordable housing in their communities. Scheduled for public hearing in the House Local Government Committee at 8:00 am on Wednesday, February 8. Sign in PRO here before 7:00 am on Wednesday.

SB 5637 Providing for graduated rental rate agreements under the transitional housing operating and rent program. This bill is scheduled for public hearing in the Senate Housing Committee at 1:30 pm on Wednesday, February 8. Sign in PRO here before 12:30 pm on Wednesday.

<u>SB 5674</u> Defining affordable housing for purposes of using surplus public property for public benefit. This bill is scheduled for public hearing in the Senate Housing Committee at 1:30 pm on Wednesday, February 8. Sign in PRO here before 12:30 pm on Wednesday.

Updates – Bills that are Moving

In Rules Committee

<u>HB 1042</u> Concerning the use of existing buildings for residential purposes, would prohibit cities from imposing certain restrictions or requirements on new housing units constructed within an existing building that is located in a zone that permits multifamily housing. These include density, parking and other. This bill was passed out of the House Housing Committee on January 19 as a substitute with a Do Pass recommendation and now on second reading in the Rules Committee.

<u>HB 1054</u> Addressing the authority of owners' associations in common interest communities to regulate or limit occupancy by unrelated persons, would prohibit an association of unit owners in a common interest community from regulating or limiting the number of unrelated persons that may occupy a unit. This bill was passed out of the House Housing Committee with a Do Pass recommendation and is now on second reading in the House Rules Committee.

HB 1074 Addressing documentation and processes governing landlords' claims for damage to residential premises, increases tenant protection from landlord abuse of damage deposits and claims. It would require a landlord to substantiate the cost of any damages withheld from a tenant deposit with repair estimates, invoices, or other documentation; prohibit a landlord from withholding any portion of a tenant deposit for certain items; and establish a one-year statute of limitations for a landlord to take any action against a tenant to recover sums exceeding the amount of the damage deposit. It would also provide the landlord with additional time to provide such documentation. This bill passed as a substitute bill from the House Housing Committee on January 26 and is now in the House Rules Committee.

HB 1124 Protecting tenants from excessive rent and related fees by providing at least six months' notice for rent increases over a certain amount. This bill would require between 180-and 220-days' notice of rent increases that exceed five percent. It would address recent egregious rent increases that have forced people to move because they could not afford the increase and give tenants subject to such increases more time to plan and organize their necessary responses. This bill passed the House Housing Committee as a substitute on January 26 and has been referred to the House Rules Committee.

<u>HB 1367</u>, Eliminating unnecessary homeless funding budget and auditing requirements. This bill was moved with a Do Pass recommendation from the House Housing Committee and is **now** in the Rules Committee.

Scheduled for Executive Session This Week

<u>HB 1046</u> Expanding housing supply by supporting the ability of public housing authorities to finance affordable housing developments by re-benchmarking area median income limits. This increases the area median income limits on a public housing authority financed, low-income housing development to 80 percent, making affordable housing accessible to a larger population that in spite of higher income levels is challenged to find housing they can afford. This bill has passed the House and has a public hearing scheduled in the Senate Housing Committee and is scheduled for executive session in the Senate Housing Committee on February 10.

HB 1070 Exempting the sale and leaseback of property by a seller from the residential landlord-tenant act when the seller agrees to a written lease at closing. This would allow the buyer to allow the seller to remain living in the home for up to six months if there is a written agreement between the buyer and seller. This bill passed the House and has had a public hearing on February 1 in the Senate Housing Committee. It is scheduled for executive session on February 10.

HB 1111 Concerning housing benefit districts. This bill provides local governments with more options to increase residential capacity, especially in urban areas, by authorizing cities to establish housing benefit districts. These districts would be governed by a board and would be allowed to acquire, through land banking, predevelopment contracting, selling, improving, funding, and leasing, land for the development of affordable housing for low-income and moderate-income households within an area a half-mile or less from a major transit stop and is zoned for average minimum density of 15 dwelling units per acre or more. This bill had a public hearing in the House Housing Committee on January 19 and is scheduled for executive session on February 7.

<u>HB 1129</u> Concerning the sale or lease of manufactured/mobile home communities and the property on which they sit. This bill would add protection for manufactured/mobile home owners when the land they rent is sold and they are vulnerable to having to move. This bill had a public hearing in the House Housing Committee on January 16 and is scheduled for executive session on February 7.

HB 1167, Concerning residential housing regulations. This bill requires the Department of Commerce to develop and administer a grant program to assist counties and cities adopt preapproved middle housing plans, directs the State Building Code Council to convene a work group to recommend needed changes to apply the International Residential Code to multiplex housing, and prohibits a city or county from imposing any regulations, reviews, or standards on multiplex housing that is not applied to detached single family residences, except when

necessary for fire and life safety. This bill had a public hearing and action was taken in the House Housing Committee on February 2, but the specific action taken is not known as of this writing.

<u>HB 1252</u> Concerning impact fee deferrals. This bill amends the chapter of RCW that authorizes impact fees and allows deferrals of fee payments for single family residential development to allow an agreement with the developer to specify when the fee will be paid and specifies conditions that must be met in the agreement. This bill had a public hearing in the House Housing Committee on January 30 and is scheduled for executive session on February 7.

<u>HB 1293</u> Streamlining development regulations. This bill is intended to support infill development of housing units by exempting certain infill projects from environmental review processes, provided that the jurisdiction has done an EIS and that the development is in an area zoned for residential development. This bill had a public hearing and one executive session where no action was taken. It is scheduled for executive session again on February 7.

HB 1337, Expanding housing options by easing barriers to the construction and use of accessory dwelling units, would require fully planning cities and counties to allow accessory dwelling units (ADUs) in urban growth areas (UGAs) and prohibit certain ADU regulations within UGAs. This bill was moved out of the House Housing Committee on February 2 with a Do Pass recommendation.

<u>HB 1343</u> Providing local governments with options to grant rent relief and preserve affordable housing in their communities. This bill would give local jurisdictions the authority to establish property tax incentives for low-income household rental housing that meets certain criteria. It had a public hearing on January 31 in the House Housing Committee and is scheduled for executive session on February 9.

HB 1349, Concerning foreclosure protections. This bill would extend the notification periods required for foreclosure, thereby providing tenants with additional protection. This bill was moved with a Do Pass recommendation from the House Housing Committee on February 2.

HB 1388, Protecting tenants by prohibiting predatory residential rent practices and by applying the consumer protection act to the residential landlord-tenant act and the manufactured/mobile home landlord-tenant act. This bill had a public hearing in the House Housing Committee and is scheduled for executive session on February 9.

<u>HB 1389</u>, Concerning residential rent increases under the residential landlord-tenant act and the manufactured/mobile home landlord-tenant act. This bill had a public hearing in the House Housing Committee and is scheduled for executive session on February 9.

<u>HB 1401</u> Allowing cities and counties to create a simple, standardized housing permit process for affordable housing units in areas designated for housing. This bill amends the Growth

Management Act to allow all cities and counties to adopt development regulations that create a simple, low cost, expedited permit process for development of single-family, duplex, triplex, or accessory dwelling housing units with less than 1,801 square feet per unit and requires those jurisdictions who do this to report on units built. <u>Note</u>: this bill is also covered on the web page and in the weekly update for Growth Management. This bill was moved with a Do Pass recommendation from the House Housing Committee on February 2.

HB 1507, Concerning fair housing training for officers or board members in common interest communities, would amend the RCW related to condominiums to require that officers or board members of condo associations complete a training course regarding federal and state fair housing laws. This bill had a public hearing in the House Housing Committee and is scheduled for executive session on February 9.

<u>HB 1611</u> Concerning local government permitting. This bill modifies the Growth Management Act to mandate a review of permitting processes by March 2024 in most jurisdictions to assure that deadlines for various steps in permitting specified in the bill will be met. <u>Note</u>: this bill is covered on the web page and in the weekly update for Growth Management. It had a public hearing in the House Housing Committee and is scheduled for executive session on February 7.

<u>SB 5060</u> Requiring the registration of rental and vacant housing units, would require landlords to register their rental units with Department of Commerce, thereby providing a method of tracking and reporting rental rates across the state. This bill had a public hearing in the House Housing Committee on January 11 and is scheduled for executive session on February 8.

<u>SB 5197</u> Addressing landlord-tenant relations by providing technical changes to eviction notice forms and modifying certain eviction processes. This bill would add to tenant protection in eviction proceedings. This bill had a public hearing in the House Housing Committee on January 20 and is scheduled for executive session on February 9.

SB 5202/HB 1149 Reducing homelessness in Washington state through capital expenditures for programs that address housing insecurity. SB 5202 was moved out of the Senate Housing Committee as a substitute on February 1 and has been referred to the Senate Ways & Means Committee. However, HB 1149 has not been scheduled for executive session following its public hearing in the House Capital Budget Committee.

SB 5279 Expanding a sales and use tax deferral program for affordable housing to include structures initially used as temporary employee housing for employees constructing warehouses, distribution centers, and other large facilities. The League will watch this bill. Tax benefits are typically used to encourage certain policies for statewide benefit. It is not clear that the benefit of this proposal outweighs the tax obligation. This bill was moved from the Senate Housing Committee and has been referred to the Senate Ways & Means Committee.

<u>SB 5334</u> Providing a local government option for the funding of essential affordable housing programs, would authorize local governments to establish an excise tax on the sale of or charge made for the furnishing of lodging of short-term rentals facilitated through a short-term rental platform (e.g., Air bnb). The revenue from this tax must be used exclusively for the operating and capital costs of affordable housing programs including, but not limited to, homeless housing assistance, temporary shelters, and other related services. This bill is scheduled for executive session in the Senate Local Government, Land Use & Tribal Affairs Committee on February 9.

<u>SB 5386</u> Reducing administrative complexity by increasing transparency of revenue flows for activities funded by document recording fees. This bill had a public hearing on January 27 and is scheduled for executive session in the Senate Housing Committee on February 8.

<u>SB 5435</u> Concerning residential rent increases under the residential landlord-tenant act and the manufactured/mobile home landlord-tenant act. This bill had a public hearing on January 27 and is scheduled for executive session on February 10.

<u>SB 5506</u> Establishing an enhanced behavior support homes model would establish a permanent supportive housing program to provide services and support to serve individuals needing behavioral health services to live independently in a community setting rather than in an institution. This bill had a public hearing in the Senate Human Services Committee on February 2 and is scheduled for executive session on February 7.

Updates - Bills with No Change

<u>SB 5118</u> Concerning modifying the multifamily property tax exemption to promote development of long-term affordable housing. This bill would create a new 99-year property tax exemption for properties that commit to renting or selling at least 35 percent of the multifamily housing square footage as affordable housing to low- and moderate-income households. This bill had a public hearing in the House Housing Committee on January 13 but has not yet been scheduled for executive session.

<u>SB 5198</u> Concerning the sale or lease of manufactured/mobile home communities and the property on which they sit, had a public hearing in the Senate Housing Committee on January 18 but has not yet been scheduled for executive session.

SB 5413 Concerning housing for essential needs and aged, blind, and disabled assistance programs, assures one year of rent for eligible individuals who transfer from one area of the state to another and would be at risk of losing this benefit. This bill had a public hearing on January 25 in the Senate Human Services Committee but no action was taken in the executive session on February 2.

<u>HB 1350</u> Expanding the multifamily tax exemption program to include converting existing multifamily units. This bill would authorize jurisdictions to include 12-year tax exemptions for renovations of multifamily units within cities located in a county with a population greater than 300,000 in areas that have designated a low-income conversion target area, for an existing multiple unit property that is converting existing units to affordable housing. It had a public hearing on January 31 in the House Housing Committee but has not been scheduled for executive session.

How You Can Be Involved

- Respond to Action Alerts in the legislative newsletter. These will primarily appear in the section of the newsletter related to housing and homelessness.
- Join the League's Housing Affinity Group by contacting Cynthia Stewart, cstewart@lwvwa.org.
- Work with your local jurisdiction to assure that comprehensive planning will address the housing needs of your community. Contact your city or county planning department to obtain a comp plan development schedule and opportunities for engagement.