

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE SENATE BILL 5577**

59th Legislature  
2005 Regular Session

Passed by the Senate April 18, 2005  
YEAS 46 NAYS 0

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**President of the Senate**

Passed by the House April 7, 2005  
YEAS 84 NAYS 12

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**Speaker of the House of Representatives**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5577** as passed by the Senate and the House of Representatives on the dates hereon set forth.

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**Secretary**

FILED

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE SENATE BILL 5577**

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AS AMENDED BY THE HOUSE

Passed Legislature - 2005 Regular Session

**State of Washington                      59th Legislature                      2005 Regular Session**

**By** Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senators Fairley, Keiser, Kline, Fraser, Poulsen and Kohl-Welles)

READ FIRST TIME 02/25/05.

1            AN ACT Relating to relocation assistance payments to tenants;  
2 amending RCW 59.18.085 and 35.80.030; creating new sections; and  
3 prescribing penalties.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            NEW SECTION.    **Sec. 1.** The people of the state of Washington  
6 deserve decent, safe, and sanitary housing. Certain tenants in the  
7 state of Washington have remained in rental housing that does not meet  
8 the state's minimum standards for health and safety because they cannot  
9 afford to pay the costs of relocation in advance of occupying new,  
10 safe, and habitable housing. In egregious cases, authorities have been  
11 forced to condemn property when landlords have failed to remedy  
12 building code or health code violations after repeated notice, and, as  
13 a result, families with limited financial resources have been displaced  
14 and left with nowhere to go.

15            The purpose of this act is to establish a process by which  
16 displaced tenants would receive funds for relocation from landlords who  
17 fail to provide safe and sanitary housing after due notice of building  
18 code or health code violations. It is also the purpose of this act to  
19 provide enforcement mechanisms to cities, towns, counties, or municipal

1 corporations including the ability to advance relocation funds to  
2 tenants who are displaced as a result of a landlord's failure to remedy  
3 building code or health code violations and later to collect the full  
4 amounts of these relocation funds, along with interest and penalties,  
5 from landlords.

6 **Sec. 2.** RCW 59.18.085 and 1989 c 342 s 13 are each amended to read  
7 as follows:

8 (1) If a governmental agency responsible for the enforcement of a  
9 building, housing, or other appropriate code has notified the landlord  
10 that a dwelling is condemned or unlawful to occupy due to the existence  
11 of conditions that violate applicable codes, statutes, ordinances, or  
12 regulations, a landlord shall not enter into a rental agreement for the  
13 dwelling unit until the conditions are corrected.

14 (2) If a landlord knowingly violates subsection (1) of this  
15 section, the tenant shall recover either three months' periodic rent or  
16 up to treble the actual damages sustained as a result of the violation,  
17 whichever is greater, costs of suit, or arbitration and reasonable  
18 attorneys' fees. If the tenant elects to terminate the tenancy as a  
19 result of the conditions leading to the posting, or if the appropriate  
20 governmental agency requires that the tenant vacate the premises, the  
21 tenant also shall recover:

- 22 (a) The entire amount of any deposit prepaid by the tenant; and  
23 (b) All prepaid rent.

24 (3)(a) If a governmental agency responsible for the enforcement of  
25 a building, housing, or other appropriate code has notified the  
26 landlord that a dwelling will be condemned or will be unlawful to  
27 occupy due to the existence of conditions that violate applicable  
28 codes, statutes, ordinances, or regulations, a landlord, who knew or  
29 should have known of the existence of these conditions, shall be  
30 required to pay relocation assistance to the displaced tenants except  
31 that:

32 (i) A landlord shall not be required to pay relocation assistance  
33 to any displaced tenant in a case in which the condemnation or no  
34 occupancy order affects one or more dwelling units and directly results  
35 from conditions caused by a tenant's or any third party's illegal  
36 conduct without the landlord's prior knowledge;

1        (ii) A landlord shall not be required to pay relocation assistance  
2 to any displaced tenant in a case in which the condemnation or no  
3 occupancy order affects one or more dwelling units and results from  
4 conditions arising from a natural disaster such as, but not  
5 exclusively, an earthquake, tsunami, wind storm, or hurricane; and

6        (iii) A landlord shall not be required to pay relocation assistance  
7 to any displaced tenant in a case in which a condemnation affects one  
8 or more dwelling units and the tenant's displacement is a direct result  
9 of the acquisition of the property by eminent domain.

10       (b) Relocation assistance provided to displaced tenants under this  
11 subsection shall be the greater amount of two thousand dollars per  
12 dwelling unit or three times the monthly rent. In addition to  
13 relocation assistance, the landlord shall be required to pay to the  
14 displaced tenants the entire amount of any deposit prepaid by the  
15 tenant and all prepaid rent.

16       (c) The landlord shall pay relocation assistance and any prepaid  
17 deposit and prepaid rent to displaced tenants within seven days of the  
18 governmental agency sending notice of the condemnation, eviction, or  
19 displacement order to the landlord. The landlord shall pay relocation  
20 assistance and any prepaid deposit and prepaid rent either by making  
21 individual payments by certified check to displaced tenants or by  
22 providing a certified check to the governmental agency ordering  
23 condemnation, eviction, or displacement, for distribution to the  
24 displaced tenants. If the landlord fails to complete payment of  
25 relocation assistance within the period required under this subsection,  
26 the city, town, county, or municipal corporation may advance the cost  
27 of the relocation assistance payments to the displaced tenants.

28       (d) During the period from the date that a governmental agency  
29 responsible for the enforcement of a building, housing, or other  
30 appropriate code first notifies the landlord of conditions that violate  
31 applicable codes, statutes, ordinances, or regulations to the time that  
32 relocation assistance payments are paid to eligible tenants, or the  
33 conditions leading to the notification are corrected, the landlord may  
34 not:

35       (i) Evict, harass, or intimidate tenants into vacating their units  
36 for the purpose of avoiding or diminishing application of this section;

37       (ii) Reduce services to any tenant; or

1 (iii) Materially increase or change the obligations of any tenant,  
2 including but not limited to any rent increase.

3 (e) Displaced tenants shall be entitled to recover any relocation  
4 assistance, prepaid deposits, and prepaid rent required by (b) of this  
5 subsection. In addition, displaced tenants shall be entitled to  
6 recover any actual damages sustained by them as a result of the  
7 condemnation, eviction, or displacement that exceed the amount of  
8 relocation assistance that is payable. In any action brought by  
9 displaced tenants to recover any payments or damages required or  
10 authorized by this subsection (3)(e) or (c) of this subsection that are  
11 not paid by the landlord or advanced by the city, town, county, or  
12 municipal corporation, the displaced tenants shall also be entitled to  
13 recover their costs of suit or arbitration and reasonable attorneys'  
14 fees.

15 (f) If, after sixty days from the date that the city, town, county,  
16 or municipal corporation first advanced relocation assistance funds to  
17 the displaced tenants, a landlord has failed to repay the amount of  
18 relocation assistance advanced by the city, town, county, or municipal  
19 corporation under (c) of this subsection, then the city, town, county,  
20 or municipal corporation shall assess civil penalties in the amount of  
21 fifty dollars per day for each tenant to whom the city, town, county,  
22 or municipal corporation has advanced a relocation assistance payment.

23 (g) In addition to the penalties set forth in (f) of this  
24 subsection, interest will accrue on the amount of relocation assistance  
25 paid by the city, town, county, or municipal corporation for which the  
26 property owner has not reimbursed the city, town, county, or municipal  
27 corporation. The rate of interest shall be the maximum legal rate of  
28 interest permitted under RCW 19.52.020, commencing thirty days after  
29 the date that the city first advanced relocation assistance funds to  
30 the displaced tenants.

31 (h) If the city, town, county, or municipal corporation must  
32 initiate legal action in order to recover the amount of relocation  
33 assistance payments that it has advanced to low-income tenants,  
34 including any interest and penalties under (f) and (g) of this  
35 subsection, the city, town, county, or municipal corporation shall be  
36 entitled to attorneys' fees and costs arising from its legal action.

37 (4) The government agency that has notified the landlord that a

1 dwelling will be condemned or will be unlawful to occupy shall notify  
2 the displaced tenants that they may be entitled to relocation  
3 assistance under this section.

4 (5) No payment received by a displaced tenant under this section  
5 may be considered as income for the purpose of determining the  
6 eligibility or extent of eligibility of any person for assistance under  
7 any state law or for the purposes of any tax imposed under Title 82  
8 RCW, and the payments shall not be deducted from any amount to which  
9 any recipient would otherwise be entitled under Title 74 RCW.

10 **Sec. 3.** RCW 35.80.030 and 1989 c 133 s 3 are each amended to read  
11 as follows:

12 (1) Whenever the local governing body of a municipality finds that  
13 one or more conditions of the character described in RCW 35.80.010  
14 exist within its territorial limits, (~~said~~) that governing body may  
15 adopt ordinances relating to such dwellings, buildings, structures, or  
16 premises. Such ordinances may provide for the following:

17 (a) That an "improvement board" or officer be designated or  
18 appointed to exercise the powers assigned to such board or officer by  
19 the ordinance as specified (~~herein. Said~~) in this section. The  
20 board or officer may be an existing municipal board or officer in the  
21 municipality, or may be a separate board or officer appointed solely  
22 for the purpose of exercising the powers assigned by (~~said~~) the  
23 ordinance.

24 If a board is created, the ordinance shall specify the terms,  
25 method of appointment, and type of membership of (~~said~~) the board,  
26 which may be limited, if the local governing body chooses, to public  
27 officers (~~as herein defined~~) under this section.

28 (b) That if a board is created, a public officer, other than a  
29 member of the improvement board, may be designated to work with the  
30 board and carry out the duties and exercise the powers assigned to  
31 (~~said~~) the public officer by the ordinance.

32 (c) That if, after a preliminary investigation of any dwelling,  
33 building, structure, or premises, the board or officer finds that it is  
34 unfit for human habitation or other use, he or she shall cause to be  
35 served either personally or by certified mail, with return receipt  
36 requested, upon all persons having any interest therein, as shown upon  
37 the records of the auditor's office of the county in which such

1 property is located, and shall post in a conspicuous place on such  
2 property, a complaint stating in what respects such dwelling, building,  
3 structure, or premises is unfit for human habitation or other use. If  
4 the whereabouts of any of such persons is unknown and the same cannot  
5 be ascertained by the board or officer in the exercise of reasonable  
6 diligence, and the board or officer makes an affidavit to that effect,  
7 then the serving of such complaint or order upon such persons may be  
8 made either by personal service or by mailing a copy of the complaint  
9 and order by certified mail, postage prepaid, return receipt requested,  
10 to each such person at the address of the building involved in the  
11 proceedings, and mailing a copy of the complaint and order by first  
12 class mail to any address of each such person in the records of the  
13 county assessor or the county auditor for the county where the property  
14 is located. Such complaint shall contain a notice that a hearing will  
15 be held before the board or officer, at a place therein fixed, not less  
16 than ten days nor more than thirty days after the serving of (~~said~~)  
17 the complaint; and that all parties in interest shall be given the  
18 right to file an answer to the complaint, to appear in person, or  
19 otherwise, and to give testimony at the time and place in the  
20 complaint. The rules of evidence prevailing in courts of law or equity  
21 shall not be controlling in hearings before the board or officer. A  
22 copy of such complaint shall also be filed with the auditor of the  
23 county in which the dwelling, building, structure, or (~~premise~~  
24 ~~[premises]~~) premises is located, and such filing of the complaint or  
25 order shall have the same force and effect as other lis pendens notices  
26 provided by law.

27 (d) That the board or officer may determine that a dwelling,  
28 building, structure, or premises is unfit for human habitation or other  
29 use if it finds that conditions exist in such dwelling, building,  
30 structure, or premises which are dangerous or injurious to the health  
31 or safety of the occupants of such dwelling, building, structure, or  
32 premises, the occupants of neighboring dwellings, or other residents of  
33 such municipality. Such conditions may include the following, without  
34 limitations: Defects therein increasing the hazards of fire or  
35 accident; inadequate ventilation, light, or sanitary facilities,  
36 dilapidation, disrepair, structural defects, uncleanliness,  
37 overcrowding, or inadequate drainage. The ordinance shall state  
38 reasonable and minimum standards covering such conditions, including

1 those contained in ordinances adopted in accordance with  
2 (~~(subdivision)~~) subsection (7)(a) (~~(herein)~~) of this section, to guide  
3 the board or the public officer and the agents and employees of either,  
4 in determining the fitness of a dwelling for human habitation, or  
5 building, structure, or premises for other use.

6 (e) That the determination of whether a dwelling, building,  
7 structure, or premises should be repaired or demolished, shall be based  
8 on specific stated standards on (i) the degree of structural  
9 deterioration of the dwelling, building, structure, or premises, or  
10 (ii) the relationship that the estimated cost of repair bears to the  
11 value of the dwelling, building, structure, or premises, with the  
12 method of determining this value to be specified in the ordinance.

13 (f) That if, after the required hearing, the board or officer  
14 determines that the dwelling is unfit for human habitation, or building  
15 or structure or premises is unfit for other use, it shall state in  
16 writing its findings of fact in support of such determination, and  
17 shall issue and cause to be served upon the owner or party in interest  
18 thereof, as is provided in (~~(subdivision (1))~~) (c) of this subsection,  
19 and shall post in a conspicuous place on (~~(said)~~) the property, an  
20 order (~~(which)~~) that (i) requires the owner or party in interest,  
21 within the time specified in the order, to repair, alter, or improve  
22 such dwelling, building, structure, or premises to render it fit for  
23 human habitation, or for other use, or to vacate and close the  
24 dwelling, building, structure, or premises, if such course of action is  
25 deemed proper on the basis of the standards set forth as required in  
26 (~~(subdivision (1))~~) (e) of this subsection; or (ii) requires the owner  
27 or party in interest, within the time specified in the order, to remove  
28 or demolish such dwelling, building, structure, or premises, if this  
29 course of action is deemed proper on the basis of (~~(said)~~) those  
30 standards. If no appeal is filed, a copy of such order shall be filed  
31 with the auditor of the county in which the dwelling, building,  
32 structure, or premises is located.

33 (g) That the owner or any party in interest, within thirty days  
34 from the date of service upon the owner and posting of an order issued  
35 by the board under (~~(the provisions of subdivision)~~) (c) of this  
36 subsection, may file an appeal with the appeals commission.

37 The local governing body of the municipality shall designate or  
38 establish a municipal agency to serve as the appeals commission. The



1 local governing body shall also establish rules of procedure adequate  
2 to assure a prompt and thorough review of matters submitted to the  
3 appeals commission, and such rules of procedure shall include the  
4 following, without being limited thereto: (i) All matters submitted to  
5 the appeals commission must be resolved by the commission within sixty  
6 days from the date of filing therewith and (ii) a transcript of the  
7 findings of fact of the appeals commission shall be made available to  
8 the owner or other party in interest upon demand.

9 The findings and orders of the appeals commission shall be reported  
10 in the same manner and shall bear the same legal consequences as if  
11 issued by the board, and shall be subject to review only in the manner  
12 and to the extent provided in (~~subdivision~~) subsection (2) of this  
13 section.

14 If the owner or party in interest, following exhaustion of his or  
15 her rights to appeal, fails to comply with the final order to repair,  
16 alter, improve, vacate, close, remove, or demolish the dwelling,  
17 building, structure, or premises, the board or officer may direct or  
18 cause such dwelling, building, structure, or premises to be repaired,  
19 altered, improved, vacated, and closed, removed, or demolished.

20 (h) That the amount of the cost of such repairs, alterations or  
21 improvements; or vacating and closing; or removal or demolition by the  
22 board or officer, shall be assessed against the real property upon  
23 which such cost was incurred unless such amount is previously paid.  
24 For purposes of this subsection, the cost of vacating and closing shall  
25 include (i) the amount of relocation assistance payments that a  
26 property owner has not repaid to a municipality or other local  
27 government entity that has advanced relocation assistance payments to  
28 tenants under RCW 59.18.085 and (ii) all penalties and interest that  
29 accrue as a result of the failure of the property owner to timely repay  
30 the amount of these relocation assistance payments under RCW 59.18.085.  
31 Upon certification to him or her by the treasurer of the municipality  
32 in cases arising out of the city or town or by the county improvement  
33 board or officer, in cases arising out of the county, of the assessment  
34 amount being due and owing, the county treasurer shall enter the amount  
35 of such assessment upon the tax rolls against the property for the  
36 current year and the same shall become a part of the general taxes for  
37 that year to be collected at the same time and with interest at such  
38 rates and in such manner as provided for in RCW 84.56.020(~~, as now or~~

1 ~~hereafter amended,~~) for delinquent taxes, and when collected to be  
2 deposited to the credit of the general fund of the municipality. If  
3 the dwelling, building, structure, or premises is removed or demolished  
4 by the board or officer, the board or officer shall, if possible, sell  
5 the materials of such dwelling, building, structure, (~~{or}~~) or  
6 premises in accordance with procedures set forth in (~~said~~) the  
7 ordinance, and shall credit the proceeds of such sale against the cost  
8 of the removal or demolition and if there be any balance remaining, it  
9 shall be paid to the parties entitled thereto, as determined by the  
10 board or officer, after deducting the costs incident thereto.

11 The assessment shall constitute a lien against the property which  
12 shall be of equal rank with state, county and municipal taxes.

13 (2) Any person affected by an order issued by the appeals  
14 commission pursuant to (~~subdivision (1)(f) hereof~~) subsection (1)(g)  
15 of this section may, within thirty days after the posting and service  
16 of the order, petition to the superior court for an injunction  
17 restraining the public officer or members of the board from carrying  
18 out the provisions of the order. In all such proceedings the court is  
19 authorized to affirm, reverse, or modify the order and such trial shall  
20 be heard de novo.

21 (3) An ordinance adopted by the local governing body of the  
22 municipality may authorize the board or officer to exercise such powers  
23 as may be necessary or convenient to carry out and effectuate the  
24 purposes and provisions of this section. These powers shall include  
25 the following in addition to others (~~herein~~) granted in this section:  
26 (a)(i) To determine which dwellings within the municipality are unfit  
27 for human habitation; (ii) to determine which buildings, structures, or  
28 premises are unfit for other use; (b) to administer oaths and  
29 affirmations, examine witnesses, and receive evidence; and (c) to  
30 investigate the dwelling and other property conditions in the  
31 municipality or county and to enter upon premises for the purpose of  
32 making examinations when the board or officer has reasonable ground for  
33 believing they are unfit for human habitation, or for other use:  
34 PROVIDED, That such entries shall be made in such manner as to cause  
35 the least possible inconvenience to the persons in possession, and to  
36 obtain an order for this purpose after submitting evidence in support  
37 of an application which is adequate to justify such an order from a

1 court of competent jurisdiction in the event entry is denied or  
2 resisted.

3 (4) The local governing body of any municipality adopting an  
4 ordinance pursuant to this chapter may appropriate the necessary funds  
5 to administer such ordinance.

6 (5) (~~Nothing in~~) This section (~~(shall be construed to)~~) does not  
7 abrogate or impair the powers of the courts or of any department of any  
8 municipality to enforce any provisions of its charter or its ordinances  
9 or regulations, nor to prevent or punish violations thereof; and the  
10 powers conferred by this section shall be in addition and supplemental  
11 to the powers conferred by any other law.

12 (6) (~~Nothing in~~) This section (~~(shall be construed to)~~) does not  
13 impair or limit in any way the power of the municipality to define and  
14 declare nuisances and to cause their removal or abatement, by summary  
15 proceedings or otherwise.

16 (7) Any municipality may (~~(+)~~)by ordinance adopted by its governing  
17 body(~~(+)~~) (a) prescribe minimum standards for the use and occupancy of  
18 dwellings throughout the municipality(~~(+)~~) or county, (b) prescribe  
19 minimum standards for the use or occupancy of any building, structure,  
20 or premises used for any other purpose, (c) prevent the use or  
21 occupancy of any dwelling, building, structure, or premises, (~~which~~)  
22 that is injurious to the public health, safety, morals, or welfare, and  
23 (d) prescribe punishment for the violation of any provision of such  
24 ordinance.

25 NEW SECTION. Sec. 4. The powers and authority conferred by this  
26 act are in addition and supplemental to powers or authority conferred  
27 by any other law or authority, and nothing contained herein shall be  
28 construed to preempt any local ordinance requiring relocation  
29 assistance to tenants displaced by a landlord's failure to remedy  
30 building code or health code violations.

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