

SENATE BILL REPORT

SB 5219

As Reported by Senate Committee On:
Financial Institutions & Insurance, February 19, 2015

Title: An act relating to the definition of unlawful detainer.

Brief Description: Concerning unlawful detainer.

Sponsors: Senators Benton and Roach.

Brief History:

Committee Activity: Financial Institutions & Insurance: 1/28/15, 2/19/15 [DPS, DNP, w/oRec].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: That Substitute Senate Bill No. 5219 be substituted therefor, and the substitute bill do pass.

Signed by Senators Benton, Chair; Angel, Vice Chair; Fain, Litzow and Roach.

Minority Report: Do not pass.

Signed by Senator Pedersen.

Minority Report: That it be referred without recommendation.

Signed by Senators Mullet, Ranking Minority Member; Darneille.

Staff: Shani Bauer (786-7468)

Background: Unlawful detainer is the legal process for evicting a residential tenant. A tenant is guilty of unlawful detainer when the tenant failed to pay rent, failed to comply with terms of the rental agreement, created waste or a nuisance on the property, or the tenancy is a month-to-month or periodic tenancy and the landlord gave the tenant notice to terminate.

When a tenant failed to pay rent, the landlord must give the tenant three days' notice in writing requiring payment or the surrender of the premises. If rent is not paid within the three-day time period, the tenant is guilty of unlawful detainer and may be evicted from the premises.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill (Recommended Substitute): A tenant who receives a three-day notice for the failure to pay rent will be guilty of unlawful detainer unless the tenant pays the overdue rent and any associated late fees.

EFFECT OF CHANGES MADE BY FINANCIAL INSTITUTIONS & INSURANCE COMMITTEE (Recommended Substitute): A landlord may only serve a three-day notice on a tenant for the nonpayment of rent; however, once served, the tenant must pay the overdue rent and any late fees in order to avoid an eviction action.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: This bill would allow a landlord to create one notice that can be given out for nonpayment of rent and nonpayment of fees. Currently, in order to move forward, the landlord must use a three-day notice when it is imperative to restore the property quickly and then file a second lawsuit for fees and costs after the ten-day notice period has expired. In the alternative, the landlord would have to wait ten days before proceeding on both claims. This bill allows the legal process to go forward in one action after three days. Landlords want to be part of the solution for housing, but often processes such as these make housing more costly. These costs are eventually passed on to tenants.

CON: It is important to recognize the interests of both the landlord and tenant. The landlord's interest is to gain profit and preserve property. For the tenant it is an interest of necessity in keeping shelter over their heads. This bill upsets the balance and shifts the power more to the landlord than already exists. It will have the greatest impact on low-income families struggling to maintain housing, and send people deeper into poverty. Even though a person may pay rent within three days, this bill would allow a landlord to tack on other fees, making it virtually impossible for the tenant to stay in the premises. Further, fees are not defined and the statute does not limit the fees the landlord can add. Currently a landlord can pursue eviction for nonpayment of fees under RCW 59.12.030. This process requires a ten-day notice to pay instead of three-day notice. Three days is too short a time period for nonpayment of rent. It would be better to increase the period to seven or ten days. Many states have greater than a three-day notice and opportunity to bring rent current. It would also be helpful to specify what charges the landlord could charge. If this bill is moving forward, instead of leaving the fee language broad, it should be limited to late fees associated with the nonpayment of rent. Under current law, a family can be removed from a home in three weeks. In order to pursue fees, a landlord would only have to wait one more week.

Persons Testifying: PRO: Chester Baldwin, Mobile Home Communities of WA; Bill Hinkle, Rental Housing Assn.

CON: Mark Chattin, Catholic Community Services; Michele Thomas, WA Low Income Housing Alliance; Greg Provenzano, Columbia Legal Services; Rory O'Sullivan, Housing Justice Project, King County Bar Assn.; Tim Seth, President, WA Landlord Assn.