

FINAL BILL REPORT

ESB 6413

C 66 L 16
Synopsis as Enacted

Brief Description: Modifying residential landlord-tenant act provisions relating to tenant screening, evictions, and refunds.

Sponsors: Senators Mullet, Benton, Pedersen and Frockt.

Senate Committee on Financial Institutions & Insurance
House Committee on Judiciary

Background: The Residential Landlord-Tenant Act (RLTA) regulates the rights and duties of landlords and tenants in residential rental housing.

Landlords may screen and evaluate potential tenants, either by conducting their own searches of public records or by using companies that provide consumer reports for use in screening tenants. RLTA provides that if a landlord uses a tenant screening service to obtain the report, only the landlord's cost may be charged to the tenant. The landlord's actual costs may be charged if the landlord conducts the screening. A landlord may not charge a tenant for obtaining background information unless the landlord first notifies the tenant of what the tenant screening will entail, the tenant's right to dispute the information received by the landlord, and the name and address of the tenant screening service used by the landlord.

Prior to screening a prospective tenant, and in order to charge the prospective tenant for that screening, the prospective landlord must first notify the prospective tenant in writing of the following information:

- what types of information will be accessed to conduct the tenant screening;
- what criteria may result in the denial of the application;
- the name and address of the consumer reporting agency, if used; and
- the prospective tenant's right to obtain a free copy of the consumer report in the event of an adverse action, and to dispute the accuracy of information in the consumer report.

If an adverse action is taken, the prospective landlord must provide this information to the prospective tenant in writing, in a form substantially similar to the one prescribed by statute. If the adverse action is based on information received from a consumer report, the contact information of the consumer reporting agency must be provided.

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.

A landlord may collect a deposit from a tenant as security for the performance of the tenant's obligations in a rental agreement. In order to collect a deposit, the rental agreement must be in writing and must include the terms and conditions under which the deposit may be withheld upon termination of the agreement. A written checklist signed by the landlord and the tenant describing the condition of the unit must accompany the rental agreement.

Within 14 days after the termination of a rental agreement or abandonment of the premises, the landlord must give a full and specific statement of the basis for retaining any portion of the deposit together with the payment of any refund due to the tenant. No portion of a deposit may be withheld on the account of wear resulting from ordinary use of the premises. If a landlord fails to provide the required statement and refund to the tenant within 14 days, the landlord must return the entire deposit.

Summary: Prior to screening a prospective tenant, and in order to charge the prospective tenant for that screening, the prospective landlord must notify the prospective tenant in writing as to whether or not the landlord will accept a comprehensive reusable tenant screening report made available to the landlord by a consumer reporting agency. If the landlord accepts such a report, the landlord may still access his or her own tenant screening report, but may not charge the prospective tenant for that report.

Any landlord who maintains a website advertising the rental of a dwelling unit or as a source of information for current or prospective tenants must include a statement on the property's home page stating whether or not the landlord will accept a comprehensive reusable tenant screening report made available to the landlord by a consumer reporting agency.

A court may order an unlawful detainer action to be of limited dissemination for one or more persons if:

- the court finds the plaintiff's case was sufficiently without basis in fact or law;
- the tenancy was reinstated; or
- other good cause exists for limiting dissemination of the unlawful detainer action.

When an order of limited dissemination of an unlawful detainer action has been entered, a tenant screening service provider must not disclose the existence of that unlawful detainer action in a tenant screening report pertaining to that person or use the unlawful detainer action as a factor in determining any score or recommendation included in a tenant screening report.

A landlord must give a former tenant a full and specific statement of the basis for retaining any portion of a rental deposit together with the payment of any refund due within 21 days after the termination of the rental agreement or abandonment of the premises. If a landlord fails to provide the required statement and refund to the tenant within 21 days, the landlord must return the entire deposit.

Comprehensive reusable tenant screening report, criminal history, and eviction history are defined. Obsolete language is removed.

Votes on Final Passage:

Senate	46	2	
House	97	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 9, 2016