# HOUSE BILL REPORT HB 1633

# As Reported by House Committee On:

Judiciary

**Title**: An act relating to ensuring housing options.

**Brief Description**: Concerning the preservation of housing options for tenants.

**Sponsors**: Representatives Riccelli, Kirby, Macri, Frame, Goodman, Kagi, Peterson, Jinkins, Ormsby, Kloba, Senn, Stonier, Stanford, Appleton, Robinson, McBride, Doglio, Pollet and Santos.

# **Brief History:**

# **Committee Activity:**

Judiciary: 2/7/17, 2/16/17 [DP].

# **Brief Summary of Bill**

- Prohibits landlord discrimination based on an applicant's or tenant's lawful source of income.
- Creates a civil cause of action for violations.

### HOUSE COMMITTEE ON JUDICIARY

**Majority Report**: Do pass. Signed by 7 members: Representatives Jinkins, Chair; Kilduff, Vice Chair; Frame, Goodman, Hansen, Kirby and Orwall.

**Minority Report**: Do not pass. Signed by 6 members: Representatives Rodne, Ranking Minority Member; Muri, Assistant Ranking Minority Member; Graves, Haler, Klippert and Shea.

**Staff**: Alex Arkfeld (786-7290) and Cece Clynch (786-7195).

### **Background:**

The Residential Landlord-Tenant Act (RLTA) provides the rights and duties of 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.

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.

House Bill Report - 1 - HB 1633

Gathered information 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 attorneys' fees.

Additionally, under the Washington Law Against Discrimination it is generally 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.

# **Summary of Bill:**

A landlord is prohibited from taking specified actions based on the source of income of an otherwise eligible applicant or tenant. Prohibited actions include, but are not limited to, the following:

- refusing to lease or rent real property to an applicant;
- expelling a tenant from real property;
- making any distinction, discrimination, or restriction against an applicant or tenant in the price, terms, conditions, or privileges relating to the rental, lease, or occupancy of real property;
- attempting to discourage the rental or lease of real property;
- publishing, circulating, issuing, or displaying any communication, notice, advertisement, or sign of any kind relating to the rental or lease of real property that indicates any source of income; and
- representing to a person that a dwelling unit is not available for rental when the dwelling unit is available for rental.

"Source of income" includes income derived from social security, supplemental security income, other retirement programs, and any federal, state, local, or nonprofit-administered benefit or subsidy programs, including housing assistance, public assistance, and general assistance programs. The term does not include income derived in an illegal manner.

If a landlord requires applicants to have a certain threshold level of income, the landlord must subtract from the monthly rental rate the applicant's source of income in the form of a rent voucher or subsidy prior to determining whether the income threshold is met.

The applicability of reasonable local, state, or federal restrictions regarding the maximum number of occupants permitted to occupy a dwelling unit is not limited.

A landlord in violation of these prohibitions and requirements may be held liable in a civil action for up to triple damages sustained by the tenant or applicant. The prevailing party may recover court costs and reasonable attorneys' fees.

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**Appropriation**: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the

bill is passed.

# **Staff Summary of Public Testimony:**

(In support) Washington has a homelessness and affordable housing crisis, and the private market needs to help solve this problem. State law requires that 45 percent of state homelessness funds be spent on vouchers for the for-profit rental market, but landlords often refuse to accept these vouchers. Several jurisdictions have already applied similar protections to help solve these problems, but people should be protected statewide. Prohibiting source of income discrimination is a zero-cost, common-sense way to remove a huge barrier to housing.

Everyone deserves an equal and fair opportunity to obtain housing. Often, landlords reject subsidies from people who otherwise have done nothing wrong and have full-time employment, no criminal history, and good credit. Discrimination based on source of income disproportionately affects people of color, low-income people, single-parent families, veterans, people with disabilities, and other communities that have historically faced barriers in obtaining housing. Too frequently, domestic violence survivors are unable to benefit from housing subsidies because of discrimination based on source of income. Access to housing is the largest unmet need for survivors and their children statewide. The lack of access to safe and affordable housing is too often the difference between life and death in domestic violence cases.

Neighborhood quality affects overall quality of life. Tenants should have an opportunity to live in communities of their choice to meet their needs in accessing schools, jobs, and transit options. Increasingly, landlords who accept subsidies rent units in lower income communities, creating a system of de facto housing segregation based on socioeconomic status. This bill is not rent control. It does not limit a landlord's ability to screen applicants. Applicants may be properly judged based on their credit and criminal history. Landlords who rent to tenants who use subsidies can count on a consistent, reliable rent every month, avoiding evictions and vacancy losses.

(Opposed) This bill has several problems and unintended consequences. It applies to more than just Section 8 vouchers, requiring landlords to accept any source of income no matter

the duration, permanency, or source. Landlords will be required to accept an applicant even if the applicant only has enough rental assistance for a couple of months, which will lead to problems for tenants when the assistance runs out. Many subsidies do not pay for a security deposit, and landlords need something to protect themselves from damage to a unit. There are already discrimination laws. Choosing not to participate in the voluntary Section 8 voucher program is not discriminatory, and informing a tenant up front actually helps tenants. Housing buildings with few units are different from large, multi-family buildings, and this creates two separate issues that cannot be addressed in one bill. Landlords want to house people, and tenant advocates want to have people housed. The private market works with local housing authorities to get more people into units. Inventing a new cause of action will not make more housing available for subsidies.

**Persons Testifying**: (In support) Representative Riccelli, prime sponsor; Dmitri Groce, Washington Low Income Housing Alliance; John Hannaman; Toya Thomas; Doug Levy, Cities of Renton, Kent, Redmond, and Issaquah; Michael Mirra, Tacoma Housing Authority; Tamaso Johnson, Washington State Coalition Against Domestic Violence; Erin McKinney, YouthCare; Megan Hyla, King County Housing Authority; Claude DaCorsi, Affordable Auburn Housing Advisory Board; and Patricia Abbate, Solid Ground.

(Opposed) Chester Baldwin, Washington Rental Owners Association; and Kyle Woodring, Rental Housing Association of Washington.

**Persons Signed In To Testify But Not Testifying:** None.

House Bill Report - 4 - HB 1633