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SENATE BILL 5365

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State of Washington

65th Legislature

2017 Regular Session

By Senators King, Hobbs, Llias, and Wilson; by request of Department of Transportation

Read first time 01/20/17. Referred to Committee on Transportation.

1 AN ACT Relating to relocation assistance for persons displaced by  
2 agency property acquisitions; and amending RCW 8.26.035, 8.26.045,  
3 and 8.26.055.

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

5 **Sec. 1.** RCW 8.26.035 and 2003 c 357 s 1 are each amended to read  
6 as follows:

7 (1) Whenever a program or project to be undertaken by a  
8 displacing agency will result in the displacement of any person, the  
9 displacing agency shall provide for the payment to the displaced  
10 person of:

11 (a) Actual reasonable expenses in moving himself or herself, or  
12 his or her family, business, farm operation, or other personal  
13 property;

14 (b) Actual direct losses of tangible personal property as a  
15 result of moving or discontinuing a business or farm operation, but  
16 not to exceed an amount equal to the reasonable expenses that would  
17 have been required to relocate the property, in accordance with  
18 criteria established by the lead agency;

19 (c) Actual reasonable expenses in searching for a replacement  
20 business or farm; and

1 (d) Actual reasonable expenses necessary to reestablish a  
2 displaced farm, nonprofit organization, or small business at its new  
3 site, in accordance with criteria established by the lead agency, but  
4 not to exceed fifty thousand dollars or the dollar amount allowed  
5 under 42 U.S.C. Sec. 4622 as it existed on the effective date of this  
6 section, or such subsequent date as may be provided by the displacing  
7 agency by rule or regulation, consistent with the purposes of this  
8 section, whichever is greater.

9 (2) A displaced person eligible for payments under subsection (1)  
10 of this section who is displaced from a dwelling and who elects to  
11 accept the payments authorized by this subsection in lieu of the  
12 payments authorized by subsection (1) of this section may receive an  
13 expense and dislocation allowance determined according to a schedule  
14 established by the lead agency.

15 (3) A displaced person eligible for payments under subsection (1)  
16 of this section who is displaced from the person's place of business  
17 or farm operation and who is eligible under criteria established by  
18 the lead agency may elect to accept the payment authorized by this  
19 subsection in lieu of the payment authorized by subsection (1) of  
20 this section. The payment shall consist of a fixed payment in an  
21 amount to be determined according to criteria established by the lead  
22 agency, except that the payment shall be not less than (~~one thousand~~  
23 ~~dollars nor more than twenty thousand dollars~~) the dollar amount  
24 allowed under 42 U.S.C. Sec. 4622 as it existed on the effective date  
25 of this section, or such subsequent date as may be provided by the  
26 displacing agency by rule or regulation, consistent with the purposes  
27 of this section. A person whose sole business at the displacement  
28 dwelling is the rental of that property to others does not qualify  
29 for a payment under this subsection.

30 **Sec. 2.** RCW 8.26.045 and 1988 c 90 s 4 are each amended to read  
31 as follows:

32 (1) In addition to payments otherwise authorized by this chapter,  
33 the displacing agency shall make an additional payment, not in excess  
34 of (~~twenty two thousand five hundred dollars~~) the dollar amount  
35 allowed under 42 U.S.C. Sec. 4623 as it existed on the effective date  
36 of this section, or such subsequent date as may be provided by the  
37 displacing agency by rule or regulation, consistent with the purposes  
38 of this section, to any displaced person who is displaced from a  
39 dwelling actually owned and occupied by the displaced person for not

1 less than (~~one hundred and eighty~~) ninety days immediately before  
2 the initiation of negotiations for the acquisition of the property.  
3 The additional payment shall include the following elements:

4 (a) The amount, if any, that when added to the acquisition cost  
5 of the dwelling acquired by the displacing agency, equals the  
6 reasonable and necessary cost of a comparable replacement dwelling;

7 (b) The amount, if any, that will compensate the displaced person  
8 for any increased mortgage interest costs and other debt service  
9 costs that the person is required to pay for financing the  
10 acquisition of any such comparable replacement dwelling. This amount  
11 shall be paid only if the dwelling acquired by the displacing agency  
12 was encumbered by a bona fide mortgage that was a valid lien on the  
13 dwelling for not less than one hundred and eighty days immediately  
14 before the initiation of negotiations for the acquisition of the  
15 dwelling;

16 (c) Reasonable expenses incurred by the displaced person for  
17 evidence of title, recording fees, and other closing costs incident  
18 to the purchase of the replacement dwelling, but not including  
19 prepaid expenses.

20 (2) The additional payment authorized by this section shall be  
21 made only to a displaced person who purchases and occupies a decent,  
22 safe, and sanitary replacement dwelling within one year after the  
23 date on which the person receives final payment from the displacing  
24 agency for the acquired dwelling or the date on which the obligation  
25 of the displacing agency under RCW 8.26.075 is met, whichever date is  
26 later, except that the displacing agency may extend the period for  
27 good cause. If the period is extended, the payment under this section  
28 shall be based on the costs of relocating the person to a comparable  
29 replacement dwelling within one year of that date.

30 **Sec. 3.** RCW 8.26.055 and 1988 c 90 s 5 are each amended to read  
31 as follows:

32 (1) In addition to amounts otherwise authorized by this chapter,  
33 a displacing agency shall make a payment to or for a displaced person  
34 displaced from a dwelling not eligible to receive a payment under RCW  
35 8.26.045 if the dwelling was actually and lawfully occupied by the  
36 displaced person for not less than ninety days immediately before (a)  
37 the initiation of negotiations for acquisition of the dwelling, or  
38 (b) in any case in which displacement is not a direct result of  
39 acquisition, such other event as the lead agency prescribes. The

1 payment shall consist of the amount necessary to enable the person to  
2 lease or rent for a period not to exceed forty-two months, a  
3 comparable replacement dwelling, but not to exceed (~~five thousand~~  
4 ~~two hundred fifty dollars~~) the dollar amount allowed under 42 U.S.C.  
5 Sec. 4624 as it existed on the effective date of this section, or  
6 such subsequent date as may be provided by the displacing agency by  
7 rule or regulation, consistent with the purposes of this section. At  
8 the discretion of the displacing agency, a payment under this  
9 subsection may be made in periodic installments. Computation of a  
10 payment under this subsection to a low-income displaced person for a  
11 comparable replacement dwelling shall take into account the person's  
12 income.

13 (2) A person eligible for a payment under subsection (1) of this  
14 section may elect to apply the payment to a down payment on, and  
15 other incidental expenses pursuant to, the purchase of a decent,  
16 safe, and sanitary replacement dwelling. The person may, at the  
17 discretion of the displacing agency, be eligible under this  
18 subsection for the maximum payment allowed under subsection (1) of  
19 this section(~~(, except that, in the case of a displaced homeowner who~~  
20 ~~has owned and occupied the displacement dwelling for at least ninety~~  
21 ~~days but not more than one hundred eighty days immediately before the~~  
22 ~~initiation of negotiations for the acquisition of the dwelling, the~~  
23 ~~payment shall not exceed the payment the person would otherwise have~~  
24 ~~received under RCW 8.26.045(1) had the person owned and occupied the~~  
25 ~~displacement dwelling one hundred eighty days immediately before the~~  
26 ~~initiation of the negotiations)).~~

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