FINAL BILL REPORT HB 1462

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Synopsis as Enacted

Brief Description: Providing notice of plans to demolish, substantially rehabilitate, or change use of residential premises.

Sponsors: Representatives Barkis, Reeves, Kirby, Riccelli, Jenkin, Stokesbary, Gildon, Walsh, Chambers, Dye, Hoff, Volz and Irwin.

House Committee on Civil Rights & Judiciary Senate Committee on Financial Institutions, Economic Development & Trade

Background:

The Residential Landlord-Tenant Act (RLTA) regulates the relationship between residential landlords and tenants, and includes provisions regarding the duties of tenants and landlords, remedies for violations of those duties, and definitions. Subject to a few exceptions spelled out in statute, the rental of a dwelling unit for living purposes is generally covered under the RLTA. A dwelling unit is a structure or that part of a structure which is used as a home, residence, or sleeping place.

A tenancy for a specified time such as one year, sometimes also called a lease, is deemed terminated at the end of the specified period. Alternatively, premises may be rented for an indefinite time, from period to period or month to month. Generally, such a tenancy is automatically renewed for another period until terminated by either the landlord or the tenant by giving at least 20 days' written notice prior to the end of any of the months or periods of tenancy.

A landlord must provide longer notice in certain situations:

- Whenever a landlord plans to change to a policy of excluding children, the landlord must give written notice of at least 90 days before termination of the tenancy to effectuate that change. If, after giving the 90 days' notice, the change in policy is delayed, the general 20 days' notice applies unless waived by the tenant.
- Whenever a landlord plans to change any apartment or apartments to a condominium form of ownership, the landlord must provide written notice of at least 120 days before termination of the tenancy. If, after giving the 120 days' notice, the change in policy is delayed, the general 20 days' notice applies unless waived by the tenant.

House Bill Report - 1 - HB 1462

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.

Certain cities, counties, or towns (local governments) must develop comprehensive use plans. A provision in the RLTA provides that, if the local government is required to adopt one of these plans, the local government may require property owners to provide relocation assistance to low-income tenants upon the demolition, substantial rehabilitation, or change of use of residential property, or upon the removal of use restrictions in an assisted-housing development. Relocation assistance must not exceed \$2,000 for each dwelling unit displaced, adjusted by the consumer price index. The property owner's portion must not exceed one-half of the total relocation assistance. The local government must pay the other portion of the relocation assistance. A property owner is not obligated to pay relocation assistance if the tenant moves out of the dwelling prior to the property owner's application for a permit for the change in use.

Summary:

A landlord under the Residential Landlord-Tenant Act (RLTA) must provide at least 120 days' written notice to a tenant whenever the landlord plans to demolish or substantially rehabilitate premises or plans a change of use of premises. This requirement does not apply with respect to jurisdictions that have created a relocation assistance program and otherwise provide 120 days' notice.

A person in violation of this new RLTA requirement may be held liable in a civil action up to three times the monthly rent of the real property at issue. A prevailing party may recover court costs and reasonable attorney fees.

Certain terms are defined as follows:

- Assisted housing development means a multifamily rental housing development that
 either receives government assistance and is defined as federally assisted housing, or
 that receives other federal, state, or local government assistance and is subject to use
 restrictions.
- Change of use means:
 - conversion of any premises from a residential use to a nonresidential use that results in the displacement of an existing tenant;
 - conversion from one type of residential use to another type of residential use that results in the displacement of an existing tenant, such as conversion to a retirement home, emergency shelter, or transient hotel; or
 - conversion following removal of use restrictions from an assisted housing development that results in the displacement of an existing tenant. However, displacement of an existing tenant in order that the owner or a member of the owner's immediate family may occupy the premises does not constitute a change of use.
- Demolish means the destruction of premises or the relocation of premises to another site that results in the displacement of an existing tenant.
- Substantially rehabilitate means extensive structural repair or extensive remodeling of premises that requires a permit such as a building, electrical, plumbing, or mechanical permit, and that results in the displacement of an existing tenant.

Votes on Final Passage:

House 94 4

Senate 44 1 (Senate amended) House 96 0 (House concurred)

Effective: July 28, 2019

House Bill Report - 3 - HB 1462