

SSB 5092 - S AMD 516

By Senators Kuderer, Wagoner

ADOPTED 04/01/2021

1 On page 52, line 9, after "and" insert "\$"

2 On page 52, line 14, after "2021" insert ", as amended in section
3 1803 of this act"

4 On page 955, after line 26, insert the following:

5 **"Sec. 1803.** 2021 c 3 s 3 (uncodified) is amended to read as
6 follows:

7 **FOR THE DEPARTMENT OF COMMERCE—RENTAL ASSISTANCE AND HOUSING**

8	General Fund—Federal Appropriation.	\$365,000,000
9	TOTAL APPROPRIATION.	\$365,000,000

10 The appropriation in this section is subject to the following
11 conditions and limitations:

12 (1) \$325,000,000 of the general fund—federal appropriation
13 (CRRSA) is provided solely for the department to administer an
14 emergency rental and utility assistance program pursuant to P.L.
15 116-260, the federal consolidated appropriations act. The department
16 shall distribute funding in the form of grants to local housing
17 providers. In making distributions, the department must consider the
18 number of unemployed persons and renters in each jurisdiction served
19 by the provider as well as account for any funding that jurisdiction,
20 including cities within each county, received directly from the
21 federal government. A provider may use up to 9.5 percent of their
22 grant award for administrative costs and the remainder must be used
23 for financial assistance as defined in P.L. 116-260. The department
24 may retain up to 0.5 percent of the funding provided in this
25 subsection to administer the program.

26 (2)(a) \$30,000,000 of the general fund—federal appropriation
27 (CRF) is provided solely for the department to administer an eviction
28 rental assistance program. The department shall distribute funding in
29 the form of grants to local housing providers. In making
30 distributions, the department must consider the number of unemployed

1 persons and renters in each jurisdiction served by the provider. To
2 be eligible for the program, households must, at a minimum, have an
3 income at or below 80 percent of the area median income and must have
4 a missed or partially paid rent payment. Rental payments made through
5 the program will be provided directly to landlords. The department
6 may establish additional eligibility criteria to target these
7 resources to households most likely to become homeless if they do not
8 receive rental assistance.

9 (b) Of the amounts provided in this subsection, \$16,000,000 of
10 the general fund—federal appropriation (CRF) is provided solely for
11 local housing providers to subgrant with community organizations that
12 serve historically disadvantaged populations within their
13 jurisdiction. Subgrants may be used for program outreach and
14 assisting community members in applying for assistance under this
15 subsection and subsection (1) of this section.

16 (3) \$4,000,000 of the general fund—federal appropriation (CRF) is
17 provided solely for the department to assist homeowners at risk of
18 foreclosure pursuant to chapter 61.24 RCW. Funding must be used for
19 activities to prevent mortgage or tax lien foreclosures, housing
20 counselors, foreclosure prevention hotlines, low-income legal
21 services, mediation, and other activities that promote homeownership.
22 The department may contract with other state agencies to carry out
23 these activities.

24 (4) \$1,500,000 of the general fund—federal appropriation (CRF) is
25 provided solely for a contract with resolution Washington for
26 alternative dispute resolution centers and dispute resolution
27 programs to provide citizens with low-cost resolution as an
28 alternative to litigation. This funding must be prioritized for
29 resolution services relating to evictions.

30 (5) \$1,500,000 of the general fund—federal appropriation (CRF) is
31 provided solely for the department to contract with the office of
32 civil legal aid to provide services relating to evictions, housing,
33 and utilities.

34 (6) \$1,000,000 of the general fund—federal appropriation (CRF) is
35 provided solely for the department to contract with the office of the
36 attorney general for legal work relating to the eviction moratorium
37 extended in the governor's proclamation 20-19.5.

38 (7) (a) \$2,000,000 of the general fund—federal appropriation (CRF)
39 is provided solely for a program to provide grants to eligible

1 landlords who have encountered a significant financial hardship due
2 to loss of rental income from elective nonpayor tenants during the
3 state's eviction moratorium pursuant to the governor's proclamation.

4 (b) To be eligible for a grant under this subsection, a landlord
5 must:

6 (i) Apply for a grant or have a property manager or property
7 management company apply for a grant on behalf of a landlord;

8 (ii) Be the sole investor in the property from which they are
9 seeking rental arrears;

10 (iii) Be the owner of no more than (~~four~~) six dwelling units
11 from which they receive rental payments; and

12 (~~iv) ((Not contract with a property manager or property~~
13 ~~management company for duties or activities related to the tenancy or~~
14 ~~dwelling unit; and~~

15 ~~(v))~~ Have an elective nonpayor tenant who is in arrears in rent
16 or utilities or both.

17 (c) Eligible landlords may receive a grant of up to 80 percent of
18 the total amount of rent in arrears. The department must prioritize
19 landlords who have an income at or below 100 percent of the area
20 median income and who demonstrate a loss of rental income, to the
21 extent that funds are available.

22 (d) The department may inspect the property and the landlord's
23 records related to an application under the program, including the
24 use of a third-party inspector as needed to investigate fraud, to
25 assist in making its application review, and to determine
26 eligibility.

27 (e) A landlord who receives a grant under this section is
28 prohibited from:

29 (i) Taking any legal action against the tenant for damages
30 attributable to the same tenancy; or

31 (ii) Pursuing collection, or authorizing another entity to pursue
32 collection on the landlord's behalf, against the tenant for damages
33 attributable to the same tenancy.

34 (8) For the purposes of this section, the following definitions
35 apply:

36 (i) "Dwelling unit" has the meaning defined in RCW 59.18.030.

37 (ii) "Elective nonpayor" means a tenant who has been determined
38 to not be eligible for the federal or state emergency rental
39 assistance program or has not applied for the federal or state
40 emergency rental assistance program.

- 1 (iii) "Landlord" has the meaning defined in RCW 59.18.030.
2 (iv) "Owner" has the meaning defined in RCW 59.18.030.
3 (v) "Rent" has the meaning defined in RCW 59.18.030.
4 (vi) "Tenant" has the meaning defined in RCW 59.18.030."

5 Renumber the remaining sections consecutively and correct any
6 internal references accordingly.

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7 On page 1, line 8 of the title, after "1," strike "and"

8 On page 1, line 16 of the title, after "804" insert ", and 2021 c
9 3 s 3"

EFFECT: Revises eligibility for grants funded in chapter 3, Laws of 2021 (ESHB 1368, federal funding/COVID-19) to assist landlords with elective nonpayor tenants. Landlords who use a property manager are eligible. Eligibility limit on units owned by landlords is increased from 4 to 6 units. Allows property managers representing the landlord to apply for grant funding. These revisions to grant eligibility will apply to funds provided for this program in the 2021-2023 biennium.

EXPENDITURE EFFECT (2021-2023): \$0 Near General Fund—State/\$0 Total Funds

FOUR-YEAR OUTLOOK EXPENDITURE EFFECT: \$0 Near General Fund—State

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