
Housing, Human Services & Veterans Committee

HB 1904

Brief Description: Protecting tenants from excessive rent and related fees by providing at least six months' notice for rent increases over a certain amount, allowing tenants the right to terminate a tenancy, and limiting late fees.

Sponsors: Representatives Peterson, Morgan, Simmons, Chopp, Ormsby, Johnson, J., Ramel, Hackney, Frame, Riccelli, Lekanoff, Taylor, Bateman, Fitzgibbon, Macri, Harris-Talley and Pollet.

Brief Summary of Bill

- Requires landlords to provide at least 180 days and no more than 220 days' notice for rent increases over 3 percent.
- Allows a tenant to terminate a tenancy for any rent increase over 3 percent.
- Limits late fees to 1.5 percent of the tenant's monthly rent.

Hearing Date: 1/18/22

Staff: Serena Dolly (786-7150).

Background:

Residential Landlord-Tenant Act.

The Residential Landlord-Tenant Act (RLTA) regulates the relationship between residential landlords and tenants, including the duties of tenants and landlords and remedies for violations of those duties. With some statutory exceptions, the rental of a dwelling unit for living purposes is generally covered under the RLTA.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Rent increases.

Except for rental agreements governing subsidized tenancies, a landlord must provide each affected tenant a minimum of 60 days' prior written notice of an increase in the amount of rent, and any rent increase may not become effective before the end of the term of the rental agreement. For subsidized tenancies where the rental amount is based on the income of the tenant or circumstances specific to the subsidized household, the landlord must provide 30 days' prior notice of the rent increase, and the rent increase may become effective at the end of the rental term or sooner upon mutual consent.

Late fees.

A landlord may not charge late fees for rent that is paid within five days following its due date. If the rent is more than five days past due, the landlord may charge late fees commencing from the first day after the due date until paid. When late fees may be assessed after rent becomes due, the tenant may propose that the date rent is due per the rental agreement be altered to a different date of the month. The landlord must agree to such a proposal if it is submitted in writing and the tenant is able to demonstrate that his/her primary source of income is a regular, monthly source of governmental assistance that is not received until after the date rent is due per the rental agreement. The proposed due date may not be more than five days after the date the rent is due per the rental agreement.

Termination of tenancy.

A tenant who terminates a tenancy of a specified time, sometimes called a lease, prior to the end of the lease period is liable for rent until the end of the period, although the landlord is required to mitigate his or her damages by attempting to re-rent the unit at a fair rental price.

Alternatively, a dwelling unit may be rented for an indefinite time, from month to month or period to period. Such a tenancy is automatically renewed for another month or period until terminated by the landlord for causes specified under the RLTA or by the tenant by giving at least 20 days' written notice prior to the end of any of the months or periods of tenancy.

Summary of Bill:

A landlord may not increase a tenant's rent by more than 3 percent without providing written notice between 180 and 220 days before the increase takes effect. The written notice must inform the tenant, in clear language, that the tenant may terminate the tenancy at any point prior to the effective date of a rent increase, and the rent owed will be prorated to tenant's move-out date. A tenant who receives notice of a rent increase of more than 3 percent may terminate the tenancy at any point prior to the effective date of the increase, and the landlord must prorate the rent owed to the tenant's move-out date.

A tenant who is charged and pays rent reflecting an increase of more than 3 percent without receiving the required written notice may recover actual damages in the amount of the excess rent paid, and treble damages, costs, and reasonable attorneys' fees.

A landlord may not charge a tenant a fee for late payment of rent that exceeds 1.5 percent of the tenant's monthly rent.

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.