

FINAL BILL REPORT

HB 1975

C 273 L 22
Synopsis as Enacted

Brief Description: Concerning property management services provided to housing authority properties.

Sponsors: Representatives Wylie, Harris, Berry, Chopp, Stonier, Ryu, Peterson and Macri.

House Committee on Housing, Human Services & Veterans
Senate Committee on Housing & Local Government

Background:

A public housing authority (PHA) is an independent municipal corporation established to provide safe and affordable rental housing for low-income individuals, families, senior citizens, and people with disabilities. A PHA must be activated by a resolution of the governing body of a city or county, and a PHA's boundaries are coextensive with the creating city or county, unless established as a joint housing authority comprised of two or more jurisdictions. With some exceptions, PHAs are governed by a five-member commission appointed by a city's mayor or a county's commissioners.

While PHAs are created under state law, they primarily serve as a conduit for federally funded housing programs, such as tenant-based vouchers and publicly owned housing. The PHAs also own and operate other rental housing, such as emergency and transitional housing, senior housing, and properties funded through low-income housing tax credits. The PHAs have no taxing authority, and a majority of their funding is provided by the federal government.

All PHAs are subject to alternative public works contracting procedures and prevailing wage requirements for public works under state law, except when federal law or regulations preempt such requirements or authorize alternative requirements or procedures.

Summary:

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.

A PHA may contract with a property management services company to operate a housing project. Rental and other project revenues collected by a property management services company from the housing project's tenants and used to pay administrative operating and ordinary maintenance costs must be treated as private funds until net operating revenues are distributed to the PHA for its use and control.

Ordinary maintenance includes only routine repairs related to unit turnover work, grounds and parking lot upkeep, and repairs and cleaning work needed to keep the property in a clean, safe, sanitary, and rentable condition that is customarily administered by residential property management services companies. Ordinary maintenance specifically excludes replacement capital repairs or regularly scheduled maintenance work on plumbing, electrical, or heating, ventilating, air conditioning, and refrigeration (HVAC/R) systems or their components.

Votes on Final Passage:

House	96	1	
Senate	47	1	(Senate amended)
House	97	1	(House concurred)

Effective: June 9, 2022