
Civil Rights & Judiciary Committee

HB 2047

Brief Description: Concerning fair housing training for officers or board members in common interest communities.

Sponsors: Representatives Entenman, Orwall, Ormsby, Macri, Peterson, Simmons and Pollet.

Brief Summary of Bill

- Imposes a training requirement about federal and state fair housing laws on officers and board members of a common interest community (CIC).
- Requires an officer or board member to provide the association for a CIC a certificate of completion or an affidavit that verifies that the required training was completed.
- Requires an association to maintain all certificates and affidavits for at least five years.

Hearing Date: 1/26/22

Staff: Matt Sterling (786-7289).

Background:

Fair Housing and Law Against Discrimination.

Generally, the federal Fair Housing Act (FHA) protects people from discrimination because of race, color, national origin, religion, sex (including gender, gender identity, sexual orientation, and sexual harassment), familial status, or disability when they are renting or buying a home, getting a mortgage, seeking housing assistance, or engaging in other housing-related activities. The FHA is enforced by the United States Department of Housing and Urban Development. The Washington Law Against Discrimination, which is substantially similar to the FHA, is enforced by the state Human Rights Commission. Anyone who has been harmed by a housing action may

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file a complaint. Fair housing laws also protect anyone who is harmed because of association with guests, relatives, friends, roommates, subtenants or others in any of the protected categories.

Common Interest Communities.

A common interest community (CIC) is a form of real estate in which each unit owner or homeowner has an exclusive interest in a unit or lot and a shared or undivided interest in common area property. In Washington, several statutes govern residential CICs, such as condominiums, cooperatives, leasehold CICs, miscellaneous communities, and plat communities, sometimes referred to as homeowners' associations.

The Washington Uniform Common Interest Ownership Act (WUCIOA) took effect July 1, 2018, and is applicable to CICs created after that date or any CIC created prior to the effective date that chooses to opt-in to the WUCIOA. The WUCIOA contains comprehensive provisions addressing the management of property under its jurisdiction. Otherwise, CICs created before July 1, 2018, remain subject to the following acts, which generally leave much of the working of a CIC to the governing documents:

- the Horizontal Property Regimes Act, which applies to residential condominiums created on or before July 1, 1990;
- the Washington Condominium Act, which applies to condominiums created after July 1, 1990; and
- the Homeowners' Association Act, which provides a framework for the formation and legal administration of homeowners' associations.

Management and Duties of Common Interest Communities.

A CIC is administered by an association of unit owners or a homeowners' association consisting of property owners and homeowners within the CIC. An association of unit owners derives its authority from the declaration of covenants, conditions, and restrictions, the association's bylaws and articles of incorporation, and the deeds to the property within a development.

The primary functions of a unit owners' association include: managing and maintaining common areas, such as parks, roads, and community centers, for the benefit of the community; imposing and collecting assessments on unit owners; and enforcing restrictive covenants that govern the community. In addition, a unit owners' association may adopt rules and regulations concerning property use in the community and impose fines for violations of those rules.

Generally, the qualifications of any officer or board member of the association include being a unit owner, as well as any requirements imposed by the organizing documents or the board. The board and officers for an association generally have the authority to act on behalf of the association. In performing their duties, officers and board members must exercise a degree of care and loyalty to the association and are subject to the conflict of interest rules and immunity from liability available to officers and directors applicable to a corporation. The standards of care and loyalty, and conflict of interest rules and immunity apply regardless of the form in which the association is organized.

Summary of Bill:

The Washington Uniform Common Interest Ownership Act, Horizontal Property Regimes Act, Washington Condominium Act, and Homeowners' Association Act all are amended with a new section requiring officers and board members to complete certain training. All officers and board members must complete a training course regarding state and federal fair housing laws within 60 days of taking office or being elected to the board and then again at least every three years while they serve on the board.

Upon completion of the training, the officer or board member must provide to the association a certificate that lists the entity that provided the training, a brief description of the training, and verifies that the training was completed. If no certificate is available, the officer or board member may verify the completion of the training by submitting an affidavit that contains the required information. All certificates and affidavits provided to an association must be kept as part of the association's records for at least five years.

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.