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SUBSTITUTE HOUSE BILL 1335

State of Washington 67th Legislature 2021 Regular Session

By House Local Government (originally sponsored by Representatives Valdez, Rude, Berry, Fitzgibbon, Morgan, Santos, Shewmake, Davis, Berg, Gilday, Bergquist, Fey, Bateman, Lekanoff, Lovick, Callan, Riccelli, Rule, Pollet, Senn, and Harris-Talley)

READ FIRST TIME 02/09/21.

- AN ACT Relating to review and property owner notification of recorded documents with unlawful racial restrictions; adding a new section to chapter 43.330 RCW; adding a new section to chapter 64.06 RCW; making appropriations; and providing an expiration date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 43.330 7 RCW to read as follows:
 - (1) Subject to the availability of amounts appropriated for this specific purpose, the department shall establish and administer a grant program to review existing recorded covenants and deed restrictions to identify those recorded documents that include racial or other restrictions unlawful under RCW 49.60.224 and provide notice to property owners of such restrictions.
 - (2) The department shall establish a process for accepting grant applications from public and private not-for-profit higher education institutions that are regionally accredited, including application guidelines and deadlines. The department shall begin awarding grants no later than January 1, 2022.
 - (3) The higher education institutions selected to participate in the grant program shall review existing recorded covenants and deed restrictions to identify those recorded documents that include racial

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- or other restrictions on property ownership or use against protected 1 classes that are unlawful under RCW 49.60.224. Higher education 2 institutions shall provide notification to each property owner who 3 owns property subject to such racial or other unlawful restrictions 4 and the county auditor of the county within which the restrictions 5 6 were found. Selected higher education institutions are encouraged to 7 utilize students, including law and graduate students, to complete the requirements of the grant program as part of educational and 8 9 training programs.
- 10 (4) This section expires July 1, 2027.
- NEW SECTION. Sec. 2. (1) The sum of \$475,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2022, from the general fund to the department of commerce for the purposes of this act. (2) The sum of \$475,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2023, from the general fund to the department of commerce for the purposes of this act.
- NEW SECTION. Sec. 3. A new section is added to chapter 64.06 19 RCW to read as follows:
- 20 Realtors shall provide notice of any recorded covenant or deed 21 restriction that includes racial or other restrictions on property 22 ownership or use against protected classes that are unlawful under 23 RCW 49.60.224 to purchasers of real property at the time of sale.

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