

# *Understanding Washington's New Protection from Source of Income Discrimination*

*Featuring  
Scott Crain,  
Staff Attorney  
Northwest Justice Project*

*Dimitri Groce,  
Member Organizer*



# Overview & format

- Brief review of HB 2578
- Q&A format with Scott and Adam; participant questions
- Major topics:
  1. Where and to whom does the law apply
  2. Red-flags & legal reasons for a landlord to deny an application
  3. Mandatory inspections and the Landlord Mitigation Fund
  4. Income-eligibility, requesting additional info, and the income-calculator
  5. How the law interacts with other anti-discrimination laws

# Brief review of HB 2578

- Outlaws discrimination based on “source of income”.
- Includes an income calculator provision to ensure that rental assistance and public benefits don’t count against a tenant.
- Ensures that tenants are not denied because of the cost of an inspection that may be connected to their rental assistance through the Landlord Mitigation Fund.
- Landlord Mitigation Fund also serves as a deposit for damage beyond typical “wear-and-tear” for landlords who rent to tenants with rental assistance.
- Residential Landlord Tenant Act; tenants can up to 4.5X monthly rent, court costs, and reasonable attorney fees.
- Went into effect September 30<sup>th</sup>, 2018.



# *“Where does the law apply?”*

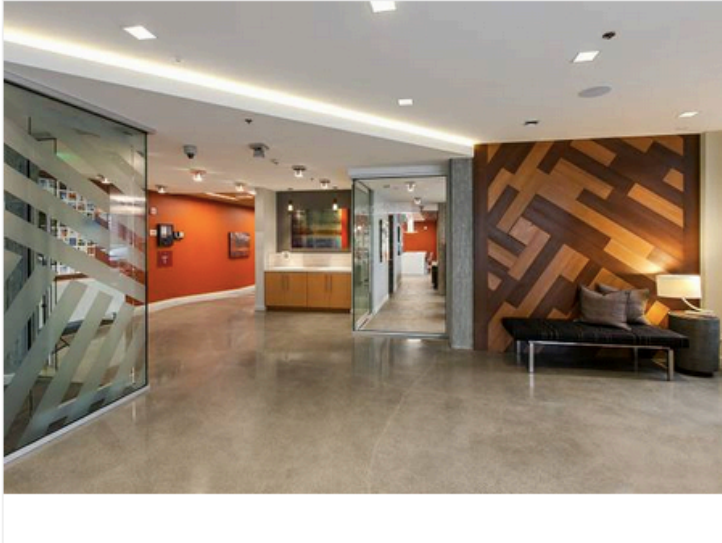
- Which landlords does the law apply?
- What types of housing does the law cover?
- What kind of lease agreements or term lengths does the law cover?
- Some rental assistance programs can vary from month to month, or are short-term. Does the law still apply?



WASHINGTON LOW INCOME  
**Housing Alliance**

# Red-flags

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(Queen Anne, Belltown, SLU)



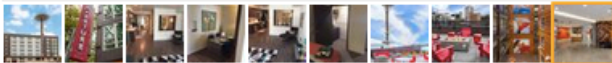
1BR / 1Ba 848ft<sup>2</sup> available now

cats are OK - purrr  
dogs are OK - woof  
no smoking  
wheelchair accessible  
apartment  
w/d in unit  
attached garage

X No Section 8

X Employer  
preference or incentives

*“What if the listed cost of  
rent is changed after  
submitting an  
application?”*



Up to 6 Weeks FREE!

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*“What are legal reasons a landlord can deny an application?”*

Applied uniformly and listed in advance, legal screening criteria can consist of:

- Screening fees
- Social security number
- Credit rating
- Rental history
- Evictions
- Criminal record



# *“Is a mandatory inspection or costs associated with an inspection a lawful reason to deny or reject an application?”*

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 43.31  
2    RCW to read as follows:

3        (1) Subject to the availability of funds for this purpose, the  
4    landlord mitigation program is created and administered by the  
5    department. The department shall have such rule-making authority as  
6    the department deems necessary to administer the program. The  
7    following types of claims related to landlord mitigation for renting  
8    private market rental units to low-income tenants using a housing  
9    subsidy program are eligible for reimbursement from the landlord  
10   mitigation program account:

11        (a) Up to one thousand dollars for improvements identified in  
12   section 1(1)(a) of this act. In order to be eligible for  
13   reimbursement under this subsection (1)(a), the landlord must pay for  
14   the first five hundred dollars for improvements, and rent to the  
15   tenant whose housing subsidy program was conditioned on the real  
16   property passing inspection. Reimbursement under this subsection  
17   (1)(a) may also include up to fourteen days of lost rental income  
18   from the date of offer of housing to the applicant whose housing  
19   subsidy program was conditioned on the real property passing  
20   inspection until move in by that applicant;

21        (b) Reimbursement for damages as reflected in a judgment obtained  
22   against the tenant through either an unlawful detainer proceeding, or  
23   through a civil action in a court of competent jurisdiction after a  
24   hearing;

25        (c) Reimbursement for damages established pursuant to subsection  
26   (2) of this section; and

27        (d) Reimbursement for unpaid rent and unpaid utilities, provided  
28   that the landlord can evidence it to the department's satisfaction.

## Accessing the Landlord Mitigation Fund:

- After paying first \$500, qualify for up to \$1000 to meet inspection improvements
- Reimbursement for up to 2-weeks lost rent due to delayed move-in because of an inspection
- Reimbursement up to \$5000 for damages beyond “wear-and-tear”, unpaid rent or utilities

*“Does a landlord have the right to request other info about how the tenant will pay for necessities, and reject a tenant based on that?”*

## Income calculator– tenant is only responsible to prove their income for their portion of the rent

Landlord Requires Tenant Income be 3x the Level of Rent or More  
Renter A Qualifies for Housing

Renter Income:	\$600 per month
Rent:	\$1,000 per month
Value of rental or income assistance	\$800 per month
Landlord's income requirement:	3 times the amount of rent after the subsidy is subtracted from rent total = \$200 per month x 3 (\$600/month). Tenant Qualifies.



*“The federal Fair Housing Act and state law prevent discrimination based on certain protected classes of people...”*


- Does this law create a new protected class of people?
- Can a tenant take separate actions based on violations of the law and the Fair Housing Act?
- If a local ordinance was already in place, which law takes precedence?



*“A landlord can choose not to renew a lease at the end of the lease terms. Will they be in violation to the law if this is based on a tenant’s source of income?”*

- ✓ Which landlords does the law apply?
- ✓ What types of housing does the law cover?
- What kind of lease agreements or term lengths does the law cover?
- ✓ Some rental assistance programs can vary from month to month, or are short-term. Does the law still apply?

Building the movement to ensure that everyone in Washington has the opportunity to live in a safe, healthy, affordable home.

 WASHINGTON LOW INCOME Housing Alliance

[www.wliha.org](http://www.wliha.org) [/wliha](https://www.facebook.com/wliha) [@wliha](https://twitter.com/wliha)

### 2019 Washington State Affordable Housing and Homelessness Legislative Priorities

#### Create Affordable Homes

**Invest \$200 million in the Housing Trust Fund.**

There is a serious and urgent need for more affordable homes all across Washington. Currently, 71% of renters with extremely low incomes pay more than half their income in rent, leaving little left over for the basics like food, transportation, and childcare. The Housing Trust Fund is Washington's most effective tool for creating affordable homes, but it has been considerably underfunded in recent years. Significantly increasing the investment in the Housing Trust Fund will enable communities to build safe, healthy, affordable homes that are guaranteed to be affordable for at least 40 years.

#### Help Local Communities House More People, Sooner

**Allow local communities to retain a portion of the state's sales tax to invest directly into affordable homes.**

Local communities need significant resources that they can couple with state and federal dollars to build more affordable homes, **now**. Allowing local jurisdictions to keep a portion of the tax dollars they already collect and use them to build affordable homes is a smart use of existing resources. Allowing communities to bond against these dollars ensures a significant infusion of housing capital.

#### Prevent Homelessness By Reducing Evictions

**Implement eviction reform and require cause to terminate tenancy.**

As a key strategy for preventing homelessness, Washington must provide more protections for renters to help keep them in their homes. Reforming the eviction process to increase the time a tenant has to pay the rent will significantly reduce evictions and homelessness, while also reducing court costs and attorney's fees accrued from the eviction system. Additionally, limiting tenancy termination notices to legitimate business reasons will protect tenants from housing discrimination, retaliation, and displacement.

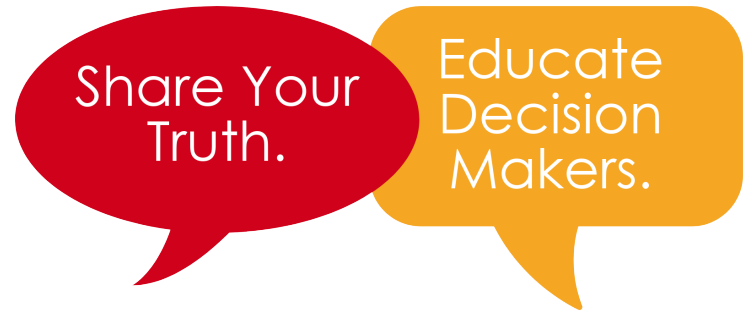
#### Expand Washington's Lifeline for Adults with Disabilities

**Significantly increase the Housing and Essential Needs rental assistance program.**

Rents are out of reach for many in Washington. Adults experiencing a short or long-term physical or mental health disability are in dire need of rental assistance, and the demand has far outpaced the funding for this critical program. In many communities, all available rental assistance funds have been dispersed, as many people in need sit on waiting lists. Washington must increase funding for the Housing and Essential Needs rental assistance program in the next biennial budget.

# Thank you!

- Get help at [nwjustice.org/apply-online](http://nwjustice.org/apply-online)
- Learn more about the Landlord Mitigation Fund at [commerce.wa.gov/building-infrastructure/housing/landlord-mitigation-program/](http://commerce.wa.gov/building-infrastructure/housing/landlord-mitigation-program/)
- Upcoming Learn at Lunch Webinars: <http://wliha.org/resources/webinars-and-tools>



Find out how to share your story at [wliha.org](http://wliha.org)

Contact [dimitrig@wliha.org](mailto:dimitrig@wliha.org) or [michele@wliha.org](mailto:michele@wliha.org)



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