

Multiple Agency Fiscal Note Summary

Bill Number: 5222 S SB	Title: Residential tenants
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Estimated Cash Receipts

NONE

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts	Fiscal note not available					
Loc School dist-SPI						
Local Gov. Other						
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Administrative Office of the Courts	Fiscal note not available											
Office of Attorney General	1.3	585,000	585,000	585,000	.2	72,000	72,000	72,000	.2	72,000	72,000	72,000
Department of Commerce	.4	504,366	504,366	504,366	.2	68,207	68,207	68,207	.0	0	0	0
Department of Commerce	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Total \$	1.7	1,089,366	1,089,366	1,089,366	0.4	140,207	140,207	140,207	0.2	72,000	72,000	72,000

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	Fiscal note not available								
Loc School dist-SPI									
Local Gov. Other			1,808						
Local Gov. Other	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Local Gov. Total			1,808						

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	Fiscal note not available								
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	Fiscal note not available								
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Val Terre, OFM	Phone: (360) 280-3073	Date Published: Preliminary 2/28/2025
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Individual State Agency Fiscal Note

Bill Number: 5222 S SB	Title: Residential tenants	Agency: 100-Office of Attorney General
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.8	0.7	1.3	0.2	0.2
Account					
General Fund-State 001-1	455,000	130,000	585,000	72,000	72,000
Total \$	455,000	130,000	585,000	72,000	72,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Bill Fosbre	Phone: 360-786-7531	Date: 02/20/2025
Agency Preparation: Cassandra Jones	Phone: 360-709-6028	Date: 02/25/2025
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 02/25/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/25/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1: New section. Legislative findings.

Part I – Residential Landlord-Tenant Act

Section 101: New section. Prohibits a landlord from increasing rent and fees for any type of tenancy during the first 12 months after the tenancy begins and during any 12-month period in an amount greater than seven percent, with exemptions. Allows a tenant to terminate the rental agreement, with notice, if the landlord increases rent and fees above the allowable amount based on an exemption. Provides that landlords in violation of this section are liable for damages and attorneys' fees. Allows a local government to adopt policies, ordinances, or other regulations to enforce the Act.

Section 102: New section. Contains exemptions from the prohibition on rent increases.

Section 103: New section. Specifies the form for rental increase notices that landlords must use.

Section 104: New section. Legislative findings.

Section 105: New section. Requires the Department of Commerce (Commerce) to create an online landlord resource center to distribute information to landlords about available programs and resources. Requires the Attorney General's Office (AGO) to publish model lease provisions regarding rent and fee increases that comply with the chapter. Requires the model lease provisions be published in at least ten languages. Requires the AGO to publish the first version of the model lease provisions by January 1, 2026, and periodically publish new versions as necessary to incorporate changes in law.

Section 106: Amends RCW 59.18.140. Adds a provision requiring a landlord that intends to increase rent and fees by three percent or greater to provide written notice to affected tenants at least 180 days before the effective date of the increase.

Section 107: Amends RCW 59.18.270. Adds a provision limiting the amount a landlord may charge a tenant for move-in fees or security deposits to no more than one month's rent.

Section 108: Amends RCW 59.18.170. Adds a provision prohibiting late fees greater than one and a half percent of the tenant's total rent per month.

Part II – Manufactured/Mobile Home Landlord-Tenant Act

Section 201: New section. Prohibits a landlord from increasing rent and fees for any type of tenancy during the first 12 months after the tenancy begins and during any 12 month period in an amount greater than seven percent, with exemptions. Allows a tenant to terminate the rental agreement, with notice, if the landlord increases rent and fees above the allowable amount based on an exemption. Provides that landlords in violation of this section are liable for damages and attorneys' fees. Allows a local government to adopt policies, ordinances, or other regulations to enforce the Act.

Section 202: New section. Contains exemptions from the prohibition on rent increases.

Section 203: New section. Specifies the form for rental increase notices that landlords must use.

Section 204: New section. Legislative findings.

Section 205: Amends RCW 59.20.090. Adds a provision requiring a landlord that intends to increase rent and fees by three percent or greater to provide written notice to affected tenants at least 180 days before the effective date of the increase.

Section 206: Amends RCW 59.20.170. Adds a provision limiting the amount a landlord may charge a tenant for move-in fees or security deposits to no more than one month's rent. Removes language relating to interest accruing on deposit amounts.

Section 207: Amends RCW 59.20.060. Adds language specifying when a landlord may charge fees for late rent and limits fees to one and a half percent of the tenant's total rent per month.

Section 208: Amends RCW 59.20.030. Adds a definition for "rent" or "rental amount."

Part III – Miscellaneous

Section 301: New section. Emergency clause.

Section 302: New section. Severability clause.

Section 303: New section. Requires Commerce to contract with an independent third party to carry out a social vulnerability assessment of the impacts of the Act. Makes the assessment due to the Legislature by June 30, 2028.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

The Attorney General's Office (AGO) Consumer Protection Division (CPR) activities require General Fund-State. CPR enforces the Consumer Protection Act (CPA) against entities who violate RCW 19.86.020, which broadly prohibits unfair or deceptive acts or practices in trade or commerce. CPR's focus is on holding businesses and individuals accountable for conduct that misleads consumers.

The AGO's Policy Division (POL) activities are funded with General Fund-State. No cash receipt impact. There is no client agency to bill for legal services.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

This bill is assumed effective immediately.

Location of staffing is assumed to be in a King County office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA) is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL1) and 0.4 MA.

1. Assumptions for the AGO Consumer Protection Division (CPR) Legal Services:

CPR activities require General Fund-State. CPR enforces the Consumer Protection Act (CPA) against entities who violate RCW 19.86.020, which broadly prohibits unfair or deceptive acts or practices in trade or commerce. CPR's focus is on holding businesses and individuals accountable for conduct that misleads consumers.

CPR assumes an initial period of investigation and enforcement activity to monitor and encourage compliance, followed by a high degree of compliance with the bill. Specifically with respect to The Manufactured Mobile Home Landlord-Tenant Act (MHLTA) amendments, CPR assumes potential impacts to the program will be offset by an expected reduction in the number of complaints regarding rental increases in manufactured mobile home lots.

CPR Total workload hours:

FY 2026 and FY 2027: 360 hours for AAG, 360 hours for Senior Investigator Analyst (INV), and 180 hours for PL1

CPR: Total King County workload impact:

FY 2026 and FY 2027: \$94,000 for 0.2 AAG, 0.2 INV, and 0.1 PL1

2. Assumptions for the AGO Policy Division (POL) Legal Services:

The AGO will assign a 1.0 Policy Analyst FTE (PA) to do research, consultation for the model lease provisions regarding rent and fee increases, and complete and publish the final product. Hard copy version of the model lease will cost \$150,000. Language translation for the top ten spoken languages will cost \$20,000. The AGO will need to periodically update the model lease in response to changes in the law. This estimates that workload for updating will be 10 percent of the initial workload.

POL: Total workload hours:

FY 2026: 1,800 hours for PA

FY 2027 and in each FY thereafter: 180 hours for PA

POL: Total King County Workload impact:

FY 2026: \$361,000 for 1.0 PA which includes direct costs of \$170,000

FY 2027 and in each FY thereafter: \$36,000 for 0.1 PA which includes direct costs of \$17,000

3. The AGO Agriculture and Health Division (AHD) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Department of Commerce (Commerce). Nominal AAG hours of advice are anticipated in assisting the client in establishing the on-line landlord resources center under Section 105 and contracting under Section 303 for a social vulnerability assessment. New legal services are nominal, and costs are not included in this request.

Total AGO workload hours:

FY 2026: 360 hours for AAG, 360 hours for INV, 180 hours for PL1, and 1,800 hours for PA

FY 2027: 360 hours for AAG, 360 hours for INV, 180 hours for PL1, and 180 hours for PA

FY 2028 and in each FY thereafter: 180 hours for PA

Total AGO workload impact:

FY 2026: \$455,000 for 0.2 AAG, 0.2 INV, 0.1 PL1, and 1.0 PA which includes direct costs of \$170,000

FY 2027: \$130,000 for 0.2 AAG, 0.2 INV, 0.1 PL1, and 0.1 PA which includes direct costs of \$17,000

FY 2028 and in each FY thereafter: \$36,000 for 0.1 PA which includes direct costs of \$17,000

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	455,000	130,000	585,000	72,000	72,000
Total \$			455,000	130,000	585,000	72,000	72,000

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.8	0.7	1.3	0.2	0.2
A-Salaries and Wages	194,000	77,000	271,000	26,000	26,000
B-Employee Benefits	57,000	23,000	80,000	8,000	8,000
C-Professional Service Contracts	170,000	17,000	187,000	34,000	34,000
E-Goods and Other Services	32,000	12,000	44,000	4,000	4,000
G-Travel	2,000	1,000	3,000		
Total \$	455,000	130,000	585,000	72,000	72,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
Assistant Attorney General-King County	139,558	0.2	0.2	0.2		
Management Analyst 5	98,040	0.3	0.1	0.2	0.1	0.1
Paralegal 1-King County	74,700	0.1	0.1	0.1		
Policy Analyst-King County	110,000	1.0	0.1	0.6	0.1	0.1
Senior Investigator-King County	108,156	0.2	0.2	0.2		
Total FTEs		1.8	0.7	1.3	0.2	0.2

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Consumer Protection Division (CPR)	94,000	94,000	188,000		
Policy Division (POL)	361,000	36,000	397,000	72,000	72,000
Total \$	455,000	130,000	585,000	72,000	72,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5222 S SB	Title: Residential tenants	Agency: 103-Department of Commerce
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.5	0.4	0.4	0.2	0.0
Account					
General Fund-State 001-1	286,159	218,207	504,366	68,207	0
Total \$	286,159	218,207	504,366	68,207	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Bill Fosbre	Phone: 360-786-7531	Date: 02/20/2025
Agency Preparation: John Triance	Phone: 360-725-2828	Date: 02/26/2025
Agency Approval: Paul Bitar	Phone: 3607014882	Date: 02/26/2025
OFM Review: Marie Davis	Phone: (360) 890-1163	Date: 02/27/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

- The substitute version of SB 5222 makes the following changes relative to the original version:
- Changes the wording of one of the landlord exemptions under Section 103.
 - Fixes a date applicable to the Office of the Attorney General under Section 105(2)(d).
 - Changes the date of the assessment due to the legislature from December 1, 2027 to June 30, 2028.
 - Changes the expiration date of Section 303 from July 1, 2028 to July 1, 2029.

The changes in the substitute do not affect Commerce's original estimate of the costs of this bill.

Section 105 - Requires The Department of Commerce (Department) to establish an online landlord resource portal that hosts resources from two Department programs: the Landlord Mitigation Program (RCW 43.31.605) and the Low-Income Residential Weatherization Program (Chapter 70A.35). The portal would host additional resources from other agencies.

Designing, launching, and maintaining the landlord resource portal would have a fiscal impact.

Section 303 - Requires the Department to contract with a third-party to conduct a Social Vulnerability Impact assessment, measuring the following consequences of the bill: measuring impacts to existing tenancies, measuring impacts to the social vulnerability of immutable characteristic subpopulations and/or housing cost-burdened subpopulations, evaluating impacts on new or transitioning renters due to the bill's rent caps, assessing impacts on other rental markets such as short-term or vacation rentals, and evaluating impacts on state-owned or state-funded or state-run housing units.

Staffing and procurement for this project and contracting for third-party services would have a fiscal impact.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

No cash receipts impact.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Section 105 - Requires the landlord resource portal be implemented. Analysis assumes that it will be hosted on the Department of Commerce's existing website within the existing page hierarchy.

Design and implementation of portal

FY26- 0.10 FTE Commerce Specialist 3
FY27- FY31 No impact

Maintenance of portal

FY26-FY31 No impact

Section 303 - Requires the Department to contract with a third-party for the Social Vulnerability Assessment. Requires submission of the assessment by June 30, 2028. Analysis assumes that no budget appropriations will be provided to cover the expense of the Social Vulnerability Assessment based on bill as written.

Project management of the Social Vulnerability Assessment

FY26-FY28 0.25 Management Analyst 4
FY26-FY28 0.10 WMS3
FY29-FY31 No impact

Estimated procurement cost based on bill's requirements

The Department is unsure whether the timeline for the study due date will allow for meaningful data analysis to determine the impacts of the bill. Variables include deliverables in the study and required consultant hours. For illustrative purposes, the Department identified a recent consultant contract with a comparable scope and timeframe and adjusted it based on inflationary factors. The best estimate is \$300,000 - \$350,000. However, the exact cost is indeterminate.

COST SUMMARY

0.10 FTE Commerce Specialist 3 (209 annual hours) for FY26 to help design, test, and implement the resource portal.
0.25 FTE Management Analyst 4 (522 annual hours) for FY26 through FY28 for project management
0.10 FTE Washington Management Services Band 3 (209 annual hours) for FY26 through FY28 for project management

Salaries and Benefits:

FY26: \$59,638
FY27-FY28: \$47,786 per fiscal year

Professional Services:

FY26: \$200,000
FY27: \$150,000

Goods and Other Services:

FY26: \$6,450
FY27-FY28: \$4,350 per fiscal year

Travel:

FY26: \$450
FY27-FY28: \$350 per fiscal year

Intra-agency Reimbursements:

FY26: \$19,621
FY27-FY28: \$15,721 per fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training. Attorney General costs, and agency administration. Intra-agency administration/Reimbursement costs (e.g., payroll, HR, IT funded under a federally approved cost allocation plan).

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TOTAL COSTS:

FY26: \$286,159
FY27: \$218,207

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	286,159	218,207	504,366	68,207	0
Total \$			286,159	218,207	504,366	68,207	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.5	0.4	0.4	0.2	
A-Salaries and Wages	45,329	36,450	81,779	36,450	
B-Employee Benefits	14,309	11,336	25,645	11,336	
C-Professional Service Contracts	200,000	150,000	350,000		
E-Goods and Other Services	6,450	4,350	10,800	4,350	
G-Travel	450	350	800	350	
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	19,621	15,721	35,342	15,721	
9-					
Total \$	286,159	218,207	504,366	68,207	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
Commerce Specialist 3	88,794	0.1		0.1		
Management Analyst 4	88,794	0.3	0.3	0.3	0.1	
Washington Management Service Band 3	142,511	0.1	0.1	0.1	0.1	
Total FTEs		0.5	0.4	0.4	0.2	0.0

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Housing Division (400)	286,159	218,207	504,366	68,207	
Total \$	286,159	218,207	504,366	68,207	

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

No capital budget impact.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5222 S SB

Title: Residential tenants

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

☒ Cities: Cities that currently regulate tenancies at the local level would need to amend their codes, if in conflict.

☐ Counties:

☐ Special Districts:

☒ Specific jurisdictions only: Seattle, Auburn, Burien, Tacoma, and Olympia

☐ Variance occurs due to:

Part II: Estimates

☐ No fiscal impacts.

☒ Expenditures represent one-time costs: Ordinance adoption and accompanying analysis.

☒ Legislation provides local option: Local governments have the option to adopt policies, ordinances, or other regulations to enforce this act.

☒ Key variables cannot be estimated with certainty at this time: The number of local governments that will adopt rent stabilization ordinances.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Jurisdiction	FY 2026	FY 2027	2025-27	2027-29	2029-31
City	1,808		1,808		
TOTAL \$	1,808		1,808		
GRAND TOTAL \$					
	1,808				

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Hailey Brown	Phone: 360-725-5035	Date: 02/24/2025
Leg. Committee Contact: Bill Fosbre	Phone: 360-786-7531	Date: 02/20/2025
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/24/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/24/2025

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

- Modifies certain language in the notice form related to the exemption for single-family owner-occupied residences in which the owner-occupant rents or leases no more than two units or bedrooms.
- Corrects the date the Attorney General's Office is required to publish model lease provisions to January 1, 2026, instead of January 1, 2025.
- Extends the due date of the social vulnerability assessment from December 1, 2027, to June 30, 2028, and extends the expiration date for the assessment from July 1, 2028, to July 1, 2029.

SUMMARY OF CURRENT BILL:

This bill establishes rent stabilization policies in the state of Washington. These policies would limit rent, and fee increases to seven percent during any 12-month period and prohibits rent and fee increases during the first 12 months of a tenancy for tenants subject to the Residential Landlord-Tenant Act and the Manufactured/Mobile Home Landlord-Tenant Act with certain exemptions for public housing authorities, public development authorities, and certain nonprofit entities described in Sec. 102. A local government may adopt policies, ordinances, or other regulations to enforce the bill.

Sec. 301 contains an emergency clause which takes effect immediately.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Changes do not alter the original impact analysis.

EXPENDITURE IMPACTS OF CURRENT BILL:

This legislation provides cities and counties an option to adopt policies, ordinances, or other regulations to enforce the legislation. Currently, there are five cities that regulate tenancies: Seattle, Auburn, Burien, Tacoma, and Olympia. These cities will need to review their codes to determine if they are in conflict with the legislation. The Local Government Fiscal Note Program's (LGFN) cost model estimates the average professional compensation at the local level to be \$72.33 per hour, including benefits and overhead. Costs to local governments would depend upon the staff time required for each affected local government to review their code. For illustrative purposes, the city of Olympia estimates city staff would need up to 5 hours for code review at a total cost of \$1,808.25 as follows:

$$\$72.33 \times 5 \text{ hours} \times 5 \text{ cities} = \$1,808.25$$

Additional staff costs would be required if the code needed to be amended as follows:

The typical cost to adopt an ordinance per jurisdiction ranges from \$675 for a simple ordinance to \$6,775 for a complex ordinance. These costs include costs for draft ordinances, advisory commission meeting and recommendation, finalized ordinance, publication of ordinance, and general public information. The LGFN program has determined this ordinance to be complex. However, since there is currently no requirement to adopt new ordinances under this legislation, these costs are speculative and indeterminate for those jurisdictions that do not currently regulate tenancies.

Note: These cost estimates are for only one meeting or staff report, more complex ordinances would likely require more meetings and potentially more staff reports. There would be further costs associated with enforcing or executing the ordinance. These costs are indeterminate.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Changes do not alter the original impact analysis.

REVENUE IMPACTS OF CURRENT BILL:

This legislation would not impact local government revenues.

SOURCES

Association of Washington Cities (AWC)

City of Olympia

Local Government Fiscal Note Program (LGFN) 2025 Unit Cost Model

Municipal Research and Services Center (MRSC)

Washington State Association of Counties (WSAC)

Washington State Senate Bill Analysis, SSB 5222 (2025)