ACTION ALERT!

OPPOSE SB 5435– Rent Control Bill

Friday, January 27 at 10:30 a.m.

Urging all Members to Come to Olympia to OPPOSE Rent Control bill

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SB 5435

For those coming to Olympia to testify in person we will be meeting in the **Legislative Building** at the **State Seal** from **8:30 a.m**. to **9:00 a.m**. and then the **JA Cherberg Building** – **Conference Rooms A, B** & **C**

SB 5435 – Rent Control – Concerning residential rent increases under the residential landlord-tenant act and the manufactured/mobile home landlord-tenant act.

- Applies to both residential housing and manufactured home communities.
- Prohibits a landlord from increasing the rent more than the CPI-U or 3%, whichever is greater, up to a maximum or 7%. Commerce is required to calculate and publish the maximum annual rent increase percentage.
- Contains a VERY complicated "banking" process to carry forward the ability to give an increase later if not given in that year.
- Prohibits a landlord from increasing the rent in the first 12 months of a tenancy.
- "Rent increase" is defined to include any new charges added to a rental agreement that were not identified in the initial rental agreement. For example, new parking, utility, or other charges.
- Requires a landlord that increases rent above the limit to include facts supporting the exemption in the written notice of the rent increase.
- Creates a private cause of action for a tenant to recover actual damages, punitive damages equal to 3 months' rent, and reasonable attorneys' fees and costs.
- Provides the following exemptions from the maximum annual rent increase limit:
    - Dwelling units that are less than 10 years old;
    - Tenancies for which the landlord is required to reduce rent to 30% or less of the tenant's income because of a federal, state, or local program or subsidy;

- If a landlord has paid for improvements costing more than 4 months' rent...
- If a landlord is experiencing significant hardship in complying with rent control due to a disparity between the local costs for providing housing and the statewide costs, the landlord may request an individual exemption from Commerce.

Sponsors: *Senators Trudeau, Saldaña, Frame, Hunt, Keiser, Kuderer, Lovelett, Nguyen, Robinson, Stanford, Wilson, C.*

STATUS SB: **Senate Housing Committee**
Hearing: Friday, January 27 at 10:30 a.m.
JA Cherberg Building Room 4

- **Testify in-person**, click here
- **Testify virtually**, click here
- To Submit **written testimony,** click here
- To Provide opposition to be noted for the legislative record, click here

Please note that you must sign in **1 hour before the hearing** to **testify** or **provide position** to be placed on legislative record. After the hearing, you have **24 hours** to **submit written testimony**.

Please also **contact the members** of the **Senate Housing Committee** Urging them to **OPPOSE Rent Control Legislation – SB 5435**

Please take action right away.

Senate Housing Committee Members:

Name	District	Party	Office	Phone	Email
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Noel Frame, *Vice Chair*	36	D	JLOB 420	(206) 962-5098	noel.frame@leg.wa.gov
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Jeff Wilson	19	R	LMB 108	(360) 786-7636	Jeff.Wilson@leg.wa.gov

Rent Control KILLS Housing

Rent Control has Failed Every Time in Every Location Across America

WHY ARE RENTS RISING?

- **Regulation Drives Up Housing Cost –** Drastic increases in State and City regulation is driving the dramatic increase in housing costs over the last 5 years. Regulation adds over $100,000 per unit locally to the cost of every housing unit. That cost comes out in rent.
- **WA State Losing Affordable Housing -** Historically, small mom-and-pops housing providers have been the only source of naturally affordable housing units in the State and now ***because of the explosion of new housing laws like these since 2017***, those naturally affordable units are quickly leaving the market.
- **Small Housing Providers Fleeing WA State –** The dramatic increase in regulation and legislation on small housing providers has taken its toll, and small housing providers are leaving the market by the thousands. Because of regulation like these, ***Seattle alone has lost more than 2,400 single family rental homes in the last year (14% of total)***

DECREASES HOUSING SUPPLY

- Portland lost 14 percent of its single-family rentals after enacting rent control.
- St. Paul MN has seen a 61 percent decrease in building permits after the city-imposed rent control on future housing.
- Berkeley and Santa Monica both lost rental housing stock over the first decade of rent control. Berkeley lost 3,941 units (14%) and Santa Monica lost 2,443 (8%).
- In New York City after rent control, the inventory of "sound" housing grew by 2.4%, but the "dilapidated" inventory grew by 44% and the "deteriorating" inventory grew by 37%.
- Housing units are lost from the supply when rent control is put in place. Developers will choose to build de-controlled new homes, condominiums, office buildings, **or simply not to build at all**, investing their funds elsewhere.

HARMS LOW INCOME TENANTS

- Rent control hurts single mothers. Single mother households decreased in both Berkeley and Santa Monica by 24% and 27% respectively.
- The number of low-income households decreased in both Berkeley and Santa Monica while the number of high and very high income households increased.
- Low-income tenants—including students, elderly and disabled persons, and those receiving public assistance—have been displaced by people who can pay substantial "finder's fees" and who are more attractive as tenants.

DECREASES HOUSING TURNOVER AND MISALLOCATES HOUSING

- Decreases the mobility of the labor force by making tenants reluctant to move from a rent-controlled apartment. Creates inefficient use of time and extended commutes.
- This creates an incentive to stay in the same apartment, which leads people to remain in the same unit even if their tastes or living conditions change.

WA is Experiencing a Housing Crisis – Rent Control will Only Make this Crisis Worse