



2023 Washington State Legislative End of Session Report

The CAI Washington State Chapter Legislative Action Committee (LAC) actively advocated on behalf of the [approximately 2,406,000 Washingtonians living in 944,000 homes in more than 10,680 community associations across the Evergreen State](#) during the 2023 state legislative session. Below is a brief overview from the 2023 Washington State Legislature:

HB 1043 Records/comm. Associations- This bill amends all common interest community association recordkeeping and disclosure requirements and aligns such requirements with the Washington Uniform Common Interest Ownership Act. It requires associations to redact or otherwise remove certain information from association records prior to disclosure, and allows unit owners of common interest communities to receive a free annual electronic or paper copy of the list of unit owners retained by a common interest community. CAI Washington State LAC worked closely with the bill's sponsor in support of this legislation.

Prime Sponsor- McEntire

Status: PASSED, effective July 23, 2023.

HB 1054 Occupancy limits- This bill would have prohibited an association of unit owners in a common interest community from regulating or limiting the number of unrelated persons that may occupy a unit. CAI Washington State LAC opposed this bill due to the infringement on the power of associations to effectively self-govern.

Prime Sponsor- Walen

Status: DIED in committee.

HB 1101 Tenant screening/Communities- This bill authorizes an association of unit owners in a common interest community to require a unit owner to use a tenant screening service or obtain background information on a prospective tenant prior to entering into a lease. CAI Washington State LAC was supportive of this bill.

Prime Sponsor- Taylor

Status: PASSED, effective July 23, 2023.

HB 1110 Middle housing- This bill requires certain cities planning under the Growth Management Act to authorize minimum development densities on lots zoned predominately for residential use and include specific provisions related to middle housing in their development regulations.

Requires the Department of Commerce to develop model middle housing ordinances, a process for cities to seek approval of alternative local actions, guidance to assist cities on items to include in a parking study, and provide technical assistance to cities to implement the requirements. CAI Washington State LAC worked with legislators to ensure that protections for existing HOA communities were included in this bill.

Prime Sponsor- Bateman

Status: PASSED, effective July 23, 2023.

HB 1199 Child care/communities- This bill prohibits a common interest community association from prohibiting, unreasonably restricting, or limiting the use of a unit as a licensed family home childcare or as a licensed child day care center. Thanks to efforts by the CAI Washington State LAC, it was also amended to allow a common interest community association to impose various requirements on a unit operating as a licensed family home childcare or as a licensed child day care center.

Prime Sponsor- Senn

Status: PASSED, effective immediately.

HB 1298 Condos and townhouses- This bill would have modified requirements and scope of construction defect actions, including clarifying warranties and disclaimer of warranties related to developers of condominiums subject to the Washington Uniform Common Interest Ownership Act. It would have required associations to serve a written defect assessment report provided by a construction defect professional (independent expert) under oath to the construction professional (architect, builder, builder vendor, contractor, subcontractor, engineer, or inspector). Construction defect actions against construction professionals would have been limited to only condominium units whose developers are required to provide a public offering statement after the effective date of the act. Under this bill, a purchaser may not rely on any affirmation, promise, description, plans, specifications, plat, survey, statement, or other item to create an express warranty unless it is contained in the public offering statement or in a record signed by the developer. No implied warranties of quality are implied to a purchaser for the purchase and

sale of a condominium unit in a building containing 12 or fewer units, or that is three or fewer stories. No general disclaimer of implied warranties of quality is effective. Disclaimers of one or more specified defects or failures no longer require a developer to know, or have reason to believe, a specific defect or failure existed at the time of a disclaimer. Specific defects may be disclaimed if various requirements are met and the purchaser signs the instrument containing such disclaimers. Modifies deposit requirements and local government planning related to the construction of condominiums. Exempts sales of condominium units to eligible first-time homebuyers from the real estate excise tax. CAI Washington State LAC opposed this bill.

Prime Sponsor- Hutchins

Status: DIED in Committee.

HB 1337 Accessory dwelling units- Requires a city or county planning under the Growth Management Act to adopt ordinances, development regulations, or other measures that allow for the construction of accessory dwelling units (ADUs) within urban growth areas (UGAs) within six months after the jurisdiction's next periodic comprehensive plan update. Prohibits a city or county from imposing certain regulations or restrictions on the construction of ADUs, including certain maximum gross floor area requirements and roof height limits. Authorizes cities and counties to adopt ordinances, development regulations, or other measures that waive, defer, or reduce fees and taxes, or offer other incentives for the construction or development of ADUs that are subject to certain binding commitments or covenants. Prohibits restrictive covenants or deed restrictions created after the effective date of the bill from prohibiting the construction, development, or use of ADUs within UGAs. Provides that restrictive covenants or deed restrictions created to protect public health and safety, and ground and surface waters from on-site wastewater may restrict or prohibit the construction, development, or use on a lot of an ADU located in a UGA. Repeals statutes regarding accessory apartments.

Prime Sponsor- Gregerson

Status: PASSED, effective July 23, 2023.

HB 1349 Foreclosure protections- Modifies various provisions related to nonjudicial foreclosures of deeds of trust, including changing the timeline for referral to preforeclosure mediation and modifying the exemptions from mediation and reporting and remittance requirements for certain federally insured depository institutions. Requires that a trustee delay a foreclosure sale for at least 30 days upon receipt of written notice from the Homeowner Assistance Fund Program that an application for federal relief funds has been submitted to the program on behalf of the borrower, a successor in interest to a deceased borrower, or a person



who has been awarded title to the property. Provides that it is unlawful to seek or receive any fee or compensation for locating, or purporting to purchase or otherwise acquire the right to recover, surplus funds held by a court or county resulting from a foreclosure in excess of 5 percent of the value of the property reasonably expected to be recovered and reasonable attorneys' fees and costs. CAI Washington State LAC supported this bill.

Prime Sponsor- Orwall

Status: PASSED, effective July 23, 2023.

HB 1474/SB 5496 Covenant homeownership program- Requires county auditors to collect a Covenant Homeownership Program (CHP) assessment of \$100 for each document recorded to fund the CHP. Requires the Department of Commerce to contract with the Washington State Housing Finance Commission (Commission) to create one or more Special Purpose Credit Program to provide down payment assistance and closing cost assistance to economically disadvantaged classes of persons. Requires the Commission to complete an initial CHP study by March 1, 2024, and complete updated studies every five years thereafter. Establishes an oversight committee to oversee and review the Commission's activities and performance related to the CHP. CAI Washington State LAC supported this bill.

Prime Sponsor- Taylor; Lovick

Status: PASSED, majority of bill effective July 23, 2023, with the funding mechanism effective July 1, 2023.

HB 1507 Fair housing training- Requires an officer or board member of a common interest community association to complete a training course regarding federal and state fair housing laws. CAI Washington State LAC did ultimately support this bill as part of broader advocacy efforts to help convince lawmakers to oppose HB 1569 and SB 5727 this legislative session.

Prime Sponsor- Entenman

Status: DIED in Committee.

HB 1517/SB 5466 Transit-oriented development- Establishes that fully planning cities may not enact or enforce any new development regulation within a station area or station hub that prohibits the siting of multifamily residential housing on parcels where any other residential use is permissible, with some exceptions. Prohibits fully planning cities from enacting or enforcing any new development regulation within a station area or station hub that imposes a maximum

floor area ratio of less than the transit-oriented density or imposes a maximum residential density, measured in residential units per acre or other metric of land area. Prohibits cities and counties planning under the Growth Management Act from requiring off-street parking as a condition of permitting development within a station area. Requires the Department of Transportation to provide technical assistance and establish grant programs. Expands the categorical exemption for infill development.

Prime Sponsor- Reed; Liias; Office of the Governor

Status: DIED in Committee.

HB 1569 Common interest communities- Requires an association of unit owners in a common interest community (CIC) subject to the Homeowners' Association Act, the Washington Condominium Act, or the Horizontal Property Regimes Act to comply with the association records requirements in the Washington Uniform Common Interest Ownership Act, excluding requirements related to resale certificates. Provides that a violation of any of the four CIC statutes by a unit owners association or an agent of the association is a violation of the Consumer Protection Act. Requires an association of unit owners in a CIC subject to any of the four CIC statutes to make unit owners' third-party beneficiaries of any contract with a managing agent. CAI Washington State LAC actively opposed this bill, and engaged in a successful advocacy campaign with hundreds of CAI members and homeowners making their voices heard on this issue.

Prime Sponsor- Leavitt

Status: DIED in Committee.

HB 1636 Foreclosure/common interest- Requires an association of unit owners in a common interest community to mail a second preforeclosure notice that follows the same format and contains the same information as the first preforeclosure notice before commencing an action to foreclose a lien on a unit for past-due assessments. Delays the effective date of the shift from a 180-day waiting period to a 90-day waiting period from when the minimum amount of past-due assessments has accrued before an association may commence an action to foreclose a lien. Increases the threshold of unpaid assessments from \$200 to \$2,000 that a unit owner must owe before a common interest community association may bring an action to foreclose a lien on a unit. CAI Washington State LAC opposed this bill.

Prime Sponsor- Orwall



Status: PASSED, majority of bill effective July 23, 2023 with the rest coming into force January 1, 2025.

SB 5058 Multiunit residential buildings- A building with 12 or fewer units that is no more than two stories is exempt from requirements applicable to multiunit residential buildings to: submit a building enclosure design document to the building authority before obtaining a building permit; obtain a building enclosure inspection by a qualified building inspector during construction or rehabilitative construction; and obtain a building enclosure inspection by a qualified building inspector before conveyance of a condominium unit.

Prime Sponsor- Padden

Status: PASSED, effective July 23, 2023.

SB 5235/HB 1276 Accessory dwelling units- Requires fully planning cities and counties to allow for the construction of accessory dwelling units (ADUs) in urban growth areas (UGAs). Prohibits certain ADU regulations within UGAs. Allows cities and counties to offer incentives for the construction or development of ADUs.

Prime Sponsor- Shewmake

Status: DIED in Committee.

SB 5258 Condos and townhouses- Revises definition of construction defect professional, imposes additional notice requirements for condominium associations, imposes additional notice requirements to owners, and modifies deposit requirements and local government planning related to the construction of condominiums. Exempts certain sales of condominium units and townhouses from the real estate excise tax. Creates the Down Payment Assistance Account and specifies that moneys in the account may only be used for payment toward a person's down payment assistance loan offered by the Washington State Housing Finance Commission. Requires, subject to appropriation, all real estate excise tax revenue collected on sales of condominiums or townhouses to a person using a down payment assistance program offered by the Washington State Housing Finance Commission be deposited into the Down Payment Assistance Account. CAI Washington State LAC supported this bill, and worked closely with the sponsor to amend it in committee.

Prime Sponsor- Shewmake

Status: PASSED, effective July 23, 2023.



SB 5727 Common interest communities/consumers- Prevents common interest community (CIC) associations from nonjudicially foreclosing on liens for assessments on residential real property. Requires associations to retain unit owner and board member lists, and changes procedures related to the disclosure and copying of records retained by associations. Changes seller disclosure requirements related to residential real property. Makes patterns of violations of statutory requirements regulating CICs by associations violations of the Consumer Protection Act. CAI Washington State LAC actively opposed this bill, and engaged in a successful advocacy campaign with CAI members and homeowners making their voices heard on this issue.

Prime Sponsor- Trudeau

Status: DIED in Committee.

For more information on community association legislation in Washington State, visit <https://www.caionline.org/Advocacy/LegalArena/Laws/Pages/WA.aspx>.

Your Assistance is Needed

CAI relies on outside resources such as professional lobbying as a vital and integral part of the legislative process. The volunteers who advocate – including homeowner leaders, community managers, and business partners – greatly rely on contributions from management companies and business partners in addition to individuals to continue their important efforts in the legislature. CAI needs your financial support to bolster their advocacy activities in 2023 and beyond. We encourage donations from Washington State community associations, business partners, and individuals. Please visit www.caionline.org/lacdonate/ and donate to CAI’s Kentucky Legislative Action Committee to support our continued efforts.

We need YOUR voice! [Sign up today](#) to become a CAI Advocacy Ambassador and help shape legislation in your state!

Washington State Contact Information

- Visit <https://www.caionline.org/Advocacy/LAC/WA/Pages/default.aspx>
- Contact CAI’s Government and Public Affairs Team at government@caionline.org
- To find the chapter nearest you, please call (888) 224-4321.