

Rent stabilization will stop rent gouging in Washington state, provide housing stability to renters and manufactured homeowners statewide

Get the Facts

January 10, 2025

The problem

Washington is already one of the <u>most expensive rental markets in the country</u>. Excessive rent increases are driving housing loss and are a significant cause of homelessness.

Nearly 40% of Washington's households are renter households. Excessive rent increases are outpacing incomes, disproportionately impacting seniors, BIPOC households, and families with children.

New United States Census Data provides concerning evidence about the impacts of excessive rent increases:

• 47% of renter households in Washington received a rent increase of over \$100 in the last 12 months (\$1200 per year). This is 877,000 renter households statewide.

- 15% of renter households statewide received a rent increase of over \$250 (\$3000 per year).
- Black renter households received higher rent increases than other racial groups. A quarter (24.36%) of Black renter households received rent increases of over \$250.
- 57% of renter households with children under the age of 18 received a rent increase of over \$100. Almost a quarter (22%) received rent increases of over \$250.

Studies show that every \$100 rent increase leads to at least a 9% increase in homelessness, and Washington State is experiencing an eviction crisis. By November 2024, the state was already experiencing the highest eviction filing count on record with nine counties already breaking records: Clark, Grant, Jefferson, King, Klickitat, Okanogan, Spokane, Thurston, & Whitman. Additionally, Asotin, Columbia, Douglas, Kittitas, Pend Oreille, Skagit, & Walla Walla counties were expected to break records by the end of December.

The solution

Washington lawmakers have the opportunity to solve the problems of excessive and destabilizing rent increases by passing balanced policy to enact rent stabilization policy in the 2025 legislative session.

A <u>new poll</u> by Cascade PSB/Elway shows **68% of Washingtonians support rent** stabilization.

Rent stabilization offers protection against excessive rent increases, while still allowing increases to cover repairs and other costs. This policy delivers stability and predictability for renter households and addresses a preventable driver of homelessness. Renters, landlords and community leaders are calling on Washington lawmakers to pass rent stabilization to provide housing stability, prevent loss of housing and ensure renter households can meet their basic needs.

HB 1217 Alvarado (SB by Senator Trudeau not yet assigned a bill number)

- Protects both manufactured homeowners and residential renters.
- Allows yearly rent increases of up to 7%.
- Fees count as rent for the purposes of the increase.

- Six months notice for all rent increases of 3% or more to provide tenants with more opportunity to plan for the increase.
- Caps all move-in fees to equivalent of one month's rent in order to make moving more affordable. Caps late fees to 1.5 percent of the tenant's total monthly rent.
- Prevents landlords from treating month-to-month leases differently than
 fixed-term leases in terms of rent levels and fees. This is because landlords
 are currently charging "month to month fees" or a much higher rent
 increase to compel a tenant to sign a fixed-term lease. Tenants who are
 month to month are covered under Washington's just cause eviction
 protections, unlike tenants who are on a fixed-term lease.
- Creates a landlord resource center and a model lease for landlords.
- Creates enforcement with a private right of action and also by the State's Attorney General's Office.
- In cases where the landlord attempts to raise the rent above what is allowed under the bill (unless that landlord is exempt) allows a tenant to quit their lease and move without penalty.
- Exempts certain properties, including new construction for the first 10 years.

A similar measure was passed by a majority vote in the state House in 2024, in an effort that galvanized support from thousands of Washingtonians and attracted <u>national attention</u>. The problem of excessive rent increases has not gone away, and excessive rent increases are driving <u>economic evictions</u> in every community across Washington.

A balanced policy:

This policy caps annual rent increases, but lets landlords reset the rent when a tenant exits, unlike classic rent control. Rent stabilization prevents excessive, often predatory, rent increases to help ensure that renters can stay in their homes. It provides predictability and stability to renters while allowing landlords to keep up with costs.

Rent stabilization for manufactured homeowners allows homeowners to have stability in their homes, ensuring affordable homeownership and a safe, stable place to retire.

Rent stabilization:

- Makes housing costs predictable for Washington's renters including for seniors, veterans, and single parents living on fixed incomes,
- Prevents homelessness by reducing economic evictions,
- Protects people on fixed incomes, like seniors and veterans, from rent gouging and displacement,
- Keeps families in their communities and students in their schools, instead of moving with each rent increase,
- Provides businesses with more stable workforces,
- Builds more stable communities as neighbors stay in place longer.

Washington will not make meaningful progress on solving our housing and homelessness crisis without rent stabilization.

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