# **Rent Stabilization**

Pass statewide rent stabilization to increase housing stability, prevent displacement, and ensure renter households can meet other basic needs.

Throughout 2024 we heard from hundreds of renters who shared that they continue to face excessive rent increases, and the latest information about evictions show that by November, Washington already had more eviction filings than any year in recorded history.

Housing stability is essential, just like air to breathe and water to drink. We need to ensure there are fair rules in place that will keep rents reasonable and predictable.

House Bill 1217 (Alvarado/Macri) and Senate Bill 5222 (Trudeau/Chapman) would provide renters and manufactured homeowners with predictability over their housing costs by limiting annual rent increases to no more than 7% per year. The bills provide other important protections that would ensure tenants can stay in their homes including capping move-in costs and providing more notice of rent increases.

Rent stabilization would provide renters with the predictability needed to plan for rent increases in coming years. And this is critical because rent in Washington is already out of reach for many households, with the average monthly rent in Washington at \$1,833. A 7% increase would be \$128 per month or an additional \$1,539 per year. Limiting rent increases to no more than 7%, while still high, would provide predictability for renters and manufactured homeowners while preventing the egregious, unjustifiable rent increases that many, many are getting throughout the state. And many supportive landlords tell us that 7% is more than enough to keep up with costs, upkeep and repairs while still making a profit.

## Why is rent stabilization needed?

- Washington is already one of the most expensive rental markets in the country, and many tenants receive excessive rent increases even while landlords are not performing basic repairs.
- Black, Indigenous, and other people of color households in Washington are disproportionately renters. In addition, data from the Census Bureau Pulse Survey in 2024 showed that Black renters in Washington receive higher rent increases than other demographic groups. Advancing tenant protections like rent stabilization is critical to address the housing needs of BIPOC households.
- Evictions continue to rise on a year-over-year basis, with several parts of our state seeing higher eviction rates than before the pandemic. Rent increases are a key driver of evictions and homelessness.

Monica Zazueta, a renter and mother from Vancouver, shared this in testimony in support of rent stabilization:

"I have had multiple rent increases, over the years, and I ask myself, what more do you want from me? Rent stabilization would give my family the security homeowners have, which is knowing what my housing costs will be. I am a human being, not a dollar sign, who wants to thrive just like you do."





### **Rent Stabilization** (continued)

The good news is that lawmakers have the opportunity to solve this problem this legislative session by passing HB 1217/SB 5222 to provide solid protections against destabilizing rent increases, while still allowing modest increases to cover repairs and other costs. Washington can stabilize renting households and manufactured homeowners and eliminate one of the key drivers of homelessness and housing instability.

Kelley Rinehart is a small landlord who supports rent stabilization:

"I am a 'mom and pop' landlord. I depend on this rental enterprise to be able to retire. I don't raise rents beyond a cost of living adjustment, which is never more than 5 percent. This is a fair bill for reasonable and responsible landlords, and will stabilize the many renters in our state."

#### What is "rent stabilization"?

Rent stabilization prevents excessive rent increases to help ensure that tenants can stay in their homes, but is different from rent control because it allows landlord to reset the rent in-between tenancies (often referred to as "vacancy decontrol"). Rent stabilization Preventing stops excessive, and often predatory, rent increases and is good public policy for Washington.

#### HB 1217/SB 5222

- Protects manufactured homeowners and residential tenants.
- Allows yearly rent increases of no more than 7%.
- Fees count as rent for the purposes of the increase.
- Requires six months' notice for all rent increases at 3% or more to provide tenants with more opportunity to plan for the increase.
- Caps late fees at 1.5% of total rent, and caps all move-in fees to equivalent of one month's rent or less.
- 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, penalties 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 new multifamily buildings for the first 10 years, subsidized housing already subject to rent caps and some owner-occupied rental situations including roommates, Accessory Dwelling Units (ADUs), and duplexes.

Follow the progress of rent stabilization and take action at wliha.org/25rentstabilization.



