HB 2944 B   STAFF MEASURE SUMMARY

Carrier: Sen. Monnes Anderson

Senate Committee On Human Services

Action Date:	05/17/17
Action:	Do pass with amendments to the A-Eng bill. (Printed B-Eng.)
Vote:	5-0-0-0
Yeas:	5 - Dembrow, Gelser, Knopp, Monnes Anderson, Olsen
Fiscal:	Has minimal fiscal impact
Revenue:	Has minimal revenue impact
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WHAT THE MEASURE DOES:

Requires landlord to prove amount of damages to be eligible for funds from the Housing Choice Landlord Guarantee Program, operative August 1, 2017. Repeals requirement for tenant to repay Housing Choice Landlord Guarantee Program for assistance paid to landlord. Declares emergency, effective on passage.

ISSUES DISCUSSED:
- Background on Section 8 program
- Current structure of Housing Choice Landlord Guarantee Program and vulnerabilities
- Alternatives for collecting damages from destructive tenants

EFFECT OF AMENDMENT:

Changes operative date to August 1, 2017. Clarifies that provisions apply to claims for financial assistance based on judgments entered on or after operative date.

BACKGROUND:

The Housing Choice Landlord Guarantee Program (the Program) was established to encourage landlords to participate in the Housing Choice Voucher Program (Section 8) by providing financial assistance for damage caused by Section 8 tenants. Landlords are eligible if they leased to a Section 8 tenant and obtained a judgement against the tenant for damages. Financial assistance may be awarded for claims between $500 and $5,000 for property damage, unpaid rent, or other damages exceeding normal wear and tear caused by Section 8 tenants. Reviews have found that around 80 percent of small claims brought by landlords result in default judgments, often with no affirmative showing of damages.

House Bill 2944-B requires landlords to prove the amount of damages in a judicial proceeding to be eligible for financial assistance from the Program. The measure also repeals the requirement that tenants repay the Program for assistance paid to landlords.