

CHAPTER 188

[House Bill No. 2051]

FEDERALLY ASSISTED HOUSING—PRESERVATION

AN ACT Relating to federally assisted housing; adding a new chapter to Title 59 RCW; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that:

(1) There is a severe shortage of federally assisted housing within the state of Washington. Over one hundred seventy thousand low and moderate-income households are eligible for federally assisted housing but are unable to locate vacant units.

(2) Within the next twenty years, more than twenty-six thousand existing low-income housing units may be lost as a result of the prepayment of mortgages or loans by the owners, or as a result of the expiration of rental assistance contracts. Over three thousand units of federally assisted housing have already been lost and an additional nine thousand units may be lost within the next two and one-half years.

(3) Recent reductions in federal housing assistance and tax benefits related to low-income housing make it uncertain whether additional units of federally assisted housing will be built or that those lost will be replaced.

(4) The loss of federally assisted housing will adversely affect current tenants and lead to their displacement. It will also drastically reduce the supply of affordable housing in our communities.

It is the purpose of this chapter to preserve federally assisted housing in the state of Washington and to minimize the involuntary displacement of tenants currently residing in such housing.

NEW SECTION. Sec. 2. (1) "Federally assisted housing" means any multifamily housing that is insured, financed, assisted, or held by the secretary of housing and urban development or the secretary of agriculture under:

(a) Section 8 of the United States housing act of 1937, as amended (42 U.S.C. Sec. 1437f);

(b) Section 101 of the housing and urban development act of 1965, as amended (12 U.S.C. Sec. 1701s);

(c) The following sections of the national housing act:

(i) Section 202 (12 U.S.C. Sec. 1701q);

(ii) Section 213 (12 U.S.C. Sec. 1715e);

(iii) Section 221 (d) (3) and (4) (12 U.S.C. Sec. 17151(d) (3) and (4));

(iv) Section 223(f) (12 U.S.C. Sec. 1715n(f));

(v) Section 231 (12 U.S.C. Sec. 1715v); or

(vi) Section 236 (12 U.S.C. Sec. 1715z-1); and

(d) The following sections of the housing act of 1949, as amended:

(i) Section 514 (42 U.S.C. Sec. 1484);

(ii) Section 515 (42 U.S.C. Sec. 1485);

(iii) Section 516 (42 U.S.C. Sec. 1486);

(iv) Section 521(a)(1)(B) (42 U.S.C. Sec. 1490a(a)(1); or

(v) Section 521(a)(2) (42 U.S.C. Sec. 1490a(a)(2)).

(2) "Rental agreement" means any agreement that establishes or modifies the terms, conditions, rules, regulations, or any other provision concerning the use and occupancy of a federally assisted housing unit.

(3) "Owner" means the current or subsequent owner or owners of federally assisted housing.

NEW SECTION. Sec. 3. This act shall not apply to the expiration or termination of a housing assistance contract between a public housing agency and an owner of existing housing participating in either the section 8 certificate or voucher program (42 U.S.C. Sec. 1437f).

NEW SECTION. Sec. 4. All owners of federally assisted housing shall, at least twelve months before the expiration of the rental assistance contract or prepayment of a mortgage or loan, serve a written notice of the anticipated expiration or prepayment date on each tenant household residing in the housing, on the clerk of the city, or county if in an unincorporated area, in which the property is located, and on the state department of community development, by regular and certified mail.

NEW SECTION. Sec. 5. This chapter shall not in any way prohibit an owner of federally assisted housing from terminating a rental assistance contract or prepaying a mortgage or loan. The requirement in this chapter for notice shall not be construed as conferring any new or additional regulatory power upon the city or county clerk or upon the state department of community development.

NEW SECTION. Sec. 6. The notice to tenants required by section 4 of this act shall state the date of expiration or prepayment and the effect, if any, that the expiration or prepayment will have upon the tenants' rent and other terms of their rental agreement.

The notice to the city or county clerk and to the state department of community development required by section 4 of this act shall state: (1) The name, location, and project number of the federally assisted housing and the type of assistance received from the federal government; (2) the number and size of units; (3) the age, race, family size, and estimated incomes of the tenants who will be affected by the prepayment of the loan or mortgage or expiration of the federal assistance contract; (4) the projected rent increases for each affected tenant; and (5) the anticipated date of prepayment of the loan or mortgage or expiration of the federal assistance contract.

NEW SECTION. Sec. 7. From the date of service of the notice under section 4 of this act until either twelve months have elapsed or expiration or prepayment of the rental assistance contract or mortgage or loan, whichever is later, no owner of federally assisted housing may evict a tenant or demand possession of any federally assisted housing unit, except as authorized by the federal assistance program applicable to the project, prior to expiration or prepayment of the rental assistance contract or mortgage or loan.

NEW SECTION. Sec. 8. From the date of service of the notice under section 4 of this act until either twelve months have elapsed or expiration or prepayment of the rental assistance contract, mortgage, or loan, whichever is later, no owner of federally assisted housing may increase the rent of a federally assisted housing unit above the amount authorized by the federal assistance program applicable to the project prior to expiration or prepayment of the rental assistance contract or mortgage or loan.

NEW SECTION. Sec. 9. From the date of service of the notice under section 4 of this act until either twelve months have elapsed or expiration or prepayment of the rental assistance contract, mortgage, or loan, whichever is later, no owner of federally assisted housing may change the terms of the rental agreement, except as permitted under the existing rental agreement, prior to expiration or prepayment of the rental assistance contract or mortgage or loan.

NEW SECTION. Sec. 10. Any party who is entitled to receive notice under this chapter may bring a civil action to enjoin or recover damages for any violation of this chapter, together with the costs of the suit including reasonable attorneys' fees.

NEW SECTION. Sec. 11. The director of the department of community development shall prepare an annual report on the preservation and loss of federally assisted housing in the state of Washington. The director shall include in this report recommendations for preserving federally assisted housing and for minimizing the involuntary displacement of tenants residing in such housing. The director shall provide a copy of this report to the house of representatives committee on housing and the senate committee on economic development and labor.

NEW SECTION. Sec. 12. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 13. Sections 1 through 11 of this act shall constitute a new chapter in Title 59 RCW.

NEW SECTION. Sec. 14. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state

government and its existing public institutions, and shall take effect immediately.

Passed the House March 15, 1989.

Passed the Senate April 11, 1989.

Approved by the Governor April 27, 1989.

Filed in Office of Secretary of State April 27, 1989.

CHAPTER 189

[House Bill No. 1709]

WORKERS' COMPENSATION—MEDICAL AID PURCHASES OF HEALTH CARE GOODS AND SERVICES

AN ACT Relating to medical aid purchases of health care goods and services; amending RCW 51.04.030; reenacting and amending RCW 42.17.310; adding a new section to chapter 51.36 RCW; and making an appropriation.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 1, chapter 14, Laws of 1980 as amended by section 8, chapter 200, Laws of 1986 and RCW 51.04.030 are each amended to read as follows:

The director shall, through the division of industrial insurance, supervise the providing of prompt and efficient care and treatment, including care provided by physicians' assistants governed by the provisions of chapters 18.57A and 18.71A RCW, acting under a supervising physician to workers injured during the course of their employment at the least cost consistent with promptness and efficiency, without discrimination or favoritism, and with as great uniformity as the various and diverse surrounding circumstances and locations of industries will permit and to that end shall, from time to time, establish and promulgate and supervise the administration of printed forms, rules, regulations, and practices for the furnishing of such care and treatment: PROVIDED, That, the department may recommend to an injured worker particular health care services and providers where specialized treatment is indicated or where cost effective payment levels or rates are obtained by the department: AND PROVIDED FURTHER, That the department may enter into (~~volume-based~~) contracts for goods and services including, but not limited to, durable medical equipment so long as state-wide access to quality service is maintained for injured workers.

The director shall make and, from time to time, change as may be, and promulgate a fee bill of the maximum charges to be made by any physician, surgeon, hospital, druggist, physicians' assistants as defined in chapters 18.57A and 18.71A RCW, acting under a supervising physician or other agency or person rendering services to injured workers. No service covered under this title shall be charged or paid at a rate or rates exceeding those specified in such fee bill, and no contract providing for greater fees shall be valid as to the excess.