

**EIGHTY EIGHTH DAY**

**MORNING SESSION**

8635

Senate Chamber, Olympia  
Thursday, April 6, 2023

The Senate was called to order at 9:00 o'clock a.m. by the President of the Senate, Lt. Governor Heck presiding. The Secretary called the roll and announced to the President that all Senators were present with the exception of Senator Van De Wege.

The Sergeant at Arms Color Guard consisting of Pages Miss Talena Spates and Miss Stefania Anderco, presented the Colors. Page Miss Fiona Li led the Senate in the Pledge of Allegiance. The prayer was offered by Father Peter Tynan of University Chaplain for Saint Martin's University Church, Lacey.

**MOTIONS**

On motion of Senator Pedersen, the reading of the Journal of the previous day was dispensed with and it was approved.

On motion of Senator Pedersen, the Senate advanced to the fourth order of business.

**MESSAGES FROM THE HOUSE**

April 5, 2023

MR. PRESIDENT:

The House has adopted:

SENATE CONCURRENT RESOLUTION NO. 8407,  
and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

April 5, 2023

MR. PRESIDENT:

The House has passed:

SENATE BILL NO. 5088,  
SENATE BILL NO. 5113,  
SENATE BILL NO. 5163,

SUBSTITUTE SENATE BILL NO. 5170,  
SUBSTITUTE SENATE BILL NO. 5176,  
SUBSTITUTE SENATE BILL NO. 5229,  
SUBSTITUTE SENATE BILL NO. 5304,

ENGROSSED SUBSTITUTE SENATE BILL NO. 5320,  
ENGROSSED SENATE BILL NO. 5336,

ENGROSSED SENATE BILL NO. 5385,  
ENGROSSED SUBSTITUTE SENATE BILL NO. 5512,

SUBSTITUTE SENATE BILL NO. 5538,  
SUBSTITUTE SENATE BILL NO. 5547,  
SUBSTITUTE SENATE BILL NO. 5604,

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

**MOTION**

On motion of Senator Pedersen, the Senate advanced to the eighth order of business.

**MOTION**

Senator Braun moved adoption of the following resolution:

**SENATE RESOLUTION**

By Senators Braun, Holy, C. Wilson, Mullet, Warnick, L. Wilson, Rivers, Boehnke, Lovick, Salomon, Valdez, Fortunato, Wellman, Muzzall, Keiser, Hunt, Wagoner, Dozier, Schoesler, Torres, Padden, King, Hawkins, Gildon, Short, Conway, Hasegawa, and Kuderer

WHEREAS, Bill Russell was one of the greatest basketball players of all time and was a trailblazer for the National Basketball Association and basketball as a sport; and

WHEREAS, At the peak of his Hall of Fame athletic career, Bill Russell was also a leading advocate for civil rights who inspired future generations of NBA players to promote social justice; and

WHEREAS, Bill Russell was born February 12, 1934, in Monroe, Louisiana, where his family faced the racism common in the segregated South, and when Bill was eight years old his family moved to Oakland, California; and

WHEREAS, Bill Russell accepted a scholarship to play basketball at the University of San Francisco, where he had two other Black players as teammates, and while they were often targets of racial jabs, Russell said he never permitted himself to be a victim; and

WHEREAS, While Bill Russell played at USF the team, called the Dons, went to two NCAA championships, 1955 and 1956, and he also starred on the gold medal-winning United States basketball team at the 1956 Olympic Games in Melbourne, Australia; and

WHEREAS, In one of the most important sports transactions in American history, Bill Russell was the second overall pick in the 1956 NBA Draft, being drafted to the St. Louis Hawks then traded to the Boston Celtics; and

WHEREAS, From 1956 to 1969, Bill Russell led the Celtics to eight consecutive NBA championships from 1959 to 1966, with his court savvy and defensive skills changing how the game was played; and

WHEREAS, The 6-foot-10-inch center earned the nickname "Secretary of Defense," winning the title of NBA's most valuable player five times and being named an All-Star 12 times; and

WHEREAS, In 1966 he became the first Black head coach in the NBA, both coaching and playing for the Celtics until 1969; and

WHEREAS, Former U.S. Senator Bill Bradley, who as a member of the New York Knicks played against Bill Russell in the 1960s, viewed him as "the smartest player ever to play the game and the epitome of a team leader"; and

WHEREAS, In 1972 the NBA retired his number 6 jersey, and it remains the only number to become retired league-wide; and

WHEREAS, Bill Russell was hailed in 1996 as one of the NBA's 50 greatest players, and in 2009, the trophy for the Most Valuable Player of the NBA Finals was named in his honor; and

WHEREAS, Standing alongside his many achievements on the hardwood are his efforts as a civil rights activist; and

WHEREAS, In 1963 he took part in the March on Washington for Jobs and Freedom and was front row at Dr. Martin Luther King Jr.'s famous "I Have a Dream" speech; and

WHEREAS, Bill Russell also spent time in Mississippi after civil rights activist Medgar Evers was murdered, and would later create an integrated basketball camp with Evers' brother, Charles, in Jackson, Mississippi; and

WHEREAS, Bill Russell was awarded the Presidential Medal of Freedom in 2011 by President Barack Obama, for standing up for the rights and dignity of all; and

WHEREAS, Bill Russell's ties to the state of Washington date to 1973, when he became the general manager and coach for the Seattle SuperSonics; and

WHEREAS, Bill Russell called Mercer Island home from 1973 until his passing on July 31, 2022, having chosen the community because of the quality of its school system;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate honor the life and accomplishments of longtime Washington resident Bill Russell both inside and outside the arena, and extend its condolences to his widow Jeannine and his three children, William Russell Jr., Jacob Russell, and Karen Kenyatta Russell.

Senators Braun and Wellman spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8635.

The motion by Senator Braun carried and the resolution was adopted by voice vote.

#### INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced members of the family and friends of Mr. Bill Russell: Ms. Jeannine Russell, his widow; Mr. Steve Rosen; Mr. Tod Leiweke, President and part-owner of the Seattle Kraken; and Mr. Eric Pettigrew, former state representative, who were seated in the gallery.

#### MOTION

At 9:23 a.m., on motion of Senator Pedersen, the Senate was declared to be at ease subject to the call of the President.

Senator Hasegawa announced a meeting of the Democratic Caucus.

Senator Warnick announced a meeting of the Republican Caucus.

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The Senate was called to order at 11:23 a.m. by President Heck.

#### SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

SENATE CONCURRENT RESOLUTION NO. 8407.

#### MOTION

On motion of Senator Pedersen, the Senate reverted to the seventh order of business.

#### THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

#### MOTION

Senator Lovick moved that Marcus J. Glasper, Senate Gubernatorial Appointment No. 9339, be confirmed as a Director of the Department of Licensing - Agency Head.

Senators Lovick and Padden spoke in favor of the motion.

#### MOTION

On motion of Senator Nobles, Senators Billig, Mullet, Nguyen, Rolfes, Saldaña and Van De Wege was excused.

#### APPOINTMENT OF MARCUS J. GLASPER

The President declared the question before the Senate to be the confirmation of Marcus J. Glasper, Senate Gubernatorial Appointment No. 9339, as a Director of the Department of Licensing - Agency Head.

The Secretary called the roll on the confirmation of Marcus J. Glasper, Senate Gubernatorial Appointment No. 9339, as a Director of the Department of Licensing - Agency Head and the appointment was confirmed by the following vote: Yeas, 42; Nays, 0; Absent, 1; Excused, 6.

Voting yea: Senators Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lovelett, Lovick, MacEwen, McCune, Muzzall, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Absent: Senator Liias

Excused: Senators Billig, Mullet, Nguyen, Rolfes, Saldaña and Van De Wege

Marcus J. Glasper, Senate Gubernatorial Appointment No. 9339, having received the constitutional majority was declared confirmed as a Director of the Department of Licensing - Agency Head.

#### THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

#### MOTION

Senator Wellman moved that William S. Kallappa II, Senate Gubernatorial Appointment No. 9331, be confirmed as a member of the State Board of Education.

Senator Wellman spoke in favor of the motion.

#### INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced students from Purdy Elementary School who were seated in the gallery. They were guests of Senator Randall.

#### MOTION

On motion of Senator Nobles, Senator Liias was excused.

#### APPOINTMENT OF WILLIAM S. KALLAPPA II

The President declared the question before the Senate to be the confirmation of William S. Kallappa II, Senate Gubernatorial Appointment No. 9331, as a member of the State Board of Education.

The Secretary called the roll on the confirmation of William S. Kallappa II, Senate Gubernatorial Appointment No. 9331, as a member of the State Board of Education and the appointment was confirmed by the following vote: Yeas, 44; Nays, 0; Absent, 0; Excused, 5.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland,

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Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lovelett, Lovick, MacEwen, McCune, Muzzall, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Liias, Mullet, Nguyen, Saldaña and Van De Wege

William S. Kallappa II, Senate Gubernatorial Appointment No. 9331, having received the constitutional majority was declared confirmed as a member of the State Board of Education.

THIRD READING  
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Randall moved that Louise Chernin, Senate Gubernatorial Appointment No. 9027, be confirmed as a member of the Seattle College District Board of Trustees.

Senators Randall and Holy spoke in favor of the motion.

APPOINTMENT OF LOUISE CHERNIN

The President declared the question before the Senate to be the confirmation of Louise Chernin, Senate Gubernatorial Appointment No. 9027, as a member of the Seattle College District Board of Trustees.

The Secretary called the roll on the confirmation of Louise Chernin, Senate Gubernatorial Appointment No. 9027, as a member of the Seattle College District Board of Trustees and the appointment was confirmed by the following vote: Yeas, 44; Nays, 0; Absent, 0; Excused, 5.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lovelett, Lovick, MacEwen, McCune, Muzzall, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Liias, Mullet, Nguyen, Saldaña and Van De Wege

Louise Chernin, Senate Gubernatorial Appointment No. 9027, having received the constitutional majority was declared confirmed as a member of the Seattle College District Board of Trustees.

MOTION

On motion of Senator Pedersen, the Senate reverted to the sixth order of business.

SECOND READING

HOUSE BILL NO. 1199, by Representatives Senn, Eslick, Leavitt, Berry, Bateman, Kloba, Reed, Simmons, Tharinger, Ramel, Doglio, Goodman, Macri, Callan, Fosse and Pollet

Addressing licensed child care in common interest communities.

The measure was read the second time.

MOTION

Senator Trudeau moved that the following committee striking amendment by the Committee on Law & Justice be adopted:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** A new section is added to chapter 64.32 RCW to read as follows:

(1) An association of apartment owners may not adopt or enforce a restriction, covenant, condition, bylaw, rule, regulation, provision of a governing document, or master deed provision that effectively prohibits, unreasonably restricts, or limits, directly or indirectly, the use of an apartment as a licensed family home child care operated by a family day care provider or as a licensed child day care center, except as provided in subsection (2) of this section.

(2)(a) Nothing in this section prohibits an association of apartment owners from imposing reasonable regulations on a family home child care or a child day care center including, but not limited to, architectural standards, as long as those regulations are identical to those applied to all other apartments within the same association as the family home child care or the child day care center.

(b) An association may require that only an apartment with direct access may be used as a family home child care or child day care center. Direct access must be either from the outside of the building or through publicly accessible common areas and facilities.

(c) An association may adopt or enforce a restriction, covenant, condition, bylaw, rule, regulation, provision of a governing document, or master deed provision that requires a family home child care or a child day care center operating out of an apartment within the association to:

(i) Be licensed under chapter 43.216 RCW;

(ii) Indemnify and hold harmless the association against all claims, whether brought by judicial or administrative action, relating to the operation of the family home child care or the child day care center, excluding claims arising in common areas and facilities that the association is solely responsible for maintaining under the governing documents;

(iii) Obtain a signed waiver of liability releasing the association from legal claims directly related to the operation of the family home child care or the child day care center from the parent, guardian, or caretaker of each child being cared for by the family home child care or the child day care center. However, an association may not require that a waiver of liability under this subsection be notarized; and

(iv) Obtain day care insurance as defined in RCW 48.88.020 or provide self-insurance pursuant to chapter 48.90 RCW, consistent with the requirements in RCW 43.216.700.

(3) An association of apartment owners that willfully violates this section is liable to the family day care provider or the child day care center for actual damages, and shall pay a civil penalty to the family day care provider or the child day care center in an amount not to exceed \$1,000.

(4) For the purposes of this section, the terms "family day care provider" and "child day care center" have the same meanings as in RCW 43.216.010.

**NEW SECTION. Sec. 2.** A new section is added to chapter 64.34 RCW to read as follows:

(1) A unit owners' association may not adopt or enforce a restriction, covenant, condition, bylaw, rule, regulation, provision

of a governing document, or master deed provision that effectively prohibits, unreasonably restricts, or limits, directly or indirectly, the use of a unit as a licensed family home child care operated by a family day care provider or as a licensed child day care center, except as provided in subsection (2) of this section.

(2)(a) Nothing in this section prohibits a unit owners' association from imposing reasonable regulations on a family home child care or a child day care center including, but not limited to, architectural standards, as long as those regulations are identical to those applied to all other units within the same association as the family home child care or the child day care center.

(b) An association may require that only a unit with direct access may be used as a family home child care or child day care center. Direct access must be either from the outside of the building or through publicly accessible common elements.

(c) An association may adopt or enforce a restriction, covenant, condition, bylaw, rule, regulation, provision of a governing document, or master deed provision that requires a family home child care or a child day care center operating out of a unit within the association to:

- (i) Be licensed under chapter 43.216 RCW;
- (ii) Indemnify and hold harmless the association against all claims, whether brought by judicial or administrative action, relating to the operation of the family home child care or the child day care center, excluding claims arising in common elements that the association is solely responsible for maintaining under the governing documents;
- (iii) Obtain a signed waiver of liability releasing the association from legal claims directly related to the operation of the family home child care or the child day care center from the parent, guardian, or caretaker of each child being cared for by the family home child care or the child day care center. However, an association may not require that a waiver of liability under this subsection be notarized; and

(iv) Obtain day care insurance as defined in RCW 48.88.020 or provide self-insurance pursuant to chapter 48.90 RCW, consistent with the requirements in RCW 43.216.700.

(3) A unit owners' association that willfully violates this section is liable to the family day care provider or the child day care center for actual damages, and shall pay a civil penalty to the family day care provider or the child day care center in an amount not to exceed \$1,000.

(4) For the purposes of this section, the terms "family day care provider" and "child day care center" have the same meanings as in RCW 43.216.010.

**NEW SECTION. Sec. 3.** A new section is added to chapter 64.38 RCW to read as follows:

(1) A homeowners' association may not adopt or enforce a restriction, covenant, condition, bylaw, rule, regulation, provision of a governing document, or master deed provision that effectively prohibits, unreasonably restricts, or limits, directly or indirectly, the use of a lot as a licensed family home child care operated by a family day care provider or as a licensed child day care center, except as provided in subsection (2) of this section.

(2)(a) Nothing in this section prohibits a homeowners' association from imposing reasonable regulations on a family home child care or a child day care center including, but not limited to, architectural standards, as long as those regulations are identical to those applied to all other lots within the same association as the family home child care or the child day care center.

(b) An association may require that only a lot with direct access may be used as a family home child care or child day care center. Direct access must be through publicly accessible common areas.

(c) An association may adopt or enforce a restriction, covenant,

condition, bylaw, rule, regulation, provision of a governing document, or master deed provision that requires a family home child care or a child day care center operating out of a lot within the association to:

- (i) Be licensed under chapter 43.216 RCW;
- (ii) Indemnify and hold harmless the association against all claims, whether brought by judicial or administrative action, relating to the operation of the family home child care or the child day care center, excluding claims arising in common areas that the association is solely responsible for maintaining under the governing documents;
- (iii) Obtain a signed waiver of liability releasing the association from legal claims directly related to the operation of the family home child care or the child day care center from the parent, guardian, or caretaker of each child being cared for by the family home child care or the child day care center. However, an association may not require that a waiver of liability under this subsection be notarized; and
- (iv) Obtain day care insurance as defined in RCW 48.88.020 or provide self-insurance pursuant to chapter 48.90 RCW, consistent with the requirements in RCW 43.216.700.

(3) A homeowners' association that willfully violates this section is liable to the family day care provider or the child day care center for actual damages, and shall pay a civil penalty to the family day care provider or the child day care center in an amount not to exceed \$1,000.

(4) For the purposes of this section, the terms "family day care provider" and "child day care center" have the same meanings as in RCW 43.216.010.

**NEW SECTION. Sec. 4.** A new section is added to chapter 64.90 RCW to read as follows:

(1) A unit owners association may not adopt or enforce a restriction, covenant, condition, bylaw, rule, regulation, provision of a governing document, or master deed provision that effectively prohibits, unreasonably restricts, or limits, directly or indirectly, the use of a unit as a licensed family home child care operated by a family day care provider or as a licensed child day care center, except as provided in subsection (2) of this section.

(2)(a) Nothing in this section prohibits a unit owners' association from imposing reasonable regulations on a family home child care or a child day care center including, but not limited to, architectural standards, as long as those regulations are identical to those applied to all other units within the same association as the family home child care or the child day care center.

(b) An association may require that only a unit with direct access may be used as a family home child care or child day care center. Direct access must be either from the outside of the building if the common interest community is in a building, or through publicly accessible common elements.

(c) An association may adopt or enforce a restriction, covenant, condition, bylaw, rule, regulation, provision of a governing document, or master deed provision that requires a family home child care or a child day care center operating out of a unit within the association to:

- (i) Be licensed under chapter 43.216 RCW;
- (ii) Indemnify and hold harmless the association against all claims, whether brought by judicial or administrative action, relating to the operation of the family home child care or the child day care center, excluding claims arising in common elements that the association is solely responsible for maintaining under the governing documents;
- (iii) Obtain a signed waiver of liability releasing the association from legal claims directly related to the operation of the family home child care or the child day care center from the parent, guardian, or caretaker of each child being cared for by the family

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home child care or the child day care center. However, an association may not require that a waiver of liability under this subsection be notarized; and

(iv) Obtain day care insurance as defined in RCW 48.88.020 or provide self-insurance pursuant to chapter 48.90 RCW, consistent with the requirements in RCW 43.216.700.

(3) A unit owners association that willfully violates this section is liable to the family day care provider or the child day care center for actual damages, and shall pay a civil penalty to the family day care provider or the child day care center in an amount not to exceed \$1,000.

(4) For the purposes of this section, the terms "family day care provider" and "child day care center" have the same meanings as in RCW 43.216.010.

**NEW SECTION. Sec. 5.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 2 of the title, after "communities;" strike the remainder of the title and insert "adding a new section to chapter 64.32 RCW; adding a new section to chapter 64.34 RCW; adding a new section to chapter 64.38 RCW; adding a new section to chapter 64.90 RCW; prescribing penalties; and declaring an emergency."

MOTION

Senator Wagoner moved that the following floor amendment no. 0304 by Senator Wagoner be adopted:

On page 1, line 5, after "An" insert "association of apartment owners may permit the use of an apartment as a licensed family home child care or as a licensed child day care center by amending the declaration.

(2) If an association of apartment owners permits the use of an apartment as a licensed family home child care or as a licensed child day care center under subsection (1) of this section, then the"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 2, line 24, after "A" insert "unit owners' association may permit the use of a unit as a licensed family home child care or as a licensed child day care center by amending the declaration.

(2) If a unit owners' association permits the use of a unit as a licensed family home child care or as a licensed child day care center under subsection (1) of this section, then the"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 3, line 35, after "A" insert "homeowners' association may permit the use of a lot as a licensed family home child care or as a licensed child day care center by amending the declaration.

(2) If a homeowners' association permits the use of a lot as a licensed family home child care or as a licensed child day care center under subsection (1) of this section, then the"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 5, line 6, after "A" insert "unit owners association may permit the use of a unit as a licensed family home child care or as a licensed child day care center by amending the declaration.

(2) If a unit owners association permits the use of a unit as a licensed family home child care or as a licensed child day care center under subsection (1) of this section, then the"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

Senator Wagoner spoke in favor of adoption of the amendment to the committee striking amendment.

Senator Trudeau spoke against adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 0304 by Senator Wagoner on page 1, line 5 to the committee striking amendment.

The motion by Senator Wagoner did not carry and floor amendment no. 0304 was not adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Law & Justice to House Bill No. 1199.

The motion by Senator Trudeau carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Trudeau, the rules were suspended, House Bill No. 1199 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Trudeau spoke in favor of passage of the bill.

Senator Padden spoke on passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1199 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1199 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 37; Nays, 11; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wellman and Wilson, C.

Voting nay: Senators Dozier, Fortunato, MacEwen, McCune, Muzzall, Padden, Schoesler, Wagoner, Warnick, Wilson, J. and Wilson, L.

Excused: Senator Van De Wege

HOUSE BILL NO. 1199, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1030, by Representatives Leavitt, Jacobsen, Pollet, Reeves and Bronoske

Concerning applied doctorate degree-granting authority.

The measure was read the second time.

MOTION

On motion of Senator Pedersen, the rules were suspended, House Bill No. 1030 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Randall and Holy spoke in favor of passage of the bill.

The President declared the question before the Senate to be the

final passage of House Bill No. 1030.

#### ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1030 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senator Stanford  
Excused: Senator Van De Wege

HOUSE BILL NO. 1030, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced students from Purdy Elementary School who were seated in the gallery. The students were guests of Senator Randall.

#### SECOND READING

SUBSTITUTE HOUSE BILL NO. 1590, by House Committee on Human Services, Youth, & Early Learning (originally sponsored by Dent, Eslick and Caldier)

Concerning the membership and subcommittees of the oversight board for children, youth, and families.

The measure was read the second time.

#### MOTION

On motion of Senator Boehnke, the rules were suspended, Substitute House Bill No. 1590 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Boehnke and Wilson, C. spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1590.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1590 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senator Van De Wege

SUBSTITUTE HOUSE BILL NO. 1590, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1503, by House Committee on Postsecondary Education & Workforce (originally sponsored by Riccelli, Santos, Reeves, Macri and Reed)

Collecting health care professionals' information at the time of license application and license renewal.

The measure was read the second time.

#### MOTION

Senator Cleveland moved that the following committee striking amendment by the Committee on Health & Long-Term Care be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 18.130 RCW to read as follows:

(1) All applicants who submit applications for licensure on or after January 1, 2025, shall provide the following information with their application:

- (a) Race;
- (b) Ethnicity;
- (c) Gender;
- (d) Languages spoken;
- (e) Provider specialty, where applicable;
- (f) Primary practice location, if known at the time of application; and
- (g) Secondary practice location, if applicable and if known at the time of application.

(2) All license holders shall provide the following information when they renew their licenses on or after January 1, 2025, in addition to any other information required by the relevant disciplining authority:

- (a) The information in subsection (1)(a) through (e) of this section, except, after license holders provide this information one time, they shall be required to provide only changes to this information with subsequent renewals;
- (b) Whether the licensee is currently practicing;
- (c) Primary practice location at the time of renewal; and
- (d) Secondary practice location at the time of renewal, if applicable.

(3) The form used to collect information under this section must include the same race and ethnicity categories and subgroups required for the collection of student-level data in RCW 28A.300.042 (1) and (3).

(4) The department shall not sell the information collected pursuant to subsection (1) or (2) of this section to any third party.

(5) Applicants and licensees subject to demographic and practice information provision requirements under chapters 18.71, 18.71A, and 18.71B RCW are exempt from the requirements of this section."

On page 1, line 2 of the title, after "renewal;" strike the remainder of the title and insert "and adding a new section to chapter 18.130 RCW."

The President declared the question before the Senate to be the

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adoption of the committee striking amendment by the Committee on Health & Long-Term Care to Engrossed Substitute House Bill No. 1503.

The motion by Senator Cleveland carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Cleveland, the rules were suspended, Engrossed Substitute House Bill No. 1503 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Cleveland and Padden spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1503.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1503 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senator Wagoner  
Excused: Senator Van De Wege

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1503, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1275, by House Committee on Health Care & Wellness (originally sponsored by Thai, Harris and Riccelli)

Concerning athletic trainers.

The measure was read the second time.

MOTION

On motion of Senator Cleveland, the rules were suspended, Substitute House Bill No. 1275 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Cleveland and Rivers spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1275.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1275 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senator Van De Wege

SUBSTITUTE HOUSE BILL NO. 1275, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1039, by House Committee on Appropriations (originally sponsored by Macri, Harris, Corry, Duerr, Riccelli, Chambers, Goodman, Reed, Fitzgibbon, Pollet, Ryu, Paul, Thai, Springer, Stonier, Kloba, Santos and Ormsby)

Concerning physical therapists performing intramuscular needling.

The measure was read the second time.

MOTION

Senator Cleveland moved that the following committee striking amendment by the Committee on Health & Long-Term Care be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 18.74.010 and 2018 c 222 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Authorized health care practitioner" means and includes licensed physicians, osteopathic physicians, chiropractors, naturopaths, podiatric physicians and surgeons, dentists, and advanced registered nurse practitioners: PROVIDED, HOWEVER, That nothing herein shall be construed as altering the scope of practice of such practitioners as defined in their respective licensure laws.

(2) "Board" means the board of physical therapy created by RCW 18.74.020.

(3) "Close supervision" means that the supervisor has personally diagnosed the condition to be treated and has personally authorized the procedures to be performed. The supervisor is continuously on-site and physically present in the operatory while the procedures are performed and capable of responding immediately in the event of an emergency.

(4) "Department" means the department of health.

(5) "Direct supervision" means the supervisor must (a) be continuously on-site and present in the department or facility where the person being supervised is performing services; (b) be immediately available to assist the person being supervised in the services being performed; and (c) maintain continued involvement in appropriate aspects of each treatment session in which a component of treatment is delegated to assistive personnel or is required to be directly supervised under RCW 18.74.190.

(6) "Indirect supervision" means the supervisor is not on the

premises, but has given either written or oral instructions for treatment of the patient and the patient has been examined by the physical therapist at such time as acceptable health care practice requires and consistent with the particular delegated health care task.

(7) "Physical therapist" means a person who meets all the requirements of this chapter and is licensed in this state to practice physical therapy.

(8)(a) "Physical therapist assistant" means a person who meets all the requirements of this chapter and is licensed as a physical therapist assistant and who performs physical therapy procedures and related tasks that have been selected and delegated only by the supervising physical therapist. However, a physical therapist may not delegate sharp debridement to a physical therapist assistant.

(b) "Physical therapy aide" means an unlicensed person who receives ongoing on-the-job training and assists a physical therapist or physical therapist assistant in providing physical therapy patient care and who does not meet the definition of a physical therapist, physical therapist assistant, or other assistive personnel. A physical therapy aide may directly assist in the implementation of therapeutic interventions, but may not alter or modify the plan of therapeutic interventions and may not perform any procedure or task which only a physical therapist may perform under this chapter.

(c) "Other assistive personnel" means other trained or educated health care personnel, not defined in (a) or (b) of this subsection, who perform specific designated tasks that are related to physical therapy and within their license, scope of practice, or formal education, under the supervision of a physical therapist, including but not limited to licensed massage therapists, athletic trainers, and exercise physiologists. At the direction of the supervising physical therapist, and if properly credentialed and not prohibited by any other law, other assistive personnel may be identified by the title specific to their license, training, or education.

(9) "Physical therapy" means the care and services provided by or under the direction and supervision of a physical therapist licensed by the state. Except as provided in RCW 18.74.190, the use of Roentgen rays and radium for diagnostic and therapeutic purposes, the use of electricity for surgical purposes, including cauterization, and the use of spinal manipulation, or manipulative mobilization of the spine and its immediate articulations, are not included under the term "physical therapy" as used in this chapter.

(10) "Practice of physical therapy" is based on movement science and means:

(a) Examining, evaluating, and testing individuals with mechanical, physiological, and developmental impairments, functional limitations in movement, and disability or other health and movement-related conditions in order to determine a diagnosis, prognosis, plan of therapeutic intervention, and to assess and document the ongoing effects of intervention;

(b) Alleviating impairments and functional limitations in movement by designing, implementing, and modifying therapeutic interventions that include therapeutic exercise; functional training related to balance, posture, and movement to facilitate self-care and reintegration into home, community, or work; manual therapy including soft tissue and joint mobilization and manipulation; therapeutic massage; assistive, adaptive, protective, and devices related to postural control and mobility except as restricted by (c) of this subsection; airway clearance techniques; physical agents or modalities; mechanical and electrotherapeutic modalities; and patient-related instruction;

(c) Training for, and the evaluation of, the function of a patient wearing an orthosis or prosthesis as defined in RCW 18.200.010. Physical therapists may provide those direct-formed and prefabricated upper limb, knee, and ankle-foot orthoses, but not

fracture orthoses except those for hand, wrist, ankle, and foot fractures, and assistive technology devices specified in RCW 18.200.010 as exemptions from the defined scope of licensed orthotic and prosthetic services. It is the intent of the legislature that the unregulated devices specified in RCW 18.200.010 are in the public domain to the extent that they may be provided in common with individuals or other health providers, whether unregulated or regulated under this title, without regard to any scope of practice;

(d) Performing wound care services that are limited to sharp debridement, debridement with other agents, dry dressings, wet dressings, topical agents including enzymes, hydrotherapy, electrical stimulation, ultrasound, and other similar treatments. Physical therapists may not delegate sharp debridement. A physical therapist may perform wound care services only by referral from or after consultation with an authorized health care practitioner;

(e) Performing intramuscular needling;

(f) Reducing the risk of injury, impairment, functional limitation, and disability related to movement, including the promotion and maintenance of fitness, health, and quality of life in all age populations; and

~~((#))~~ (g) Engaging in administration, consultation, education, and research.

(11) "Secretary" means the secretary of health.

(12) "Sharp debridement" means the removal of devitalized tissue from a wound with scissors, scalpel, and tweezers without anesthesia. "Sharp debridement" does not mean surgical debridement. A physical therapist may perform sharp debridement, to include the use of a scalpel, only upon showing evidence of adequate education and training as established by rule. Until the rules are established, but no later than July 1, 2006, physical therapists licensed under this chapter who perform sharp debridement as of July 24, 2005, shall submit to the secretary an affidavit that includes evidence of adequate education and training in sharp debridement, including the use of a scalpel.

(13) "Spinal manipulation" includes spinal manipulation, spinal manipulative therapy, high velocity thrust maneuvers, and grade five mobilization of the spine and its immediate articulations.

(14) "Intramuscular needling," also known as "dry needling," means a skilled intervention that uses a single use, sterile filiform needle to penetrate the skin and stimulate underlying myofascial trigger points and connective and muscular tissues for the evaluation and management of neuromusculoskeletal pain and movement impairments. Intramuscular needling requires an examination and diagnosis. Intramuscular needling does not include needle retention without stimulation or the stimulation of auricular and distal points.

(15) Words importing the masculine gender may be applied to females.

**NEW SECTION. Sec. 2.** A new section is added to chapter 18.74 RCW to read as follows:

(1) Subject to the limitations of this section, a physical therapist may perform intramuscular needling only after being issued an intramuscular needling endorsement by the secretary. The secretary, upon approval by the board, shall issue an endorsement to a physical therapist who has at least one year of postgraduate practice experience that averages at least 36 hours a week and consists of direct patient care and who provides evidence in a manner acceptable to the board of a total of 325 hours of instruction and clinical experience that meet or exceed the following criteria:

(a) A total of 100 hours of didactic instruction in the following areas:

(i) Anatomy and physiology of the musculoskeletal and



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neuromuscular systems;

(ii) Anatomical basis of pain mechanisms, chronic pain, and referred pain;

(iii) Trigger point evaluation and management;

(iv) Universal precautions in avoiding contact with a patient's bodily fluids; and

(v) Preparedness and response to unexpected events including but not limited to injury to blood vessels, nerves, and organs, and psychological effects or complications.

(b) A total of 75 hours of in-person intramuscular needling instruction in the following areas:

(i) Intramuscular needling technique;

(ii) Intramuscular needling indications and contraindications;

(iii) Documentation and informed consent for intramuscular needling;

(iv) Management of adverse effects;

(v) Practical psychomotor competency; and

(vi) Occupational safety and health administration's bloodborne pathogens protocol.

(c) A successful clinical review of a minimum of 150 hours of at least 150 individual intramuscular needling treatment sessions by a qualified provider. A physical therapist seeking endorsement must submit an affidavit to the department demonstrating successful completion of this clinical review.

(2) A qualified provider must be one of the following:

(a) A physician licensed under chapter 18.71 RCW; an osteopathic physician licensed under chapter 18.57 RCW; a licensed naturopath under chapter 18.36A RCW; a licensed acupuncture and Eastern medicine practitioner under chapter 18.06 RCW; or a licensed advanced registered nurse practitioner under chapter 18.79 RCW;

(b) A physical therapist credentialed to perform intramuscular needling in any branch of the United States armed forces;

(c) A licensed physical therapist who currently holds an intramuscular needling endorsement; or

(d) A licensed physical therapist who meets the requirements of the intramuscular needling endorsement.

(3) After receiving 100 hours of didactic instruction and 75 hours of in-person intramuscular needling instruction, a physical therapist seeking endorsement has up to 18 months to complete a minimum of 150 treatment sessions for review.

(4) A physical therapist may not delegate intramuscular needling and must remain in constant attendance of the patient for the entirety of the procedure.

(5) A physical therapist can apply for endorsement before they have one year of clinical practice experience if they can meet the requirement of 100 hours of didactic instruction and 75 hours of in-person intramuscular needling instruction in subsection (1)(a)(i) and (ii) of this section through their preclosure coursework and has completed all other requirements set forth in this chapter.

(6) If a physical therapist is intending to perform intramuscular needling on a patient who the physical therapist knows is being treated by an acupuncturist or acupuncture and Eastern medicine practitioner for the same diagnosis, the physical therapist shall make reasonable efforts to coordinate patient care with the acupuncturist or acupuncture and Eastern medicine practitioner to prevent conflict or duplication of services.

(7) All patients receiving intramuscular needling from a physical therapist must sign an informed consent form that includes:

(a) The definition of intramuscular needling;

(b) A description of the risks of intramuscular needling;

(c) A description of the benefits of intramuscular needling;

(d) A description of the potential side effects of intramuscular

needling; and

(e) A statement clearly differentiating the procedure from the practice of acupuncture.

(8) Intramuscular needling may not be administered as a stand-alone treatment within a physical therapy care plan."

On page 1, line 2 of the title, after "needling;" strike the remainder of the title and insert "amending RCW 18.74.010; and adding a new section to chapter 18.74 RCW."

Senator Cleveland spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Health & Long-Term Care to Second Substitute House Bill No. 1039.

The motion by Senator Cleveland carried and the committee striking amendment was adopted by voice vote.

#### MOTION

On motion of Senator Cleveland, the rules were suspended, Second Substitute House Bill No. 1039 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Cleveland, Rivers and King spoke in favor of passage of the bill.

#### MOTION

On motion of Senator Wagoner, Senator MacEwen was excused.

The President declared the question before the Senate to be the final passage of Second Substitute House Bill No. 1039 as amended by the Senate.

#### ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1039 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators MacEwen and Van De Wege

SECOND SUBSTITUTE HOUSE BILL NO. 1039, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SUBSTITUTE HOUSE BILL NO. 1255, by House Committee on Health Care & Wellness (originally sponsored by Simmons, Harris, Peterson, Reed, Riccelli, Macri, Bateman and Doglio)

Reducing stigma and incentivizing health care professionals to participate in a substance use disorder monitoring and treatment program.

The measure was read the second time.

#### MOTION

On motion of Senator Cleveland, the rules were suspended, Substitute House Bill No. 1255 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Cleveland and Rivers spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1255.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1255 and the bill passed the Senate by the following vote: Yeas, 40; Nays, 7; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Braun, Cleveland, Conway, Dhingra, Dozier, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, Mullet, Muzzall, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Stanford, Torres, Trudeau, Valdez, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Boehnke, Fortunato, McCune, Padden, Short, Wagoner and Warnick

Excused: Senators MacEwen and Van De Wege

SUBSTITUTE HOUSE BILL NO. 1255, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1694, by House Committee on Appropriations (originally sponsored by Alvarado, Tharinger, Berry, Lekanoff, Reed, Leavitt, Fitzgibbon, Callan, Santos, Chopp, Ortiz-Self, Senn, Taylor, Pollet, Macri, Riccelli and Simmons)

Addressing home care workforce shortages.

The measure was read the second time.

#### MOTION

Senator Cleveland moved that the following committee striking amendment by the Committee on Health & Long-Term Care be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 18.88B.010 and 2012 c 164 s 201 are each reenacted and amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Community residential service business" has the same meaning as defined in RCW 74.39A.009.

(2) "Date of hire" means the first day the long-term care worker is employed by any employer.

(3) "Department" means the department of health.

~~((4))~~ (4) "Home care aide" means a person certified under this

chapter.

~~((4))~~ (5) "Individual provider" has the same meaning as defined in RCW 74.39A.009.

~~((5))~~ (6) "Long-term care worker" has the same meaning as defined in RCW 74.39A.009.

~~((6))~~ (7) "Personal care services" has the same meaning as defined in RCW 74.39A.009.

~~((7))~~ (8) "Secretary" means the secretary of the department of health.

**Sec. 2.** RCW 18.88B.021 and 2021 c 203 s 10 are each amended to read as follows:

(1) Beginning January 7, 2012, except as provided in RCW 18.88B.041, any person hired as a long-term care worker must be certified as a home care aide as provided in this chapter within ~~((two hundred))~~ 200 calendar days after the date of hire ~~((as defined by the department. The department may adopt rules determining under which circumstances a long-term care worker may have more than one date of hire, restarting the person's 200-day period to obtain certification as a home care aide)).~~ A long-term care worker who is not currently certified or eligible to reactivate an expired credential shall receive a new date of hire when beginning work with either a new employer or returning to a former employer after prior employment has ended.

(2)(a) No person may practice or, by use of any title or description, represent himself or herself as a certified home care aide without being certified as provided in this chapter.

(b) This section does not prohibit a person: (i) From practicing a profession for which the person has been issued a license or which is specifically authorized under this state's laws; or (ii) who is exempt from certification under RCW 18.88B.041 from providing services as a long-term care worker.

(c) In consultation with consumer and worker representatives, the department shall, by January 1, 2013, establish by rule a single scope of practice that encompasses both long-term care workers who are certified home care aides and long-term care workers who are exempted from certification under RCW 18.88B.041.

(3) If a pandemic, natural disaster, or other declared state of emergency impacts the ability of long-term care workers to complete certification as required by this section, the department may adopt rules to allow long-term care workers additional time to become certified.

(a) Rules adopted under this subsection (3) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that additional time for long-term care workers to become certified is no longer necessary, whichever is later. Once the department determines a rule adopted under this subsection (3) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of certification compliance with subsection (1) of this section and rules adopted under this subsection (3) and provide the legislature with a report.

(4) The department shall adopt rules to implement this section. NEW SECTION. **Sec. 3.** A new section is added to chapter 18.88B RCW to read as follows:

(1) A certificate that has been expired for five years or less may be reinstated if the person holding the expired certificate:

(a) Completes an abbreviated application form;

(b) Pays any necessary fees, including the current certification fee, late renewal fees, and expired credential reissuance fees, unless exempt pursuant to section 4 of this act;

(c) Provides a written declaration that no action has been taken by a state or federal jurisdiction or hospital which would prevent or restrict the person holding the expired certificate from

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practicing as a home care aide;

(d) Provides a written declaration that the person holding the expired certificate has not voluntarily given up any credential or privilege or has not been restricted from practicing as a home care aide in lieu of or to avoid formal action; and

(e) Submits to a state and federal background check as required by RCW 74.39A.056, if the certificate has been expired for more than one year.

(2) In addition to meeting the requirements of subsection (1) of this section, a certificate that has been expired for more than five years may be reinstated if the person holding the expired certificate demonstrates competence to the standards established by the secretary and meets other requirements established by the secretary.

**NEW SECTION. Sec. 4.** A new section is added to chapter 18.88B RCW to read as follows:

(1) Beginning September 1, 2023, a person whose home care aide certificate has been expired for more than six months and less than two years who seeks to restore the certificate to active status is exempt from the payment of any late renewal fee or current renewal fee if the person complies with all other certification requirements determined necessary by the department to return to active status.

(2) The department shall send a notification to the last known address of each person who held a certificate under this chapter and, since January 1, 2020, failed to renew the certificate to inform the person that a certificate may be restored without a financial penalty or payment of a renewal fee under subsection (1) of this section. For persons who have allowed their certificates to expire since January 1, 2023, the department must allow six months to pass since the expiration prior to contacting them to inform them that a certificate may be restored without a financial penalty or payment of a renewal fee under subsection (1) of this section.

(3) The department and the department of social and health services, as applicable, shall adopt rules to assure that continuing education requirements are not a barrier for persons seeking to reactivate their certificates under this chapter.

(4) This section expires July 1, 2025.

**NEW SECTION. Sec. 5.** A new section is added to chapter 18.88A RCW to read as follows:

(1) Beginning September 1, 2023, a person whose nursing assistant certificate has been expired for more than six months and less than two years who seeks to restore the certificate to active status is exempt from the payment of any late renewal fee or current renewal fee if the person complies with all other certification requirements determined necessary by the department to return to active status.

(2) The department shall send a notification to the last known address of each person who held a certificate under this chapter and, since January 1, 2020, failed to renew the certificate to inform the person that a certificate may be restored without a financial penalty or payment of a renewal fee under subsection (1) of this section. For persons who have allowed their certificates to expire since January 1, 2023, the department must allow six months to pass since the expiration prior to contacting them to inform them that a certificate may be restored without a financial penalty or payment of a renewal fee under subsection (1) of this section.

(3) The department shall adopt rules to assure that continuing education requirements are not a barrier for persons seeking to reactivate their certificates under this chapter.

(4) This section expires July 1, 2025.

**Sec. 6.** RCW 74.39A.341 and 2021 c 203 s 9 are each amended to read as follows:

(1) All long-term care workers shall complete twelve hours of continuing education training in advanced training topics each year. This requirement applies beginning July 1, 2012.

(2) Completion of continuing education as required in this section is a prerequisite to maintaining home care aide certification under chapter 18.88B RCW.

(3) Unless voluntarily certified as a home care aide under chapter 18.88B RCW, subsection (1) of this section does not apply to:

(a) An individual provider caring only for his or her biological, step, or adoptive child;

(b) An individual provider caring only for the individual provider's sibling, aunt, uncle, cousin, niece, nephew, grandparent, or grandchild, including when related by marriage or domestic partnership;

(c) Registered nurses and licensed practical nurses licensed under chapter 18.79 RCW;

~~((e))~~ (d) Before January 1, 2016, a long-term care worker employed by a community residential service business;

~~((f))~~ (e) A person working as an individual provider who provides twenty hours or less of care for one person in any calendar month; ~~((g))~~

~~((h))~~ (f) A person working as an individual provider who only provides respite services and works less than three hundred hours in any calendar year; or

(g) A person whose certificate has been expired for less than five years who seeks to restore the certificate to active status. The person does not need to complete continuing education requirements in order for their certificate to be restored to active status. Subsection (1) of this section applies to persons once the certificate has been restored to active status, beginning on the date the certificate is restored to active status.

(4) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(5) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.

(6) If a pandemic, natural disaster, or other declared state of emergency impacts the ability of long-term care workers to complete training as required by this section, the department may adopt rules to allow long-term care workers additional time to complete the training requirements.

(a) Rules adopted under this subsection (6) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all long-term care workers who were unable to complete the training required in this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (6) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (1) of this section and provide the legislature with a report.

(7) The department of health shall adopt rules to implement subsection (1) of this section.

(8) The department shall adopt rules to implement subsection (2) of this section.

**Sec. 7.** RCW 18.88B.041 and 2019 c 363 s 20 are each amended to read as follows:

(1) The following long-term care workers are not required to become a certified home care aide pursuant to this chapter:

(a)(i)(A) Registered nurses, licensed practical nurses, certified nursing assistants or persons who are in an approved training program for certified nursing assistants under chapter 18.88A RCW, medicare-certified home health aides, or other persons who hold a similar health credential, as determined by the secretary, or persons with special education training and an endorsement granted by the superintendent of public instruction, as described in RCW 28A.300.010, if the secretary determines that the circumstances do not require certification.

(B) A person who was initially hired as a long-term care worker prior to January 7, 2012, and who completes all of the training requirements in effect as of the date the person was hired.

(ii) Individuals exempted by (a)(i) of this subsection may obtain certification as a home care aide without fulfilling the training requirements in RCW 74.39A.074(1)(d)(ii) but must successfully complete a certification examination pursuant to RCW 18.88B.031.

(b) All long-term care workers employed by community residential service businesses.

(c)(i) An individual provider caring only for the individual provider's biological, step, or adoptive child or parent; and

(ii) An individual provider caring only for the individual provider's sibling, aunt, uncle, cousin, niece, nephew, grandparent, or grandchild, including when related by marriage or domestic partnership.

(d) A person working as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(e) A person working as an individual provider who only provides respite services and works less than three hundred hours in any calendar year.

(f) A long-term care worker providing approved services only for a spouse or registered domestic partner, pursuant to the long-term services and supports trust program established in chapter 50B.04 RCW.

(g) A long-term care worker providing approved services only for a spouse or registered domestic partner and funded through the United States department of veterans affairs home and community-based programs.

(2) A long-term care worker exempted by this section from the training requirements contained in RCW 74.39A.074 may not be prohibited from enrolling in training pursuant to that section.

(3) The department shall adopt rules to implement this section.

**Sec. 8.** RCW 74.39A.076 and 2021 c 203 s 8 are each amended to read as follows:

(1) Beginning January 7, 2012, except for long-term care workers exempt from certification under RCW 18.88B.041(1)(a):

(a) A biological, step, or adoptive parent who is the individual provider only for the person's developmentally disabled son or daughter must receive twelve hours of training relevant to the needs of ~~((adults))~~ individuals with developmental disabilities within the first one hundred twenty days after becoming an individual provider.

(b) A spouse or registered domestic partner who is a long-term care worker only for a spouse or domestic partner, pursuant to the long-term services and supports trust program established in chapter 50B.04 RCW, must receive fifteen hours of basic training, and at least six hours of additional focused training based on the care-receiving spouse's or partner's needs, within the first one hundred twenty days after becoming a long-term care worker.

(c) A person working as an individual provider who (i) provides respite care services only for individuals with developmental disabilities receiving services under Title 71A

RCW or only for individuals who receive services under this chapter, and (ii) works three hundred hours or less in any calendar year, must complete fourteen hours of training within the first one hundred twenty days after becoming an individual provider. Five of the fourteen hours must be completed before becoming eligible to provide care, including two hours of orientation training regarding the caregiving role and terms of employment and three hours of safety training. The training partnership identified in RCW 74.39A.360 must offer at least twelve of the fourteen hours online, and five of those online hours must be individually selected from elective courses.

(d) Individual providers identified in (d)(i) or (ii) of this subsection must complete thirty-five hours of training within the first one hundred twenty days after becoming an individual provider. Five of the thirty-five hours must be completed before becoming eligible to provide care. Two of these five hours shall be devoted to an orientation training regarding an individual provider's role as caregiver and the applicable terms of employment, and three hours shall be devoted to safety training, including basic safety precautions, emergency procedures, and infection control. Individual providers subject to this requirement include:

(i)(A) An individual provider caring only for the individual provider's biological, step, or adoptive child or parent unless covered by (a) of this subsection; and

(B) An individual provider caring only for the individual provider's sibling, aunt, uncle, cousin, niece, nephew, grandparent, or grandchild, including when related by marriage or domestic partnership; ((and))

(ii) A person working as an individual provider who provides twenty hours or less of care for one person in any calendar month; and

(iii) A long-term care worker providing approved services only for a spouse or registered domestic partner and funded through the United States department of veterans affairs home and community-based programs.

(2) In computing the time periods in this section, the first day is the date of hire.

(3) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(4) If a pandemic, natural disaster, or other declared state of emergency impacts the ability of long-term care workers to complete training as required by this section, the department may adopt rules to allow long-term care workers additional time to complete the training requirements.

(a) Rules adopted under this subsection (4) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all long-term care workers who were unable to complete the training required in subsection (1) of this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (4) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (1) of this section and provide the legislature with a report.

(5) The department shall adopt rules to implement this section.

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**NEW SECTION. Sec. 9.** A new section is added to chapter 74.39A RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, beginning June 1, 2025, the department shall annually report on the status of:

- (1) The long-term care worker supply;
- (2) The average wages of long-term care workers compared to entry-level positions in other industries;
- (3) Projections of service demands;
- (4) Geographic disparities in the supply of long-term care workers; and
- (5) Any race, gender, or other worker demographic data available through preexisting administrative data sources.

**NEW SECTION. Sec. 10.** The department of social and health services shall design a pilot project to allow the spouse or domestic partner of a person with complex medical needs who is eligible for long-term services and supports through the department of social and health services to receive payment for providing home care services to the spouse or domestic partner. The design shall consider the appropriate acuity level of the care-receiving spouse or domestic partner, the training needs of the care-providing spouse or domestic partner, payment parameters, fiscal considerations and use of medicaid matching funds, geographic locations for implementing the pilot project, ways to design the project to aid in future statewide implementation, cost estimates for implementing the pilot project, cost estimates for implementing a pilot project expansion, projected number of individuals to be served, a proposed timeline for implementation of the pilot project, and a proposed timeline for implementation of an expanded pilot project. The department of social and health services shall submit the pilot project design to the office of financial management and the appropriate fiscal committees of the legislature by December 31, 2023.

**NEW SECTION. Sec. 11.** The department of social and health services shall study the feasibility and cost of paying the parents of children under 18 years old who are medically complex or have complex support needs related to their behaviors. The department of social and health services must submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 31, 2023. The report shall address any statutory or regulatory changes needed to authorize the payments, necessary information technology changes for the agency and associated costs, elements needed to prepare a federal waiver or state plan amendments to allow for the use of federal matching funds for the payments to parents, estimates of the number of children expected to be served, the anticipated annual cost to the state both if federal matching funds are available and if they are not available, recommendations on the types of training needed for parents to support their children's care needs, and a proposed timeline for implementation which may be phased, if necessary.

**NEW SECTION. Sec. 12.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2023, in the omnibus appropriations act, this act is null and void."

On page 1, at the beginning of line 2 of the title, strike the remainder of the title and insert "amending RCW 18.88B.021, 74.39A.341, 18.88B.041, and 74.39A.076; reenacting and amending RCW 18.88B.010; adding new sections to chapter 18.88B RCW; adding a new section to chapter 18.88A RCW; adding a new section to chapter 74.39A RCW; creating new sections; and providing expiration dates."

Senator Cleveland spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Health & Long-Term Care to Engrossed Second Substitute House Bill No. 1694.

The motion by Senator Cleveland carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Cleveland, the rules were suspended, Engrossed Second Substitute House Bill No. 1694 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Cleveland and Rivers spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute House Bill No. 1694.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute House Bill No. 1694 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators MacEwen and Van De Wege

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1694, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

On motion of Senator Pedersen, Rule 15 was suspended for the remainder of the day for the purpose of allowing continued floor action.

**EDITOR'S NOTE:** Senate Rule 15 establishes the floor schedule and calls for a lunch and dinner break of 90 minutes each per day during regular daily sessions.

MOTION

At 12:24 p.m., on motion of Senator Pedersen, the Senate was declared to be at ease subject to the call of the President.

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AFTERNOON SESSION

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The Senate was called to order at 1:30 p.m. by President Heck.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1340, by House Committee on Health Care & Wellness (originally sponsored by Riccelli, Thai, Berry, Ormsby, Chopp, Macri,

Bergquist, Bateman, Simmons, Stonier, Berg, Duerr, Wylie, Senn, Taylor, Fitzgibbon, Cortes, Goodman, Reed, Lekanoff, Alvarado, Ramel, Kloba, Tharinger and Pollet)

Concerning actions by health professions disciplining authorities against license applicants and license holders.

The measure was read the second time.

#### MOTION

Senator Lovelett moved that the following floor amendment no. 0284 by Senator Lovelett be adopted:

On page 6, after line 10, insert the following:

"(a) The provision of, authorization of, recommendation of, aiding in, assistance in, referral for, or other participation in any reproductive health care services or gender affirming treatment consistent with the standard of care in Washington by a license holder;"

Reletter the remaining subsections consecutively and correct any internal references accordingly.

Senator Lovelett spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 0284 by Senator Lovelett on page 6, after line 10 to Engrossed Substitute House Bill No. 1340.

The motion by Senator Lovelett carried and floor amendment no. 0284 was adopted by voice vote.

#### MOTION

Senator King moved that the following floor amendment no. 0312 by Senator McCune be adopted:

On page 7, line 18, after "individual" insert "at least 18 years old"

Senators McCune, Padden, Fortunato and Rivers spoke in favor of adoption of the amendment.

Senators Cleveland and Randall spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 0312 by Senator McCune on page 7, line 18 to Engrossed Substitute House Bill No. 1340.

The motion by Senator King did not carry and floor amendment no. 0312 was not adopted by voice vote.

#### MOTION

Senator Cleveland moved that the following floor amendment no. 0309 by Senator Cleveland be adopted:

On page 7, after line 26, insert the following:

"**NEW SECTION. Sec. 4.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 5 of the title, after "18.130.055;" strike "and adding a new section to chapter 18.130 RCW" and insert "adding a new section to chapter 18.130 RCW; and declaring an emergency"

Senator Cleveland spoke in favor of adoption of the amendment.

Senator Padden spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 0309 by Senator Cleveland on page 7, after line 26 to Engrossed Substitute House Bill No. 1340.

The motion by Senator Cleveland carried and floor amendment no. 0309 was adopted by rising vote.

#### MOTION

On motion of Senator Pedersen, the rules were suspended, Engrossed Substitute House Bill No. 1340 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Cleveland spoke in favor of passage of the bill.

Senators Fortunato and McCune spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1340 as amended by the Senate.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1340 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 28; Nays, 19; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Cleveland, Conway, Dhingra, Frame, Hasegawa, Hunt, Kauffman, Keiser, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Stanford, Trudeau, Valdez, Wellman and Wilson, C.

Voting nay: Senators Boehnke, Braun, Dozier, Fortunato, Gildon, Hawkins, Holy, King, McCune, Muzzall, Padden, Rivers, Schoesler, Short, Torres, Wagoner, Warnick, Wilson, J. and Wilson, L.

Excused: Senators MacEwen and Van De Wege

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1340, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1073, by House Committee on Health Care & Wellness (originally sponsored by Harris, Tharinger, Ryu, Leavitt, Macri, Caldier, Santos and Ormsby)

Concerning medical assistants.

The measure was read the second time.

#### MOTION

On motion of Senator Cleveland, the rules were suspended, Engrossed Substitute House Bill No. 1073 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Cleveland and Rivers spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1073.

#### ROLL CALL

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The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1073 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators MacEwen and Van De Wege

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1073, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## MOTION

On motion of Senator Pedersen, the Senate reverted to the fourth order of business.

## MESSAGES FROM THE HOUSE

April 6, 2023

MR. PRESIDENT:

The Speaker has signed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1048,  
SUBSTITUTE HOUSE BILL NO. 1069,  
ENGROSSED HOUSE BILL NO. 1210,  
SUBSTITUTE HOUSE BILL NO. 1254,  
ENGROSSED HOUSE BILL NO. 1274,  
SECOND SUBSTITUTE HOUSE BILL NO. 1522,  
HOUSE BILL NO. 1624,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

April 6, 2023

MR. PRESIDENT:

The Speaker has signed:

SUBSTITUTE SENATE BILL NO. 5338,  
and the same are herewith transmitted.  
MELISSA PALMER, Deputy Chief Clerk

## MOTION

On motion of Senator Pedersen, the Senate advanced to the sixth order of business.

## SECOND READING

SUBSTITUTE HOUSE BILL NO. 1326, by House Committee on Local Government (originally sponsored by Cortes, Chopp, Berry, Duerr, Farivar, Morgan, Peterson, Ramel, Ryu, Senn, Simmons, Walen, Mena, Reed, Doglio, Pollet, Springer and Macri)

Waiving municipal utility connection charges for certain properties.

The measure was read the second time.

## MOTION

Senator Lovelett moved that the following committee striking amendment by the Committee on Local Government, Land Use & Tribal Affairs be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 35.92 RCW to read as follows:

(1) Municipal utilities formed under this chapter may waive connection charges for properties owned or developed by, or on the behalf of, a nonprofit organization, public development authority, housing authority, or local agency that provides emergency shelter, transitional housing, permanent supportive housing, or affordable housing, including a limited partnership as described in RCW 84.36.560(7)(f)(ii) and a limited liability company as described in RCW 84.36.560(7)(f)(iii).

(2) Connection charges waived under this chapter shall be funded using general funds, grant dollars, or other identified revenue stream.

(3) At such time as a property receiving a waiver under subsection (1) of this section is no longer operating under the eligibility requirements under subsection (1) of this section:

(a) The waiver of connection charges required under subsection (1) of this section is no longer required; and

(b) Any connection charges waived under subsection (1) of this section are immediately due and payable to the utility as a condition of continued service.

(4) For the purposes of this section:

(a) "Affordable housing" has the same meaning as in RCW 36.70A.030.

(b) "Connection charges" means the one-time capital and administrative charges, as authorized in RCW 35.92.025, that are imposed by a utility on a building or facility owner for a new utility service and costs borne or assessed by a utility for the labor, materials, and services necessary to physically connect a designated facility to the respective utility service.

(c) "Emergency shelter" means any facility that has, as its sole purpose, the provision of a temporary shelter for the homeless and that does not require occupants to sign a lease or occupancy agreement.

(d) "Permanent supportive housing" has the same meaning as in RCW 36.70A.030.

(e) "Transitional housing" has the same meaning as in RCW 84.36.043.

**Sec. 2.** RCW 35.92.380 and 1980 c 150 s 1 are each amended to read as follows:

Whenever a city or town waives or delays collection of tap-in charges, connection fees, or hookup fees for ~~((low income))~~ low-income persons, ~~((or))~~ a class of ((low income)) low-income persons, or a nonprofit organization, public development authority, housing authority, or local agency that provides emergency shelter, transitional housing, permanent supportive housing, or affordable housing as defined in section 1 of this act to connect to lines or pipes used by the city or town to provide utility service, the waiver or delay shall be pursuant to a program established by ordinance. As used in this section, the provision of "utility service" includes, but is not limited to, water, sanitary or storm sewer service, electricity, gas, other means of power, and heat."

On page 1, line 2 of the title, after "properties;" strike the remainder of the title and insert "amending RCW 35.92.380; and adding a new section to chapter 35.92 RCW."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee

on Local Government, Land Use & Tribal Affairs to Substitute House Bill No. 1326.

The motion by Senator Lovelett carried and the committee striking amendment was adopted by voice vote.

#### MOTION

On motion of Senator Lovelett, the rules were suspended, Substitute House Bill No. 1326 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Lovelett and Torres spoke in favor of passage of the bill.

#### MOTION

On motion of Senator Wagoner, Senator Braun was excused.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1326.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1326 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 1; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Boehnke, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldafia, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senator Padden

Excused: Senators Braun, MacEwen and Van De Wege

SUBSTITUTE HOUSE BILL NO. 1326, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

ENGROSSED HOUSE BILL NO. 1337, by Representatives Gregerson, Barkis, Berry, Christian, Duerr, Fitzgibbon, Taylor, Ramel, Reeves, Simmons, Walen, Graham, Bateman, Reed, Lekanoff, Doglio, Tharinger, Cortes, Macri and Stonier

Expanding housing options by easing barriers to the construction and use of accessory dwelling units.

The measure was read the second time.

#### MOTION

Senator Lovelett moved that the following committee striking amendment by the Committee on Local Government, Land Use & Tribal Affairs be adopted:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) The legislature makes the following findings:

(a) Washington state is experiencing a housing affordability crisis. Many communities across the state are in need of more housing for renters across the income spectrum.

(b) Many cities dedicate the majority of residentially zoned land to single detached houses that are increasingly financially out of reach for many households. Due to their smaller size, accessory dwelling units can provide a more affordable housing option in those single-family zones.

(c) Localities can start to correct for historic economic and racial exclusion in single-family zones by opening up these neighborhoods to more diverse housing types, including accessory dwelling units, that provide lower cost homes. Increasing housing options in expensive, high-opportunity neighborhoods will give more families access to schools, parks, and other public amenities otherwise accessible to only the wealthy.

(d) Accessory dwelling units are frequently rented below market rate, providing additional affordable housing options for renters.

(e) Accessory dwelling units can also help to provide housing for very low-income households. More than 10 percent of accessory dwelling units in some areas are occupied by tenants who pay no rent at all; among these tenants are grandparents, adult children, family members with disabilities, friends going through life transitions, and community members in need. Accessory dwelling units meet the needs of these people who might otherwise require subsidized housing space and resources.

(f) Accessory dwelling units can meet the needs of Washington's growing senior population, making it possible for this population to age in their communities by offering senior-friendly housing, which prioritizes physical accessibility, in walkable communities near amenities essential to successful aging in place, including transit and grocery stores, without requiring costly renovations of existing housing stock.

(g) Homeowners who add an accessory dwelling unit may benefit from added income and an increased sense of security.

(h) Accessory dwelling units provide environmental benefits. On average they are more energy efficient than single detached houses, and they incentivize adaptive reuse of existing homes and materials.

(i) Siting accessory dwelling units near transit hubs, employment centers, and public amenities can help to reduce greenhouse gas emissions by increasing walkability, shortening household commutes, and curtailing sprawl.

(2) The legislature intends to promote and encourage the creation of accessory dwelling units as a means to address the need for additional affordable housing options.

**Sec. 2.** RCW 36.70A.696 and 2021 c 306 s 2 are each amended to read as follows:

The definitions in this section apply throughout RCW 36.70A.697 (~~and~~), 36.70A.698, and sections 3 and 4 of this act unless the context clearly requires otherwise.

(1) "Accessory dwelling unit" means a dwelling unit located on the same lot as a single-family housing unit, duplex, triplex, townhome, or other housing unit.

(2) "Attached accessory dwelling unit" means an accessory dwelling unit located within or attached to a single-family housing unit, duplex, triplex, townhome, or other housing unit.

(3) "City" means any city, code city, and town located in a county planning under RCW 36.70A.040.

(4) "County" means any county planning under RCW 36.70A.040.

(5) "Detached accessory dwelling unit" means an accessory dwelling unit that consists partly or entirely of a building that is separate and detached from a single-family housing unit, duplex, triplex, townhome, or other housing unit and is on the same property.

(6) "Dwelling unit" means a residential living unit that provides complete independent living facilities for one or more persons



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and that includes permanent provisions for living, sleeping, eating, cooking, and sanitation.

(7) "Gross floor area" means the interior habitable area of a dwelling unit including basements and attics but not including a garage or accessory structure.

(8) "Major transit stop" means:

(a) A stop on a high capacity transportation system funded or expanded under the provisions of chapter 81.104 RCW;

(b) Commuter rail stops;

(c) Stops on rail or fixed guideway systems, including transitways;

(d) Stops on bus rapid transit routes or routes that run on high occupancy vehicle lanes; or

(e) Stops for a bus or other transit mode providing actual fixed route service at intervals of at least fifteen minutes for at least five hours during the peak hours of operation on weekdays.

~~((8))~~ (9) "Owner" means any person who has at least 50 percent ownership in a property on which an accessory dwelling unit is located.

~~((9))~~ (10) "Principal unit" means the single-family housing unit, duplex, triplex, townhome, or other housing unit located on the same lot as an accessory dwelling unit.

(11) "Short-term rental" means a lodging use, that is not a hotel or motel or bed and breakfast, in which a dwelling unit, or portion thereof, is offered or provided to a guest by a short-term rental operator for a fee for fewer than 30 consecutive nights.

**NEW SECTION. Sec. 3.** A new section is added to chapter 36.70A RCW to read as follows:

(1)(a) Cities and counties planning under this chapter must adopt or amend by ordinance, and incorporate into their development regulations, zoning regulations, and other official controls the requirements of this section and of section 4 of this act, to take effect six months after the jurisdiction's next periodic comprehensive plan update required under RCW 36.70A.130.

(b) In any city or county that has not adopted or amended ordinances, regulations, or other official controls as required under this section, the requirements of this section and section 4 of this act supersede, preempt, and invalidate any conflicting local development regulations.

(2) Ordinances, development regulations, and other official controls adopted or amended pursuant to this section and section 4 of this act must only apply in the portions of towns, cities, and counties that are within urban growth areas designated under this chapter.

(3) Any action taken by a city or county to comply with the requirements of this section or section 4 of this act is not subject to legal challenge under this chapter or chapter 43.21C RCW.

(4) Nothing in this section or section 4 of this act requires or authorizes a city or county to authorize the construction of an accessory dwelling unit in a location where development is restricted under other laws, rules, or ordinances as a result of physical proximity to on-site sewage system infrastructure, critical areas, or other unsuitable physical characteristics of a property.

(5) Nothing in this section or in section 4 of this act prohibits a city or county from:

(a) Restricting the use of accessory dwelling units for short-term rentals;

(b) Applying public health, safety, building code, and environmental permitting requirements to an accessory dwelling unit that would be applicable to the principal unit, including regulations to protect ground and surface waters from on-site wastewater;

(c) Applying generally applicable development regulations to the construction of an accessory unit, except when the application

of such regulations would be contrary to this section or to section 4 of this act;

(d) Prohibiting the construction of accessory dwelling units on lots that are not connected to or served by public sewers; or

(e) Prohibiting or restricting the construction of accessory dwelling units in residential zones with a density of one dwelling unit per acre or less that are within areas designated as wetlands, fish and wildlife habitats, flood plains, or geologically hazardous areas.

**NEW SECTION. Sec. 4.** A new section is added to chapter 36.70A RCW to read as follows:

(1) In addition to ordinances, development regulations, and other official controls adopted or amended to comply with this section and section 3 of this act, a city or county must comply with all of the following policies:

(a) The city or county may not assess impact fees on the construction of accessory dwelling units that are greater than 50 percent of the impact fees that would be imposed on the principal unit;

(b) The city or county may not require the owner of a lot on which there is an accessory dwelling unit to reside in or occupy the accessory dwelling unit or another housing unit on the same lot;

(c) The city or county must allow at least two accessory dwelling units on all lots that are located in all zoning districts within an urban growth area that allow for single-family homes in the following configurations:

(i) One attached accessory dwelling unit and one detached accessory dwelling unit;

(ii) Two attached accessory dwelling units; or

(iii) Two detached accessory dwelling units, which may be comprised of either one or two detached structures;

(d) The city or county must permit accessory dwelling units in structures detached from the principal unit;

(e) The city or county must allow an accessory dwelling unit on any lot that meets the minimum lot size required for the principal unit;

(f) The city or county may not establish a maximum gross floor area requirement for accessory dwelling units that is less than 1,000 square feet;

(g) The city or county may not establish roof height limits on an accessory dwelling unit of less than 24 feet, unless the height limitation that applies to the principal unit is less than 24 feet, in which case a city or county may not impose roof height limitation on accessory dwelling units that is less than the height limitation that applies to the principal unit;

(h) A city or county may not impose setback requirements, yard coverage limits, tree retention mandates, restrictions on entry door locations, aesthetic requirements, or requirements for design review for accessory dwelling units that are more restrictive than those for principal units;

(i) A city or county must allow detached accessory dwelling units to be sited at a lot line if the lot line abuts a public alley, unless the city or county routinely plows snow on the public alley;

(j) A city or county must allow accessory dwelling units to be converted from existing structures, including but not limited to detached garages, even if they violate current code requirements for setbacks or lot coverage;

(k) A city or county may not prohibit the sale or other conveyance of a condominium unit independently of a principal unit solely on the grounds that the condominium unit was originally built as an accessory dwelling unit; and

(l) A city or county may not require public street improvements as a condition of permitting accessory dwelling units.

(2) When regulating accessory dwelling units, cities and

counties may impose a limit of two accessory dwelling units, in addition to the principal unit, on a residential lot of 2,000 square feet or less.

(3) The provisions of this section do not apply to lots designated with critical areas or their buffers as designated in RCW 36.70A.060, or to a watershed serving a reservoir for potable water if that watershed is or was listed, as of the effective date of this section, as impaired or threatened under section 303(d) of the federal clean water act (33 U.S.C. Sec. 1313(d)).

**NEW SECTION. Sec. 5.** A new section is added to chapter 36.70A RCW to read as follows:

To encourage the use of accessory dwelling units for long-term housing, cities and counties may adopt ordinances, development regulations, and other official controls which waive or defer fees, including impact fees, defer the payment of taxes, or waive specific regulations. Cities and counties may only offer such reduced or deferred fees, deferred taxes, waivers, or other incentives for the development or construction of accessory dwelling units if:

(1) The units are located within an urban growth area; and

(2) The units are subject to a program adopted by the city or county with effective binding commitments or covenants that the units will be primarily utilized for long-term housing consistent with the public purpose for this authorization.

**Sec. 6.** RCW 43.21C.495 and 2022 c 246 s 3 are each amended to read as follows:

(1) Adoption of ordinances, development regulations and amendments to such regulations, and other nonproject actions taken by a city to implement: The actions specified in section 2, chapter 246, Laws of 2022 unless the adoption of such ordinances, development regulations and amendments to such regulations, or other nonproject actions has a probable significant adverse impact on fish habitat; and the increased residential building capacity actions identified in RCW 36.70A.600(1), with the exception of the action specified in RCW 36.70A.600(1)(f), are not subject to administrative or judicial appeals under this chapter.

(2) Adoption of ordinances, development regulations and amendments to such regulations, and other nonproject actions taken by a city or county consistent with the requirements of sections 3 and 4 of this act are not subject to administrative or judicial appeals under this chapter.

**Sec. 7.** RCW 36.70A.280 and 2011 c 360 s 17 are each amended to read as follows:

(1) The growth management hearings board shall hear and determine only those petitions alleging either:

(a) That, except as provided otherwise by this subsection, a state agency, county, or city planning under this chapter is not in compliance with the requirements of this chapter, chapter 90.58 RCW as it relates to the adoption of shoreline master programs or amendments thereto, or chapter 43.21C RCW as it relates to plans, development regulations, or amendments, adopted under RCW 36.70A.040 or chapter 90.58 RCW. Nothing in this subsection authorizes the board to hear petitions alleging noncompliance ~~((with RCW 36.70A.5801))~~ based on a city or county's actions taken to implement the requirements of sections 3 and 4 of this act within an urban growth area;

(b) That the ~~((twenty-))~~ 20-year growth management planning population projections adopted by the office of financial management pursuant to RCW 43.62.035 should be adjusted;

(c) That the approval of a work plan adopted under RCW 36.70A.735(1)(a) is not in compliance with the requirements of the program established under RCW 36.70A.710;

(d) That regulations adopted under RCW 36.70A.735(1)(b) are not regionally applicable and cannot be adopted, wholly or partially, by another jurisdiction; or

(e) That a department certification under RCW 36.70A.735(1)(c) is erroneous.

(2) A petition may be filed only by: (a) The state, or a county or city that plans under this chapter; (b) a person who has participated orally or in writing before the county or city regarding the matter on which a review is being requested; (c) a person who is certified by the governor within ~~((sixty))~~ 60 days of filing the request with the board; or (d) a person qualified pursuant to RCW 34.05.530.

(3) For purposes of this section "person" means any individual, partnership, corporation, association, state agency, governmental subdivision or unit thereof, or public or private organization or entity of any character.

(4) To establish participation standing under subsection (2)(b) of this section, a person must show that his or her participation before the county or city was reasonably related to the person's issue as presented to the board.

(5) When considering a possible adjustment to a growth management planning population projection prepared by the office of financial management, the board shall consider the implications of any such adjustment to the population forecast for the entire state.

The rationale for any adjustment that is adopted by the board must be documented and filed with the office of financial management within ten working days after adoption.

If adjusted by the board, a county growth management planning population projection shall only be used for the planning purposes set forth in this chapter and shall be known as the "board adjusted population projection." None of these changes shall affect the official state and county population forecasts prepared by the office of financial management, which shall continue to be used for state budget and planning purposes.

**NEW SECTION. Sec. 8.** A new section is added to chapter 36.70A RCW to read as follows:

(1) By December 31, 2023, the department must revise its recommendations for encouraging accessory dwelling units to include the provisions of sections 3 and 4 of this act.

(2) During each comprehensive plan review required by RCW 36.70A.130, the department must review local government comprehensive plans and development regulations for compliance with sections 3 and 4 of this act and the department's recommendations under subsection (1) of this section.

**NEW SECTION. Sec. 9.** A new section is added to chapter 64.34 RCW to read as follows:

(1) Except a declaration created to protect public health and safety, and ground and surface waters from on-site wastewater, a declaration created after the effective date of this section and applicable to a property located within an urban growth area may not impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under section 4 of this act.

(2) For the purposes of this section, "urban growth area" has the same meaning as in RCW 36.70A.030.

(3) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction.

**NEW SECTION. Sec. 10.** A new section is added to chapter 64.32 RCW to read as follows:

(1) Except a declaration created to protect public health and safety, and ground and surface waters from on-site wastewater, a declaration created after the effective date of this section and applicable to a property located within an urban growth area may not impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that

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the city or county in which the urban growth area is located would be prohibited from imposing under section 4 of this act.

(2) For the purposes of this section, "urban growth area" has the same meaning as in RCW 36.70A.030.

(3) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction.

**NEW SECTION. Sec. 11.** A new section is added to chapter 64.38 RCW to read as follows:

(1) Except governing documents of associations created to protect public health and safety, and ground and surface waters from on-site wastewater, governing documents of associations created after the effective date of this section and applicable to a property located within an urban growth area may not impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under section 4 of this act.

(2) For the purposes of this section, "urban growth area" has the same meaning as in RCW 36.70A.030.

(3) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction.

**NEW SECTION. Sec. 12.** A new section is added to chapter 64.90 RCW to read as follows:

(1) Except declarations and governing documents of common interest communities created to protect public health and safety, and ground and surface waters from on-site wastewater, declarations and governing documents of common interest communities created after the effective date of this section and applicable to a property located within an urban growth area may not impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under section 4 of this act.

(2) For the purposes of this section, "urban growth area" has the same meaning as in RCW 36.70A.030.

(3) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction.

**NEW SECTION. Sec. 13.** The following acts or parts of acts are each repealed:

(1) RCW 35.63.210 (Accessory apartments) and 1993 c 478 s 8;

(2) RCW 35A.63.230 (Accessory apartments) and 1993 c 478 s 9;

(3) RCW 36.70A.400 (Accessory apartments) and 1993 c 478 s 11;

(4) RCW 36.70.677 (Accessory apartments) and 1993 c 478 s 10; and

(5) RCW 43.63A.215 (Accessory apartments—Development and placement—Local governments) and 1993 c 478 s 7."

On page 1, line 2 of the title, after "units;" strike the remainder of the title and insert "amending RCW 36.70A.696, 43.21C.495, and 36.70A.280; adding new sections to chapter 36.70A RCW; adding a new section to chapter 64.34 RCW; adding a new section to chapter 64.32 RCW; adding a new section to chapter 64.38 RCW; adding a new section to chapter 64.90 RCW; creating a new section; and repealing RCW 35.63.210, 35A.63.230, 36.70A.400, 36.70.677, and 43.63A.215."

MOTION

Senator Lovelett moved that the following floor amendment no. 0311 by Senator Lovelett be adopted:

On page 6, line 7, after "(2)" insert "(a) A city or county subject to the requirements of this section may not:

(i) Require off-street parking as a condition of permitting development of accessory dwelling units within one-half mile walking distance of a major transit stop;

(ii) Require more than one off-street parking space per unit as a condition of permitting development of accessory dwelling units on lots smaller than 6,000 square feet before any zero lot line subdivisions or lot splits; and

(iii) Require more than two off-street parking spaces per unit as a condition of permitting development of accessory dwelling units on lots greater than 6,000 square feet before any zero lot line subdivisions or lot splits.

(b) The provisions of (a) of this subsection do not apply:

(i) If a local government submits to the department an empirical study prepared by a credentialed transportation or land use planning expert that clearly demonstrates, and the department finds and certifies, that the application of the parking limitations of (a) of this subsection for accessory dwelling units will be significantly less safe for vehicle drivers or passengers, pedestrians, or bicyclists than if the jurisdiction's parking requirements were applied to the same location for the same number of detached houses. The department must develop guidance to assist cities and counties on items to include in the study; or

(ii) To portions of cities within a one mile radius of a commercial airport in Washington with at least 9,000,000 annual enplanements.

(3)"

Renumber the remaining subsection consecutively and correct any internal references accordingly.

Senator Lovelett spoke in favor of adoption of the amendment to the committee striking amendment.

Senator Wagoner spoke against adoption of the amendment to the committee striking amendment.

MOTION

On motion of Senator Wilson, C., Senator Kauffman was excused.

The President declared the question before the Senate to be the adoption of floor amendment no. 0311 by Senator Lovelett on page 6, line 7 to Engrossed House Bill No. 1337.

The motion by Senator Lovelett carried and floor amendment no. 0311 was adopted by voice vote.

WITHDRAWAL OF AMENDMENT

On motion of Senator Shewmake and without objection, floor amendment no. 0315 by Senator Shewmake on page 8, line 26 to Engrossed House Bill No. 1337 was withdrawn.

Senator Lovelett spoke in favor of adoption of the committee striking amendment as amended.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Local Government, Land Use & Tribal Affairs as amended to Engrossed House Bill No. 1337.

The motion by Senator Lovelett carried and the committee

striking amendment as amended was adopted by voice vote.

#### MOTION

On motion of Senator Lovelett, the rules were suspended, Engrossed House Bill No. 1337 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Lovelett and Torres spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 1337 as amended by the Senate.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 1337 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 39; Nays, 7; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Braun, Cleveland, Conway, Dhingra, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wellman, Wilson, C. and Wilson, J.

Voting nay: Senators Boehnke, Dozier, Padden, Rivers, Wagoner, Warnick and Wilson, L.

Excused: Senators Kauffman, MacEwen and Van De Wege

ENGROSSED HOUSE BILL NO. 1337, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1048,  
 SUBSTITUTE HOUSE BILL NO. 1069,  
 ENGROSSED HOUSE BILL NO. 1210,  
 SUBSTITUTE HOUSE BILL NO. 1254,  
 ENGROSSED HOUSE BILL NO. 1274,  
 SECOND SUBSTITUTE HOUSE BILL NO. 1522,  
 and HOUSE BILL NO. 1624.

#### SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1106, by House Committee on Labor & Workplace Standards (originally sponsored by Fosse, Reeves, Reed, Berry, Doglio, Wylie, Kloba, Santos and Ormsby)

Concerning qualifications for unemployment insurance when an individual voluntarily leaves work.

The measure was read the second time.

#### MOTION

Senator King moved that the following floor amendment no. 0319 by Senator King be adopted:

On page 1, beginning on line 6, strike all of section 1  
 Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 4, line 6, after "2023;" insert "or"

On page 4, line 7, after "a" insert "claimant's"

On page 4, beginning on line 8, after "2023" strike all material through "2024" on line 10

On page 4, line 16, after "illness," insert "or"

On page 4, line 16, after "disability," strike "or caregiving inaccessibility,"

On page 1, line 3 of the title, after "50.29.021;" strike "adding a new section to chapter 50.04 RCW;"

Senators King and Muzzall spoke in favor of adoption of the amendment.

Senator Keiser spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 0319 by Senator King on page 1, line 6 to Engrossed Substitute House Bill No. 1106.

The motion by Senator King did not carry and floor amendment no. 0319 was not adopted by voice vote.

#### MOTION

Senator Saldaña moved that the following floor amendment no. 0318 by Senator Saldaña be adopted:

On page 4, line 10, after "2024" insert ", and before July 8, 2029"

On page 11, after line 12, insert the following:

"NEW SECTION. Sec. 4. By November 1, 2028, and in compliance with RCW 43.01.036, the employment security department must submit a report to the legislature that details the number of unemployment insurance benefit claims, the impact on the trust fund and employer experience ratings, and any trends for utilization by industries for claims allowed for separations on or after July 7, 2024, and before July 2, 2028, which were necessary because care for a child or a vulnerable adult in the claimant's care was inaccessible as provided in RCW 50.02.050."

Renumber the remaining section consecutively and correct any internal references accordingly.

On page 1, beginning on line 3 of the title, after "creating" strike all material through "section." and insert "new sections."

Senators Saldaña and Keiser spoke in favor of adoption of the amendment.

Senator King spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 0318 by Senator Saldaña on page 4, line 10 to Engrossed Substitute House Bill No. 1106.

The motion by Senator Saldaña carried and floor amendment no. 0318 was adopted by rising vote.

#### MOTION

Senator King moved that the following floor amendment no. 0323 by Senators King and Keiser be adopted:

On page 8, line 11, after "(2)(b)" insert "(ii), only for separation that was necessary because the care for a child or a vulnerable adult in the claimant's care is inaccessible,"

Senators King and Keiser spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the

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adoption of floor amendment no. 0323 by Senators King and Keiser on page 8, line 11 to Engrossed Substitute House Bill No. 1106.

final passage of Engrossed Substitute House Bill No. 1106.

The motion by Senator King carried and floor amendment no. 0323 was adopted by voice vote.

ROLL CALL

MOTION

Senator Fortunato moved that the following floor amendment no. 0321 by Senator Fortunato be adopted:

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1106 and the bill passed the Senate by the following vote: Yeas, 26; Nays, 20; Absent, 0; Excused, 3.

On page 11, after line 12, insert the following:

Voting yea: Senators Billig, Cleveland, Conway, Dhingra, Frame, Hasegawa, Hunt, Kauffman, Keiser, Kuderer, Lias, Lovelett, Lovick, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Valdez, Wellman and Wilson, C.

"NEW SECTION. **Sec. 4.** A new section is added to chapter 50.16 RCW to read as follows:

Voting nay: Senators Boehnke, Braun, Dozier, Fortunato, Gildon, Holy, King, McCune, Mullet, Muzzall, Padden, Rivers, Schoesler, Shewmake, Short, Torres, Wagoner, Warnick, Wilson, J. and Wilson, L.

The unemployment insurance socialized benefits account is created in the custody of the state treasurer. Revenues to the account consist of appropriations and transfers by the legislature and all other funding directed for deposit into the account. Only the commissioner of the employment security department or the commissioner's designee may authorize expenditures from the account. Expenditures from the account may be used only for reimbursing the unemployment compensation fund created in RCW 50.16.010 for socialized benefits and relief of benefits paid to individuals who qualify for benefits under RCW 50.20.050(2)(b) (ii) and (xiii). The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

Excused: Senators Hawkins, MacEwen and Van De Wege

NEW SECTION. **Sec. 5.** The sum of \$15,000,000 is appropriated for the fiscal year ending June 30, 2024, from the general fund to the unemployment insurance socialized benefits account for the purposes of this act."

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1106, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

Renumber the remaining section consecutively and correct any internal references accordingly.

SIGNED BY THE PRESIDENT

On page 1, line 3 of the title, after "50.04 RCW;" strike the remainder of the title and insert "adding a new section to chapter 50.16 RCW; creating a new section; and making an appropriation."

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

- SENATE BILL NO. 5088,
- SENATE BILL NO. 5113,
- SENATE BILL NO. 5163,
- SUBSTITUTE SENATE BILL NO. 5170,
- SUBSTITUTE SENATE BILL NO. 5176,
- SUBSTITUTE SENATE BILL NO. 5229,
- SUBSTITUTE SENATE BILL NO. 5304,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5320,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5336,
- SENATE BILL NO. 5385,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5512,
- SUBSTITUTE SENATE BILL NO. 5538,
- SUBSTITUTE SENATE BILL NO. 5547,
- and SUBSTITUTE SENATE BILL NO. 5604.

Senator Fortunato spoke in favor of adoption of the amendment.

SECOND READING

Senator Keiser spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 0321 by Senator Fortunato on page 11, after line 12 to Engrossed Substitute House Bill No. 1106.

HOUSE BILL NO. 1031, by Representatives Low, Ryu, Schmidt, Christian, Reeves and Ramos

The motion by Senator Fortunato did not carry and floor amendment no. 0321 was not adopted by voice vote.

Modifying medal of valor award presentation requirements.

MOTION

The measure was read the second time.

On motion of Senator Saldaña, the rules were suspended, Engrossed Substitute House Bill No. 1106 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

MOTION

Senators Saldaña, Keiser and Hasegawa spoke in favor of passage of the bill.

On motion of Senator Valdez, the rules were suspended, House Bill No. 1031 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators King, Mullet, Warnick, Schoesler, Wilson, J., Fortunato and Muzzall spoke against passage of the bill.

Senators Valdez and Wilson, J. spoke in favor of passage of the bill.

MOTION

The President declared the question before the Senate to be the final passage of House Bill No. 1031.

On motion of Senator Wagoner, Senators Braun and Hawkins were excused.

ROLL CALL

The President declared the question before the Senate to be the

The Secretary called the roll on the final passage of House Bill No. 1031 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Hawkins, MacEwen and Van De Wege

HOUSE BILL NO. 1031, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

HOUSE BILL NO. 1792, by Representatives Timmons, Dent, Lekanoff, Fitzgibbon, Rule, Ramel, Springer and Eslick

Modifying timelines and other initial procedural actions in a water rights adjudication.

The measure was read the second time.

#### MOTION

On motion of Senator Shewmake, the rules were suspended, House Bill No. 1792 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Shewmake and Muzzall spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1792.

#### ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1792 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Hawkins, MacEwen and Van De Wege

HOUSE BILL NO. 1792, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1311, by House Committee on Consumer Protection & Business (originally sponsored by Reeves, Corry, Chapman, Reed and Cheney)

Addressing credit repair services performed by a credit services

organization.

The measure was read the second time.

#### MOTION

On motion of Senator Stanford, the rules were suspended, Engrossed Substitute House Bill No. 1311 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Stanford and Dozier spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1311.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1311 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Hawkins, MacEwen and Van De Wege

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1311, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1335, by House Committee on Civil Rights & Judiciary (originally sponsored by Hansen, Berry, Farivar, Taylor, Ramel, Simmons, Kloba, Bateman, Reed and Lekanoff)

Concerning the unauthorized publication of personal identifying information.

The measure was read the second time.

#### MOTION

Senator Valdez moved that the following committee striking amendment by the Committee on Law & Justice be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 4.24 RCW to read as follows:

(1) No person may publish an individual's personal identifying information when:

(a) The publication is made without the express consent of the individual whose information is published;

(b) The publication is made with: (i) Intent or knowledge that the personal identifying information will be used to harm the individual whose information is published; or (ii) reckless disregard for the risk the personal identifying information will be used to harm the individual whose information is published; and

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(c) The publication causes the individual whose information is published to suffer: (i) Physical injury; (ii) significant economic injury; (iii) mental anguish; (iv) fear of serious bodily injury or death for themselves or a close relation to themselves; or (v) a substantial life disruption.

(2) A person does not violate this section by:

(a) Providing personal identifying information with the reporting of criminal activity, which the person making the report reasonably believes occurred, to an employee of a law enforcement agency, intelligence agency, or other government agency in the United States; or in connection with any existing investigative, protective, or intelligence activity of any law enforcement agency, intelligence agency, or other government agency in the United States. This subsection (2)(a) only applies if the person providing the personal identifying information reasonably believes it to be accurate and provides the information in good faith and not for a malicious, fraudulent, or unlawful purpose;

(b) Providing personal identifying information in connection with an exercise of the right of freedom of speech or of the press, the right to assemble or petition, or the right of association, guaranteed by the United States Constitution or Washington state Constitution;

(c) Providing personal identifying information to, or in the course of acting as or on behalf of, "news media" as defined in RCW 5.68.010(5);

(d) Providing personal identifying information to a requestor in response to a request under the public records act, chapter 42.56 RCW;

(e) Providing personal identifying information when required to do so by any federal, state, or local law or regulation, or court rule or court order. This subsection (2)(e) only applies if the person providing the personal identifying information reasonably believes it to be accurate and provides the information in good faith and not for a malicious, fraudulent, or unlawful purpose;

(f) Providing personal identifying information in connection with a lawful requirement for a court filing or recording, including but not limited to recording judgments or filing claims of liens;

(g) Providing personal identifying information as permitted under the federal Gramm-Leach-Bliley act and consumer financial protection bureau Regulation P, 12 C.F.R. Part 1016, consistent with privacy policy disclosures provided pursuant to such regulation;

(h) Providing personal identifying information in compliance with the fair credit reporting act (84 Stat. 1127; 15 U.S.C. Sec. 1681 et seq.) or fair debt collection practices act (91 Stat. 874; 15 U.S.C. Sec. 1692 et seq.);

(i) Providing personal identifying information in a consumer alert or public notice arising from a regulatory, civil, or criminal investigation, complaint, or enforcement action. This subsection (2)(i) only applies to publications made by government agencies;

(j) Providing personal identifying information within or to a government agency, corporation, company, partnership, labor union, or another legal entity, or to any employees or agents thereof, but only if the following requirements are satisfied:

(i) The personal identifying information is provided for a legitimate and lawful purpose, including without limitation the reporting of criminal or fraudulent activity, facilitating a lawful commercial transaction, or furthering an existing business relationship;

(ii) The personal identifying information is provided through a private channel of communication, and is not provided to the public;

(iii) The person providing the personal identifying information:

(A) Reasonably believes it to be accurate; or

(B) Has reasonable suspicion to believe it is being used fraudulently; and

(iv) The person providing the personal identifying information provides it in good faith, and not for a malicious or fraudulent purpose; or

(k) Providing personal identifying information on behalf of a state agency, the health benefit exchange, a tribal nation, a contracted service provider of a state agency or the health benefit exchange, or the lead organization or a data vendor of the all-payer health care claims database under chapter 43.371 RCW, if the information was provided in a manner legally permitted under federal or state law or regulation.

(3) It is not a defense to a violation of this section that the personal identifying information at issue was voluntarily given to the publisher, has been previously publicly disclosed, or is readily discoverable through research or investigation.

(4) Nothing in this section shall be construed in any manner to:

(a) Conflict with 47 U.S.C. Sec. 230;

(b) Conflict with 42 U.S.C. Sec. 1983; or

(c) Prohibit any activity protected under the Constitution of the United States or the Washington state Constitution.

(5)(a) An individual whose personal identifying information is published in violation of this section may bring a civil action against: (i) The person or persons who published the personal identifying information; and (ii) any person who knowingly benefits, financially or by receiving anything of value, from participation in a venture that the person knew or should have known has engaged in an act in violation of this section.

(b) A prevailing claimant who brings a civil action pursuant to this section is entitled to recover any or all of the following remedies upon request: (i) Compensatory damages; (ii) punitive damages; (iii) statutory damages of \$5,000 per violation; (iv) costs and reasonable attorneys' fees; (v) injunctive relief; and (vi) any other relief deemed appropriate by the court.

(c) When an action is brought under this section, a court may, on its own motion or upon the motion of any party, issue a temporary restraining order, or a temporary or permanent injunction, to restrain and prevent the disclosure or continued disclosure of a party's personal identifying information.

(d) A civil action may be brought in any county in which an element of any violation of this section occurred, or in which an individual resides who is the subject of the personal identifying information published in violation of this section.

(6) The definitions in this subsection apply throughout this section and section 2 of this act unless the context clearly requires otherwise.

(a) "Close relation" means a current or former spouse or domestic partner, parent, child, sibling, stepchild, stepparent, grandparent, any person who regularly resides in the household or who within the prior six months regularly resided in the household, or any person with a significant personal or professional relationship.

(b) "Course of conduct" means a pattern of conduct composed of two or more acts, evidencing a continuity of purpose.

(c) "Doxing" means unauthorized publication of personal identifying information with intent or knowledge that the information will be used to harm the individual whose information is published, or with reckless disregard for the risk the information will be used to harm the individual whose information is published.

(d) "Electronic communication" means the transmission of information by wire, radio, optical cable, electromagnetic, or other similar means. "Electronic communication" includes, but is not limited to, email, internet-based communications, pager

service, and electronic text messaging.

(e) "Harassment" has the same meaning as in RCW 9A.46.020, 9A.90.120, and 9.61.230.

(f) "Harm" means bodily injury, death, harassment, or stalking.

(g) "Mental anguish" means emotional distress or emotional suffering as evidenced by anxiety, fear, torment, or apprehension that may or may not result in a physical manifestation of mental anguish or a mental health diagnosis. The mental anguish must be protracted and not merely trivial or transitory.

(h) "Personal identifying information" means any information that can be used to distinguish or trace an individual's identity, including without limitation name, prior legal name, alias, mother's maiden name, or date or place of birth, in combination with any other information that is linked or linkable to an individual such as:

(i) Social security number, home address, mailing address, phone number, email address, social media accounts, or biometric data;

(ii) Medical, financial, education, consumer, or employment information, data, or records;

(iii) Any other sensitive private information that is linked or linkable to a specific identifiable individual, such as gender identity, sexual orientation, or any sexually intimate visual depiction; or

(iv) Any information, including without limitation usernames and passwords, that enables access to a person's email accounts, social media accounts, electronic forum accounts, chat or instant message accounts, cloud storage accounts, banking or financial accounts, computer networks, computers or phones, teleconferencing services, video-teleconferencing services, or other digital meeting rooms.

(i) "Publish" means to circulate, deliver, distribute, disseminate, post, transmit, or otherwise make available to another person, through any oral, written, visual, or electronic communication.

(j) "Regularly resides" means residing in the household with some permanency or regular frequency in the resident's living arrangement.

(k) "Stalking" has the same meaning as in RCW 9A.46.110.

(l) "Substantial life disruption" means that a person significantly modifies their actions, routines, employment, residence, appearance, name, or contact information to avoid or protect against an actor who has obtained or is using the person's personal identifying information, or because of the course of conduct of an actor who has obtained or is using the person's personal identifying information. Examples include, without limitation, changing a phone number, changing an electronic mail address, deleting personal electronic accounts, significantly decreasing use of the internet, moving from an established residence, changing daily routines, changing routes to and from work, changing employment or work schedule, or losing time from work or a job.

(7) The legislature does not intend this section to allow, and this section shall not allow, actions to be brought for constitutionally protected activity.

**NEW SECTION. Sec. 2.** This act shall be liberally construed and applied to promote its underlying purpose to deter doxing, protect persons from doxing, and provide adequate remedies to victims of doxing.

**NEW SECTION. Sec. 3.** 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."

On page 1, line 2 of the title, after "information;" strike the remainder of the title and insert "adding a new section to chapter 4.24 RCW; creating a new section; and prescribing penalties."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Law & Justice to Engrossed Substitute House Bill No. 1335.

The motion by Senator Valdez carried and the committee striking amendment was adopted by voice vote.

#### MOTION

On motion of Senator Valdez, the rules were suspended, Engrossed Substitute House Bill No. 1335 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Valdez spoke in favor of passage of the bill.

Senator Padden spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1335.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1335 and the bill passed the Senate by the following vote: Yeas, 40; Nays, 7; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Braun, Cleveland, Conway, Dhingra, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, Mullet, Muzzall, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Stanford, Torres, Trudeau, Valdez, Wagoner, Wellman, Wilson, C. and Wilson, L.

Voting nay: Senators Boehnke, Dozier, McCune, Padden, Short, Warnick and Wilson, J.

Excused: Senators MacEwen and Van De Wege

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1335, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1600, by House Committee on Civil Rights & Judiciary (originally sponsored by Goodman, Berry, Ramel and Pollet)

Providing access to sealed juvenile records for firearm purposes.

The measure was read the second time.

#### MOTION

Senator Dhingra moved that the following committee striking amendment by the Committee on Law & Justice be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 13.50.260 and 2020 c 184 s 1 are each amended to read as follows:

(1)(a) The court shall hold regular sealing hearings. During these regular sealing hearings, the court shall administratively seal an individual's juvenile record pursuant to the requirements of this subsection. Although the juvenile record shall be sealed, the social file may be available to any juvenile justice or care agency when an investigation or case involving the juvenile



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subject of the records is being prosecuted by the juvenile justice or care agency or when the juvenile justice or care agency is assigned the responsibility of supervising the juvenile. The juvenile respondent's presence is not required at any administrative sealing hearing.

(b) At the disposition hearing of a juvenile offender, the court shall schedule an administrative sealing hearing to take place during the first regularly scheduled sealing hearing after the latest of the following events that apply:

- (i) The respondent's eighteenth birthday;
- (ii) Anticipated end date of a respondent's probation, if ordered;
- (iii) Anticipated release from confinement at the juvenile rehabilitation administration, or the completion of parole, if the respondent is transferred to the juvenile rehabilitation administration.

(c) The court shall not schedule an administrative sealing hearing at the disposition and no administrative sealing hearing shall occur if one of the offenses for which the court has entered a disposition is at the time of commission of the offense:

- (i) A most serious offense, as defined in RCW 9.94A.030;
- (ii) A sex offense under chapter 9A.44 RCW; or
- (iii) A drug offense, as defined in RCW 9.94A.030.

(d) At the time of the scheduled administrative sealing hearing, the court shall enter a written order sealing the respondent's juvenile court record pursuant to this subsection if the court finds by a preponderance of the evidence that the respondent is no longer on supervision for the case being considered for sealing and has paid the full amount of restitution owing to the individual victim named in the restitution order, excluding restitution owed to any public or private entity providing insurance coverage or health care coverage. In determining whether the respondent is on supervision or owes restitution, the court shall take judicial notice of court records, including records of the county clerk, and, if necessary, sworn testimony from a representative of the juvenile department.

(e) At the time of the administrative sealing hearing, if the court finds the respondent remains on supervision for the case being considered for sealing, then the court shall continue the administrative sealing hearing to a date within thirty days following the anticipated end date of the respondent's supervision. At the next administrative sealing hearing, the court shall again determine the respondent's eligibility for sealing his or her juvenile court record pursuant to (d) of this subsection, and, if necessary, continue the hearing again as provided in this subsection.

(f)(i) During the administrative sealing hearing, if the court finds the respondent is no longer on supervision for the case being considered for sealing, but the respondent has not paid the full amount of restitution owing to the individual victim named in the restitution order, excluding any public or private entity providing insurance coverage or health care coverage, the court shall deny sealing the juvenile court record in a written order that: (A) Specifies the amount of restitution that remains unpaid to the original victim, excluding any public or private entity providing insurance coverage or health care coverage; and (B) provides direction to the respondent on how to pursue the sealing of records associated with this cause of action.

(ii) Within five business days of the entry of the written order denying the request to seal a juvenile court record, the juvenile court department staff shall notify the respondent of the denial by providing a copy of the order of denial to the respondent in person or in writing mailed to the respondent's last known address in the department of licensing database or the respondent's address provided to the court, whichever is more recent.

(iii) At any time following entry of the written order denying

the request to seal a juvenile court record, the respondent may contact the juvenile court department, provide proof of payment of the remaining unpaid restitution to the original victim, excluding any public or private entity providing insurance coverage or health care coverage, and request an administrative sealing hearing. Upon verification of the satisfaction of the restitution payment, the juvenile court department staff shall circulate for signature an order sealing the file, and file the signed order with the clerk's office, who shall seal the record.

(iv) The administrative office of the courts must ensure that sealed juvenile records remain private in case of an appeal and are either not posted or redacted from any clerks papers that are posted online with the appellate record, as well as taking any other prudent steps necessary to avoid exposing sealed juvenile records to the public.

(2) Except for dismissal of a deferred disposition under RCW 13.40.127, the court shall enter a written order immediately sealing the official juvenile court record upon the acquittal after a fact finding or upon the dismissal of charges with prejudice, subject to the state's right, if any, to appeal the dismissal.

(3) If a juvenile court record has not already been sealed pursuant to this section, in any case in which information has been filed pursuant to RCW 13.40.100 or a complaint has been filed with the prosecutor and referred for diversion pursuant to RCW 13.40.070, the person who is the subject of the information or complaint may file a motion with the court to have the court vacate its order and findings, if any; resolve the status of any debts owing; and, subject to RCW 13.50.050(13), order the sealing of the official juvenile court record, the social file, and records of the court and of any other agency in the case, with the exception of identifying information under RCW 13.50.050(13).

(4)(a) The court shall grant any motion to seal records for class A offenses made pursuant to subsection (3) of this section if:

(i) Since the last date of release from confinement, including full-time residential treatment, if any, or entry of disposition, the person has spent five consecutive years in the community without committing any offense or crime that subsequently results in an adjudication or conviction;

(ii) No proceeding is pending against the moving party seeking the conviction of a juvenile offense or a criminal offense;

(iii) No proceeding is pending seeking the formation of a diversion agreement with that person;

(iv) The person is no longer required to register as a sex offender under RCW 9A.44.130 or has been relieved of the duty to register under RCW 9A.44.143 if the person was convicted of a sex offense;

(v) The person has not been convicted of rape in the first degree, rape in the second degree, or indecent liberties that was actually committed with forcible compulsion; and

(vi) The person has paid the full amount of restitution owing to the individual victim named in the restitution order, excluding restitution owed to any public or private entity providing insurance coverage or health care coverage.

(b) The court shall grant any motion to seal records for class B, class C, gross misdemeanor, and misdemeanor offenses and diversions made under subsection (3) of this section if:

(i) Since the date of last release from confinement, including full-time residential treatment, if any, entry of disposition, or completion of the diversion agreement, the person has spent two consecutive years in the community without being convicted of any offense or crime;

(ii) No proceeding is pending against the moving party seeking the conviction of a juvenile offense or a criminal offense;

(iii) No proceeding is pending seeking the formation of a diversion agreement with that person;

(iv) The person is no longer required to register as a sex offender under RCW 9A.44.130 or has been relieved of the duty to register under RCW 9A.44.143 if the person was convicted of a sex offense; and

(v) The person has paid the full amount of restitution owing to the individual victim named in the restitution order, excluding restitution owed to any insurance provider authorized under Title 48 RCW.

(c) Notwithstanding the requirements in (a) or (b) of this subsection, the court shall grant any motion to seal records of any deferred disposition vacated under RCW 13.40.127(9) prior to June 7, 2012, if restitution has been paid and the person is eighteen years of age or older at the time of the motion.

(5) The person making a motion pursuant to subsection (3) of this section shall give reasonable notice of the motion to the prosecution and to any person or agency whose records are sought to be sealed.

(6)(a) If the court enters a written order sealing the juvenile court record pursuant to this section, it shall, subject to RCW 13.50.050(13), order sealed the official juvenile court record, the social file, and other records relating to the case as are named in the order. Thereafter, the proceedings in the case shall be treated as if they never occurred, and the subject of the records may reply accordingly to any inquiry about the events, records of which are sealed. Any agency shall reply to any inquiry concerning confidential or sealed records that records are confidential, and no information can be given about the existence or nonexistence of records concerning an individual.

(b) In the event the subject of the juvenile records receives a full and unconditional pardon, the proceedings in the matter upon which the pardon has been granted shall be treated as if they never occurred, and the subject of the records may reply accordingly to any inquiry about the events upon which the pardon was received. Any agency shall reply to any inquiry concerning the records pertaining to the events for which the subject received a pardon that records are confidential, and no information can be given about the existence or nonexistence of records concerning an individual.

(c) Effective July 1, 2019, the department of licensing may release information related to records the court has ordered sealed only to the extent necessary to comply with federal law and regulation.

(7) Inspection of the files and records included in the order to seal may thereafter be permitted only by order of the court upon motion made by the person who is the subject of the information or complaint, except as otherwise provided in RCW 13.50.010(8) and 13.50.050(13).

(8)(a) Any adjudication of a juvenile offense or a crime subsequent to sealing has the effect of nullifying a sealing order; however, the court may order the juvenile court record resealed upon disposition of the subsequent matter if the case meets the sealing criteria under this section and the court record has not previously been resealed.

(b) Any charging of an adult felony subsequent to the sealing has the effect of nullifying the sealing order.

(c) The administrative office of the courts shall ensure that the superior court judicial information system provides prosecutors access to information on the existence of sealed juvenile records.

(d) The Washington state patrol shall ensure that the Washington state identification system provides Washington state criminal justice agencies access to sealed juvenile records information.

(e) The Washington state patrol shall ensure that the Washington state identification system provides non-Washington criminal justice agencies access to sealed juvenile records only for the purposes of processing and purchasing firearms, concealed

pistol licenses, or alien firearms licenses, or releasing of firearms from evidence.

(f) Non-Washington criminal justice agencies that access sealed juvenile records pursuant to this subsection shall not knowingly disseminate the accessed records or any information derived therefrom to any third party. Dissemination of such records or such information shall subject the disseminating agency to the jurisdiction of the courts of Washington and a civil penalty of not more than \$1,000 per violation.

(9) If the juvenile court record has been sealed pursuant to this section, the record of an employee is not admissible in an action for liability against the employer based on the former juvenile offender's conduct to show that the employer knew or should have known of the juvenile record of the employee. The record may be admissible, however, if a background check conducted or authorized by the employer contained the information in the sealed record.

(10) County clerks may interact or correspond with the respondent, his or her parents, restitution recipients, and any holders of potential assets or wages of the respondent for the purposes of collecting an outstanding legal financial obligation after juvenile court records have been sealed pursuant to this section.

(11) Persons and agencies that obtain sealed juvenile records information pursuant to this section may communicate about this information with the respondent, but may not disseminate or be compelled to release the information to any person or agency not specifically granted access to sealed juvenile records in this section.

(12) All criminal justice agencies must not disclose confidential information or sealed records accessed through the Washington state identification system or other means, and no information can be given to third parties, other than (~~Washington state~~) criminal justice agencies, about the existence or nonexistence of confidential or sealed records concerning an individual."

On page 1, line 2 of the title, after "purposes;" strike the remainder of the title and insert "amending RCW 13.50.260; and prescribing penalties."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Law & Justice to Engrossed Substitute House Bill No. 1600.

The motion by Senator Dhingra carried and the committee striking amendment was adopted by voice vote.

#### MOTION

On motion of Senator Dhingra, the rules were suspended, Engrossed Substitute House Bill No. 1600 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Dhingra and Padden spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1600 as amended by the Senate.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1600 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland,

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Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators MacEwen and Van De Wege

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1600, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1576, by House Committee on Postsecondary Education & Workforce (originally sponsored by Caldier, Schmidt, Leavitt and Volz)

Concerning the dentist and dental hygienist compact.

The measure was read the second time.

## MOTION

Senator Cleveland moved that the following committee striking amendment by the Committee on Health & Long-Term Care be adopted:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** This act shall be known and cited as the dentist and dental hygienist compact. The purposes of this compact are to facilitate the interstate practice of dentistry and dental hygiene and improve public access to dentistry and dental hygiene services by providing dentists and dental hygienists licensed in a participating state the ability to practice in participating states in which they are not licensed. The compact does this by establishing a pathway for dentists and dental hygienists licensed in a participating state to obtain a compact privilege that authorizes them to practice in another participating state in which they are not licensed. The compact enables participating states to protect the public health and safety with respect to the practice of such dentists and dental hygienists, through the state's authority to regulate the practice of dentistry and dental hygiene in the state. The compact:

(1) Enables dentists and dental hygienists who qualify for a compact privilege to practice in other participating states without satisfying burdensome and duplicative requirements associated with securing a license to practice in those states;

(2) Promotes mobility and addresses workforce shortages through each participating state's acceptance of a compact privilege to practice in that state;

(3) Increases public access to qualified, licensed dentists and dental hygienists by creating a responsible, streamlined pathway for licensees to practice in participating states;

(4) Enhances the ability of participating states to protect the public's health and safety;

(5) Does not interfere with licensure requirements established by a participating state;

(6) Facilitates the sharing of licensure and disciplinary information among participating states;

(7) Requires dentists and dental hygienists who practice in a participating state pursuant to a compact privilege to practice within the scope of practice authorized in that state;

(8) Extends the authority of a participating state to regulate the practice of dentistry and dental hygiene within its borders to dentists and dental hygienists who practice in the state through a compact privilege;

(9) Promotes the cooperation of participating states in regulating the practice of dentistry and dental hygiene within those states; and

(10) Facilitates the relocation of military members and their spouses who are licensed to practice dentistry or dental hygiene.

**NEW SECTION. Sec. 2.** As used in this compact, unless the context requires otherwise, the following definitions shall apply:

(1) "Active military member" means any individual in full-time duty status in the armed forces of the United States including members of the national guard and reserve.

(2) "Adverse action" means disciplinary action or encumbrance imposed on a license or compact privilege by a state licensing authority.

(3) "Alternative program" means a nondisciplinary monitoring or practice remediation process applicable to a dentist or dental hygienist approved by a state licensing authority of a participating state in which the dentist or dental hygienist is licensed. This includes, but is not limited to, programs to which licensees with substance abuse or addiction issues are referred in lieu of adverse action.

(4) "Clinical assessment" means an examination or process, required for licensure as a dentist or dental hygienist as applicable, that provides evidence of clinical competence in dentistry or dental hygiene.

(5) "Commissioner" means the individual appointed by a participating state to serve as the member of the commission for that participating state.

(6) "Compact" means this dentist and dental hygienist compact.

(7) "Compact privilege" means the authorization granted by a remote state to allow a licensee from a participating state to practice as a dentist or dental hygienist in a remote state.

(8) "Continuing professional development" means a requirement, as a condition of license renewal, to provide evidence of successful participation in educational or professional activities relevant to practice or area of work.

(9) "Criminal background check" means the submission of fingerprints or other biometric-based information for a license applicant for the purpose of obtaining that applicant's criminal history record information, as defined in 28 C.F.R. Sec. 20.3(d) from the federal bureau of investigation and the state's criminal history record repository as defined in 28 C.F.R. Sec. 20.3(f).

(10) "Data system" means the commission's repository of information about licensees, including but not limited to examination, licensure, investigative, compact privilege, adverse action, and alternative program information.

(11) "Dental hygienist" means an individual who is licensed by a state licensing authority to practice dental hygiene.

(12) "Dentist" means an individual who is licensed by a state licensing authority to practice dentistry.

(13) "Dentist and dental hygienist compact commission" or "commission" means a joint government agency established by this compact comprised of each state that has enacted the compact and a national administrative body comprised of a commissioner from each state that has enacted the compact.

(14) "Encumbered license" means a license that a state licensing authority has limited in any way other than through an alternative program.

(15) "Executive board" means the chair, vice chair, secretary, treasurer, and any other commissioners as may be determined by commission rule or bylaw.

(16) "Jurisprudence requirement" means the assessment of an individual's knowledge of the laws and rules governing the practice of dentistry or dental hygiene, as applicable, in a state.

(17) "License" means current authorization by a state, other than authorization pursuant to a compact privilege or other privilege, for an individual to practice as a dentist or dental hygienist in that state.

(18) "Licensee" means an individual who holds an unrestricted license from a participating state to practice as a dentist or dental hygienist in that state.

(19) "Model compact" means the model for the dentist and dental hygienist compact on file with the council of state governments or other entity as designated by the commission.

(20) "Participating state" means a state that has enacted the compact and been admitted to the commission in accordance with the provisions herein and commission rules.

(21) "Qualifying license" means a license that is not an encumbered license issued by a participating state to practice dentistry or dental hygiene.

(22) "Remote state" means a participating state where a licensee who is not licensed as a dentist or dental hygienist is exercising or seeking to exercise the compact privilege.

(23) "Rule" means a regulation promulgated by an entity that has the force of law.

(24) "Scope of practice" means the procedures, actions, and processes a dentist or dental hygienist licensed in a state is permitted to undertake in that state and the circumstances under which the licensee is permitted to undertake those procedures, actions, and processes. Such procedures, actions, and processes and the circumstances under which they may be undertaken may be established through means including, but not limited to, statutes, regulations, case law, and other processes available to the state licensing authority or other government agency.

(25) "Significant investigative information" means information, records, and documents received or generated by a state licensing authority pursuant to an investigation for which a determination has been made that there is probable cause to believe that the licensee has violated a statute or regulation that is considered more than a minor infraction for which the state licensing authority could pursue adverse action against the licensee.

(26) "State" means any state, commonwealth, district, or territory of the United States of America that regulates the practices of dentistry and dental hygiene.

(27) "State licensing authority" means an agency or other entity of a state that is responsible for the licensing and regulation of dentists or dental hygienists.

**NEW SECTION. Sec. 3.** (1) In order to join the compact and thereafter continue as a participating state, a state must:

(a) Enact a compact that is not materially different from the model compact as determined in accordance with commission rules;

(b) Participate fully in the commission's data system;

(c) Have a mechanism in place for receiving and investigating complaints about its licensees and license applicants;

(d) Notify the commission, in compliance with the terms of the compact and commission rules, of any adverse action or the availability of significant investigative information regarding a licensee and license applicant;

(e) Fully implement a criminal background check requirement, within a time frame established by commission rule, by receiving the results of a qualifying criminal background check;

(f) Comply with the commission rules applicable to a participating state;

(g) Accept the national board examinations of the joint commission on national dental examinations or another

examination accepted by commission rule as a licensure examination;

(h) Accept for licensure that applicants for a dentist license graduate from a predoctoral dental education program accredited by the commission on dental accreditation or another accrediting agency recognized by the United States department of education for the accreditation of dentistry and dental hygiene education programs, leading to the doctor of dental surgery or doctor of dental medicine degree;

(i) Accept for licensure that applicants for a dental hygienist license graduate from a dental hygiene education program accredited by the commission on dental accreditation or another accrediting agency recognized by the United States department of education for the accreditation of dentistry and dental hygiene education programs;

(j) Require for licensure that applicants successfully complete a clinical assessment;

(k) Have continuing professional development requirements as a condition for license renewal; and

(l) Pay a participation fee to the commission as established by commission rule.

(2) Providing alternative pathways for an individual to obtain an unrestricted license does not disqualify a state from participating in the compact.

(3) When conducting a criminal background check the state licensing authority shall:

(a) Consider that information in making a licensure decision;

(b) Maintain documentation of completion of the criminal background check and background check information to the extent allowed by state and federal law; and

(c) Report to the commission whether it has completed the criminal background check and whether the individual was granted or denied a license.

(4) A licensee of a participating state who has a qualifying license in that state and does not hold an encumbered license in any other participating state shall be issued a compact privilege in a remote state in accordance with the terms of the compact and commission rules. If a remote state has a jurisprudence requirement a compact privilege will not be issued to the licensee unless the licensee has satisfied the jurisprudence requirement.

**NEW SECTION. Sec. 4.** (1) To obtain and exercise the compact privilege under the terms and provisions of the compact, the licensee shall:

(a) Have a qualifying license as a dentist or dental hygienist in a participating state;

(b) Be eligible for a compact privilege in any remote state in accordance with subsections (4), (7), and (8) of this section;

(c) Submit to an application process whenever the licensee is seeking a compact privilege;

(d) Pay any applicable commission and remote state fees for a compact privilege in the remote state;

(e) Meet any jurisprudence requirement established by a remote state in which the licensee is seeking a compact privilege;

(f) Have passed a national board examination of the joint commission on national dental examinations or another examination accepted by commission rule;

(g) For a dentist, have graduated from a predoctoral dental education program accredited by the commission on dental accreditation or another accrediting agency recognized by the United States department of education for the accreditation of dentistry and dental hygiene education programs, leading to the doctor of dental surgery or doctor of dental medicine degree;

(h) For a dental hygienist, have graduated from a dental hygiene education program accredited by the commission on dental accreditation or another accrediting agency recognized by the United States department of education for the accreditation of

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dentistry and dental hygiene education programs;

(i) Have successfully completed a clinical assessment for licensure;

(j) Report to the commission adverse action taken by any nonparticipating state when applying for a compact privilege and, otherwise, within 30 days from the date the adverse action is taken;

(k) Report to the commission when applying for a compact privilege the address of the licensee's primary residence and thereafter immediately report to the commission any change in the address of the licensee's primary residence; and

(l) Consent to accept service of process by mail at the licensee's primary residence on record with the commission with respect to any action brought against the licensee by the commission or a participating state, and consent to accept service of a subpoena by mail at the licensee's primary residence on record with the commission with respect to any action brought or investigation conducted by the commission or a participating state.

(2) The licensee must comply with the requirements of subsection (1) of this section to maintain the compact privilege in the remote state. If those requirements are met, the compact privilege will continue as long as the licensee maintains a qualifying license in the state through which the licensee applied for the compact privilege and pays any applicable compact privilege renewal fees.

(3) A licensee providing dentistry or dental hygiene in a remote state under the compact privilege shall function within the scope of practice authorized by the remote state for a dentist or dental hygienist licensed in that state.

(4) A licensee providing dentistry or dental hygiene pursuant to a compact privilege in a remote state is subject to that state's regulatory authority. A remote state may, in accordance with due process and that state's laws, by adverse action revoke or remove a licensee's compact privilege in the remote state for a specific period of time and impose fines or take any other necessary actions to protect the health and safety of its citizens. If a remote state imposes an adverse action against a compact privilege that limits the compact privilege, that adverse action applies to all compact privileges in all remote states. A licensee whose compact privilege in a remote state is removed for a specified period of time is not eligible for a compact privilege in any other remote state until the specific time for removal of the compact privilege has passed and all encumbrance requirements are satisfied.

(5) If a license in a participating state is an encumbered license, the licensee shall lose the compact privilege in a remote state and shall not be eligible for a compact privilege in any remote state until the license is no longer encumbered.

(6) Once an encumbered license in a participating state is restored to good standing, the licensee must meet the requirements of subsection (1) of this section to obtain a compact privilege in a remote state.

(7) If a licensee's compact privilege in a remote state is removed by the remote state, the individual shall lose or be ineligible for the compact privilege in any remote state until the following occur:

(a) The specific period of time for which the compact privilege was removed has ended; and

(b) All conditions for removal of the compact privilege have been satisfied.

(8) Once the requirements of subsection (7) of this section have been met, the licensee must meet the requirements in subsection (1) of this section to obtain a compact privilege in a remote state.

**NEW SECTION. Sec. 5.** An active military member and their spouse shall not be required to pay to the commission for a compact privilege the fee otherwise charged by the commission.

If a remote state chooses to charge a fee for a compact privilege, it may choose to charge a reduced fee or no fee to an active military member and their spouse for a compact privilege.

**NEW SECTION. Sec. 6.** (1) A participating state in which a licensee is licensed shall have exclusive authority to impose adverse action against the qualifying license issued by that participating state.

(2) A participating state may take adverse action based on the significant investigative information of a remote state, so long as the participating state follows its own procedures for imposing adverse action.

(3) Nothing in this compact shall override a participating state's decision that participation in an alternative program may be used in lieu of adverse action and that such participation shall remain nonpublic if required by the participating state's laws. Participating states must require licensees who enter any alternative program in lieu of discipline to agree not to practice pursuant to a compact privilege in any other participating state during the term of the alternative program without prior authorization from such other participating state.

(4) Any participating state in which a licensee is applying to practice or is practicing pursuant to a compact privilege may investigate actual or alleged violations of the statutes and regulations authorizing the practice of dentistry or dental hygiene in any other participating state in which the dentist or dental hygienist holds a license or compact privilege.

(5) A remote state shall have the authority to:

(a) Take adverse actions as set forth in section 4(4) of this act against a licensee's compact privilege in the state;

(b) In furtherance of its rights and responsibilities under the compact and the commission's rules, issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses and the production of evidence. Subpoenas issued by a state licensing authority in a participating state for the attendance and testimony of witnesses or the production of evidence from another participating state shall be enforced in the latter state by any court of competent jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued in proceedings pending before it. The issuing authority shall pay any witness fees, travel expenses, mileage, and other fees required by the service statutes of the state where the witnesses or evidence is located; and

(c) If otherwise permitted by state law, recover from the licensee the costs of investigations and disposition of cases resulting from any adverse action taken against that licensee.

(6)(a) In addition to the authority granted to a participating state by its dentist or dental hygienist licensure act or other applicable state law, a participating state may jointly investigate licensees with other participating states.

(b) Participating states shall share any significant investigative information, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under the compact.

(7)(a) After a licensee's compact privilege in a remote state is terminated, the remote state may continue an investigation of the licensee that began when the licensee had a compact privilege in that remote state.

(b) If the investigation yields what would be significant investigative information had the licensee continued to have a compact privilege in that remote state, the remote state shall report the presence of such information to the data system as required by section 8(2)(f) of this act as if it was significant investigative information.

**NEW SECTION. Sec. 7.** (1) The compact participating states hereby create and establish a joint government agency whose membership consists of all participating states that have

enacted the compact. The commission is an instrumentality of the participating states acting jointly and not an instrumentality of any one state. The commission shall come into existence on or after the effective date of the compact as set forth in section 11(1) of this act.

(2)(a) Each participating state shall have and be limited to one commissioner selected by that participating state's state licensing authority or, if the state has more than one state licensing authority, selected collectively by the state licensing authorities.

(b) The commissioner shall be a member or designee of such authority or authorities.

(c) The commission may by rule or bylaw establish a term of office for commissioners and may by rule or bylaw establish term limits.

(d) The commission may recommend to a state licensing authority or authorities, as applicable, removal or suspension of an individual as the state's commissioner.

(e) A participating state's state licensing authority or authorities, as applicable, shall fill any vacancy of its commissioner on the commission within 60 days of the vacancy.

(f) Each commissioner shall be entitled to one vote on all matters that are voted upon by the commission.

(g) The commission shall meet at least once during each calendar year. Additional meetings may be held as set forth in the bylaws. The commission may meet by telecommunication, videoconference, or other similar electronic means.

(3) The commission shall have the following powers:

(a) Establish the fiscal year of the commission;

(b) Establish a code of conduct and conflict of interest policies;

(c) Adopt rules and bylaws;

(d) Maintain its financial records in accordance with the bylaws;

(e) Meet and take such actions as are consistent with the provisions of this compact, the commission's rules, and the bylaws;

(f) Initiate and conclude legal proceedings or actions in the name of the commission, provided that the standing of any state licensing authority to sue or be sued under applicable law shall not be affected;

(g) Maintain and certify records and information provided to a participating state as the authenticated business records of the commission, and designate a person to do so on the commission's behalf;

(h) Purchase and maintain insurance and bonds;

(i) Borrow, accept, or contract for services of personnel including, but not limited to, employees of a participating state;

(j) Conduct an annual financial review;

(k) Hire employees, elect or appoint officers, fix compensation, define duties, grant such individuals appropriate authority to carry out the purposes of the compact, and establish the commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel, and other related personnel matters;

(l) As set forth in the commission rules, charge a fee to a licensee for the grant of a compact privilege in a remote state and thereafter, as may be established by commission rule, charge the licensee a compact privilege renewal fee for each renewal period in which that licensee exercises or intends to exercise the compact privilege in that remote state. Nothing herein shall be construed to prevent a remote state from charging a licensee a fee for a compact privilege or renewals of a compact privilege, or a fee for the jurisprudence requirement if the remote state imposes such a requirement for the grant of a compact privilege;

(m) Accept any and all appropriate gifts, donations, grants of money, other sources of revenue, equipment, supplies, materials, and services, and receive, utilize, and dispose of the same; provided that at all times the commission shall avoid any

appearance of impropriety and/or conflict of interest;

(n) Lease, purchase, retain, own, hold, improve, or use any property, real, personal, or mixed, or any undivided interest therein;

(o) Sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal, or mixed;

(p) Establish a budget and make expenditures;

(q) Borrow money;

(r) Appoint committees, including standing committees, which may be composed of members, state regulators, state legislators or their representatives, consumer representatives, and such other interested persons as may be designated in this compact and the bylaws;

(s) Provide and receive information from, and cooperate with, law enforcement agencies;

(t) Elect a chair, vice chair, secretary, treasurer, and such other officers of the commission as provided in the commission's bylaws;

(u) Establish and elect an executive board;

(v) Adopt and provide to the participating states an annual report;

(w) Determine whether a state's enacted compact is materially different from the model compact language such that the state would not qualify for participation in the compact; and

(x) Perform such other functions as may be necessary or appropriate to achieve the purposes of this compact.

(4)(a) All meetings of the commission that are not closed pursuant to this subsection shall be open to the public. Notice of public meetings shall be posted on the commission's website at least 30 days prior to the public meeting.

(b) Notwithstanding (a) of this subsection, the commission may convene an emergency public meeting by providing at least 24 hours prior notice on the commission's website, and any other means as provided in the commission's rules, for any of the reasons it may dispense with notice of proposed rule making under section 9(12) of this act. The commission's legal counsel shall certify that one of the reasons justifying an emergency public meeting has been met.

(c) Notice of all commission meetings shall provide the time, date, and location of the meeting, and if the meeting is to be held or accessible via telecommunication, videoconference, or other electronic means, the notice shall include the mechanism for access to the meeting through such means.

(d) The commission may convene in a closed, nonpublic meeting for the commission to receive legal advice or to discuss:

(i) Noncompliance of a participating state with its obligations under the compact;

(ii) The employment, compensation, discipline, or other matters, practices, or procedures related to specific employees or other matters related to the commission's internal personnel practices and procedures;

(iii) Current or threatened discipline of a licensee or compact privilege holder by the commission or by a participating state's licensing authority;

(iv) Current, threatened, or reasonably anticipated litigation;

(v) Negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate;

(vi) Accusing any person of a crime or formally censuring any person;

(vii) Trade secrets or commercial or financial information that is privileged or confidential;

(viii) Information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;

(ix) Investigative records compiled for law enforcement purposes;

(x) Information related to any investigative reports prepared

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by, on behalf of, or for use of the commission or other committee charged with responsibility of investigation or determination of compliance issues pursuant to the compact;

- (xi) Legal advice;
- (xii) Matters specifically exempted from disclosure to the public by federal or participating state law; and
- (xiii) Other matters as promulgated by the commission by rule.

(e) If a meeting, or portion of a meeting, is closed, the presiding officer shall state that the meeting will be closed and reference each relevant exempting provision, and such reference shall be recorded in the minutes.

(f) The commission shall keep minutes that fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action shall be identified in such minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release only by a majority vote of the commission or order of a court of competent jurisdiction.

(5)(a) The commission shall pay, or provide for the payment of, the reasonable expenses of its establishment, organization, and ongoing activities.

(b) The commission may accept any and all appropriate sources of revenue, donations, and grants of money, equipment, supplies, materials, and services.

(c) The commission may levy on and collect an annual assessment from each participating state and impose fees on licensees of participating states when a compact privilege is granted to cover the cost of the operations and activities of the commission and its staff, which must be in a total amount sufficient to cover its annual budget as approved each fiscal year for which sufficient revenue is not provided by other sources. The aggregate annual assessment amount for participating states shall be allocated based upon a formula that the commission shall promulgate by rule.

(d) The commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same; nor shall the commission pledge the credit of any participating state, except by and with the authority of the participating state.

(e) The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be subject to the financial review and accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the commission shall be subject to an annual financial review by a certified or licensed public accountant, and the report of the financial review shall be included in and become part of the annual report of the commission.

(6)(a) The executive board shall have the power to act on behalf of the commission according to the terms of this compact. The powers, duties, and responsibilities of the executive board shall include:

- (i) Overseeing the day-to-day activities of the administration of the compact including compliance with the provisions of the compact and the commission's rules and bylaws;
- (ii) Recommending to the commission changes to the rules or bylaws, changes to this compact legislation, fees charged to compact participating states, fees charged to licensees, and other fees;
- (iii) Ensuring compact administration services are appropriately provided, including by contract;
- (iv) Preparing and recommending the budget;
- (v) Maintaining financial records on behalf of the commission;
- (vi) Monitoring compact compliance of participating states and providing compliance reports to the commission;

- (vii) Establishing additional committees as necessary;
- (viii) Exercising the powers and duties of the commission during the interim between commission meetings, except for adopting or amending rules, adopting or amending bylaws, and exercising any other powers and duties expressly reserved to the commission by rule or bylaw; and

(ix) Other duties as provided in the rules or bylaws of the commission.

(b) The executive board shall be composed of up to seven members:

(i) The chair, vice chair, secretary, and treasurer of the commission, and any other members of the commission who serve on the executive board, shall be voting members of the executive board; and

(ii) Other than the chair, vice chair, secretary, and treasurer, the commission may elect up to three voting members from the current membership of the commission.

(c) The commission may remove any member of the executive board as provided in the commission's bylaws.

(d) The executive board shall meet at least annually.

(i) An executive board meeting at which it takes or intends to take formal action on a matter shall be open to the public, except that the executive board may meet in a closed, nonpublic session of a public meeting when dealing with any of the matters covered under subsection (4)(d) of this section.

(ii) The executive board shall give five business days' notice of its public meetings, posted on its website and as it may otherwise determine to provide notice to persons with an interest in the public matters the executive board intends to address at those meetings.

(e) The executive board may hold an emergency meeting when acting for the commission to:

- (i) Meet an imminent threat to public health, safety, or welfare;
  - (ii) Prevent a loss of commission or participating state funds;
- or
- (iii) Protect public health and safety.

(7)(a) The members, officers, executive director, employees, and representatives of the commission shall be immune from suit and liability, both personally and in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error, or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities; provided that nothing in this subsection (7)(a) shall be construed to protect any such person from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful or wanton misconduct of that person. The procurement of insurance of any type by the commission shall not in any way compromise or limit the immunity granted hereunder.

(b) The commission shall defend any member, officer, executive director, employee, and representative of the commission in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or as determined by the commission that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities; provided that nothing herein shall be construed to prohibit that person from retaining their own counsel at their own expense; and provided further, that the actual or alleged act, error, or omission did not result from that person's intentional or willful or wanton misconduct.

(c) Notwithstanding (a) of this subsection, should any member, officer, executive director, employee, or representative of the

commission be held liable for the amount of any settlement or judgment arising out of any actual or alleged act, error, or omission that occurred within the scope of that individual's employment, duties, or responsibilities for the commission, or that the person to whom that individual is liable had a reasonable basis for believing occurred within the scope of the individual's employment, duties, or responsibilities for the commission, the commission shall indemnify and hold harmless such individual, provided that the actual or alleged act, error, or omission did not result from the intentional or willful or wanton misconduct of the individual.

(d) Nothing herein shall be construed as a limitation on the liability of any licensee for professional malpractice or misconduct, which shall be governed solely by any other applicable state laws.

(e) Nothing in this compact shall be interpreted to waive or otherwise abrogate a participating state's state action immunity or state action affirmative defense with respect to antitrust claims under the Sherman act, Clayton act, or any other state or federal antitrust or anticompetitive law or regulation.

(f) Nothing in this compact shall be construed to be a waiver of sovereign immunity by the participating states or by the commission.

**NEW SECTION. Sec. 8.** (1) The commission shall provide for the development, maintenance, operation, and utilization of a coordinated database and reporting system containing licensure, adverse action, and the presence of significant investigative information on all licensees and applicants for a license in participating states.

(2) Notwithstanding any other provision of state law to the contrary, a participating state shall submit a uniform data set to the data system on all individuals to whom this compact is applicable as required by the rules of the commission, including:

- (a) Identifying information;
- (b) Licensure data;
- (c) Adverse actions against a licensee, license applicant, or compact privilege and information related thereto;
- (d) Nonconfidential information related to alternative program participation, the beginning and ending dates of such participation, and other information related to such participation;
- (e) Any denial of an application for licensure, and the reason or reasons for such denial, excluding the reporting of any criminal history record information where prohibited by law;
- (f) The presence of significant investigative information; and
- (g) Other information that may facilitate the administration of this compact or the protection of the public, as determined by the rules of the commission.

(3) The records and information provided to a participating state pursuant to this compact or through the data system, when certified by the commission or an agent thereof, shall constitute the authenticated business records of the commission, and shall be entitled to any associated hearsay exception in any relevant judicial, quasi-judicial, or administrative proceedings in a participating state.

(4) Significant investigative information pertaining to a licensee in any participating state will only be available to other participating states.

(5) It is the responsibility of the participating states to monitor the database to determine whether adverse action has been taken against a licensee or license applicant. Adverse action information pertaining to a licensee or license applicant in any participating state will be available to any other participating state.

(6) Participating states contributing information to the data system may designate information that may not be shared with the public without the express permission of the participating

state.

(7) Any information submitted to the data system that is subsequently expunged pursuant to federal law or the laws of the participating state contributing the information shall be removed from the data system.

**NEW SECTION. Sec. 9.** (1) The commission shall promulgate reasonable rules in order to effectively and efficiently implement and administer the purposes and provisions of the compact. A commission rule shall be invalid and have no force or effect only if a court of competent jurisdiction holds that the rule is invalid because the commission exercised its rule-making authority in a manner that is beyond the scope and purposes of the compact, or the powers granted hereunder, or based upon another applicable standard of review.

(2) The rules of the commission shall have the force of law in each participating state, provided however that where the rules of the commission conflict with the laws of the participating state that establish the participating state's scope of practice as held by a court of competent jurisdiction, the rules of the commission shall be ineffective in that state to the extent of the conflict.

(3) The commission shall exercise its rule-making powers pursuant to the criteria set forth in this section and the rules adopted thereunder. Rules shall become binding as of the date specified by the commission for each rule.

(4) If a majority of the legislatures of the participating states rejects a commission rule or portion of a commission rule, by enactment of a statute or resolution in the same manner used to adopt the compact, within four years of the date of adoption of the rule, then such rule shall have no further force and effect in any participating state or to any state applying to participate in the compact.

(5) Rules shall be adopted at a regular or special meeting of the commission.

(6) Prior to adoption of a proposed rule, the commission shall hold a public hearing and allow persons to provide oral and written comments, data, facts, opinions, and arguments.

(7) Prior to adoption of a proposed rule by the commission, and at least 30 days in advance of the meeting at which the commission will hold a public hearing on the proposed rule, the commission shall provide a notice of proposed rule making:

- (a) On the website of the commission or other publicly accessible platform;
- (b) To persons who have requested notice of the commission's notices of proposed rule making; and
- (c) In such other way or ways as the commission may by rule specify.

(8) The notice of proposed rule making shall include:

- (a) The time, date, and location of the public hearing at which the commission will hear public comments on the proposed rule and, if different, the time, date, and location of the meeting where the commission will consider and vote on the proposed rule;
- (b) If the hearing is held via telecommunication, videoconference, or other electronic means, the commission shall include the mechanism for access to the hearing in the notice of proposed rule making;
- (c) The text of the proposed rule and the reason therefor;
- (d) A request for comments on the proposed rule from any interested person; and
- (e) The manner in which interested persons may submit written comments.

(9) All hearings will be recorded. A copy of the recording and all written comments and documents received by the commission in response to the proposed rule shall be available to the public.

(10) Nothing in this section shall be construed as requiring a separate hearing on each commission rule. Rules may be grouped for the convenience of the commission at hearings required by



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this section.

(11) The commission shall, by majority vote of all commissioners, take final action on the proposed rule based on the rule-making record.

(a) The commission may adopt changes to the proposed rule provided the changes do not enlarge the original purpose of the proposed rule.

(b) The commission shall provide an explanation of the reasons for substantive changes made to the proposed rule as well as reasons for substantive changes not made that were recommended by commenters.

(c) The commission shall determine a reasonable effective date for the rule. Except for an emergency as provided in subsection (12) of this section, the effective date of the rule shall be no sooner than 30 days after the commission issuing the notice that it adopted or amended the rule.

(12) Upon determination that an emergency exists, the commission may consider and adopt an emergency rule with 24 hours' notice, with opportunity to comment, provided that the usual rule-making procedures provided in the compact and in this section shall be retroactively applied to the rule as soon as reasonably possible, in no event later than 90 days after the effective date of the rule. For the purposes of this provision, an emergency rule is one that must be adopted immediately in order to:

- (a) Meet an imminent threat to public health, safety, or welfare;
- (b) Prevent a loss of commission or participating state funds;
- (c) Meet a deadline for the promulgation of a rule that is established by federal law or rule; or
- (d) Protect public health and safety.

(13) The commission or an authorized committee of the commission may direct revisions to a previously adopted rule for purposes of correcting typographical errors, errors in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted on the website of the commission. The revision shall be subject to challenge by any person for a period of 30 days after posting. The revision may be challenged only on grounds that the revision results in a material change to a rule. A challenge shall be made in writing and delivered to the commission prior to the end of the notice period. If no challenge is made, the revision will take effect without further action. If the revision is challenged, the revision may not take effect without the approval of the commission.

(14) No participating state's rule-making requirements shall apply under this compact.

**NEW SECTION. Sec. 10.** (1)(a) The executive and judicial branches of state government in each participating state shall enforce this compact and take all actions necessary and appropriate to implement the compact.

(b) Venue is proper and judicial proceedings by or against the commission shall be brought solely and exclusively in a court of competent jurisdiction where the principal office of the commission is located. The commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings. Nothing herein shall affect or limit the selection or propriety of venue in any action against a licensee for professional malpractice, misconduct, or any such similar matter.

(c) The commission shall be entitled to receive service of process in any proceeding regarding the enforcement or interpretation of the compact or commission rule and shall have standing to intervene in such a proceeding for all purposes. Failure to provide the commission service of process shall render a judgment or order void as to the commission, this compact, or promulgated rules.

(2)(a) If the commission determines that a participating state has defaulted in the performance of its obligations or responsibilities under this compact or the promulgated rules, the commission shall provide written notice to the defaulting state. The notice of default shall describe the default, the proposed means of curing the default, and any other action that the commission may take, and shall offer training and specific technical assistance regarding the default.

(b) The commission shall provide a copy of the notice of default to the other participating states.

(3) If a state in default fails to cure the default, the defaulting state may be terminated from the compact upon an affirmative vote of a majority of the commissioners, and all rights, privileges, and benefits conferred on that state by this compact may be terminated on the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of default.

(4) Termination of participation in the compact shall be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given by the commission to the governor, the majority and minority leaders of the defaulting state's legislature, the defaulting state's state licensing authority or authorities, as applicable, and each of the participating states' state licensing authority or authorities, as applicable.

(5) A state that has been terminated is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination, including obligations that extend beyond the effective date of termination.

(6) Upon the termination of a state's participation in this compact, that state shall immediately provide notice to all licensees of the state, including licensees of other participating states issued a compact privilege to practice within that state, of such termination. The terminated state shall continue to recognize all compact privileges then in effect in that state for a minimum of 180 days after the date of said notice of termination.

(7) The commission shall not bear any costs related to a state that is found to be in default or that has been terminated from the compact, unless agreed upon in writing between the commission and the defaulting state.

(8) The defaulting state may appeal the action of the commission by petitioning the United States district court for the District of Columbia or the federal district where the commission has its principal offices. The prevailing party shall be awarded all costs of such litigation, including reasonable attorneys' fees.

(9)(a) Upon request by a participating state, the commission shall attempt to resolve disputes related to the compact that arise among participating states and between participating states and nonparticipating states.

(b) The commission shall promulgate a rule providing for both mediation and binding dispute resolution for disputes as appropriate.

(10)(a) The commission, in the reasonable exercise of its discretion, shall enforce the provisions of this compact and the commission's rules.

(b) By majority vote, the commission may initiate legal action against a participating state in default in the United States district court for the District of Columbia or the federal district where the commission has its principal offices to enforce compliance with the provisions of the compact and its promulgated rules. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation, including reasonable attorneys' fees. The remedies herein shall not be the exclusive remedies of the commission. The commission may pursue any

other remedies available under federal or the defaulting participating state's law.

(c) A participating state may initiate legal action against the commission in the United States district court for the District of Columbia or the federal district where the commission has its principal offices to enforce compliance with the provisions of the compact and its promulgated rules. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation, including reasonable attorneys' fees.

(d) No individual or entity other than a participating state may enforce this compact against the commission.

**NEW SECTION. Sec. 11.** (1) The compact shall come into effect on the date on which the compact statute is enacted into law in the seventh participating state.

(a) On or after the effective date of the compact, the commission shall convene and review the enactment of each of the states that enacted the compact prior to the commission convening ("charter participating states") to determine if the statute enacted by each such charter participating state is materially different than the model compact.

(i) A charter participating state whose enactment is found to be materially different from the model compact shall be entitled to the default process set forth in section 10 of this act.

(ii) If any participating state is later found to be in default, or is terminated or withdraws from the compact, the commission shall remain in existence and the compact shall remain in effect even if the number of participating states should be less than seven.

(b) Participating states enacting the compact subsequent to the charter participating states shall be subject to the process set forth in section 7(3)(w) of this act to determine if their enactments are materially different from the model compact and whether they qualify for participation in the compact.

(c) All actions taken for the benefit of the commission or in furtherance of the purposes of the administration of the compact prior to the effective date of the compact or the commission coming into existence shall be considered to be actions of the commission unless specifically repudiated by the commission.

(d) Any state that joins the compact subsequent to the commission's initial adoption of the rules and bylaws shall be subject to the commission's rules and bylaws as they exist on the date on which the compact becomes law in that state. Any rule that has been previously adopted by the commission shall have the full force and effect of law on the day the compact becomes law in that state.

(2) Any participating state may withdraw from this compact by enacting a statute repealing that state's enactment of the compact.

(a) A participating state's withdrawal shall not take effect until 180 days after enactment of the repealing statute.

(b) Withdrawal shall not affect the continuing requirement of the withdrawing state's licensing authority or authorities to comply with the investigative and adverse action reporting requirements of this compact prior to the effective date of withdrawal.

(c) Upon the enactment of a statute withdrawing from this compact, the state shall immediately provide notice of such withdrawal to all licensees within that state. Notwithstanding any subsequent statutory enactment to the contrary, such withdrawing state shall continue to recognize all compact privileges to practice within that state granted pursuant to this compact for a minimum of 180 days after the date of such notice of withdrawal.

(3) Nothing contained in this compact shall be construed to invalidate or prevent any licensure agreement or other cooperative arrangement between a participating state and a nonparticipating state that does not conflict with the provisions of this compact.

(4) This compact may be amended by the participating states. No amendment to this compact shall become effective and binding upon any participating state until it is enacted into the laws of all participating states.

**NEW SECTION. Sec. 12.** (1) This compact and the commission's rule-making authority shall be liberally construed so as to effectuate the purposes, and the implementation and administration, of the compact. Provisions of the compact expressly authorizing or requiring the promulgation of rules shall not be construed to limit the commission's rule-making authority solely for those purposes.

(2) The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of this compact is held by a court of competent jurisdiction to be contrary to the constitution of any participating state, a state seeking participation in the compact, or of the United States, or the applicability thereof to any government, agency, person, or circumstance is held to be unconstitutional by a court of competent jurisdiction, the validity of the remainder of this compact and the applicability thereof to any other government, agency, person, or circumstance shall not be affected thereby.

(3) Notwithstanding subsection (2) of this section, the commission may deny a state's participation in the compact or, in accordance with the requirements of section 10(2) of this act, terminate a participating state's participation in the compact, if it determines that a constitutional requirement of a participating state is a material departure from the compact. Otherwise, if this compact shall be held to be contrary to the constitution of any participating state, the compact shall remain in full force and effect as to the remaining participating states and in full force and effect as to the participating state affected as to all severable matters.

**NEW SECTION. Sec. 13.** (1) Nothing in this chapter shall prevent or inhibit the enforcement of any other law of a participating state that is not inconsistent with the compact.

(2) Any laws, statutes, regulations, or other legal requirements in a participating state in conflict with the compact are superseded to the extent of the conflict.

(3) All permissible agreements between the commission and the participating states are binding in accordance with their terms.

**NEW SECTION. Sec. 14.** Sections 1 through 13 of this act constitute a new chapter in Title 18 RCW."

On page 1, line 1 of the title, after "compact;" strike the remainder of the title and insert "adding a new chapter to Title 18 RCW; and providing a contingent effective date."

Senator Cleveland spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Health & Long-Term Care to Engrossed Substitute House Bill No. 1576.

The motion by Senator Cleveland carried and the committee striking amendment was adopted by voice vote.

#### MOTION

On motion of Senator Cleveland, the rules were suspended, Engrossed Substitute House Bill No. 1576 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Cleveland and Padden spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1576 as

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amended by the Senate.

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## ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1576 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators MacEwen and Van De Wege

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1576, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1731, by House Committee on Regulated Substances & Gaming (originally sponsored by Waters, Stonier, Klicker, Low, Couture, Chambers, Ybarra, Barnard, Schmidt, McClintock, Santos and Hutchins)

Concerning complimentary liquor by short-term rental operators.

The measure was read the second time.

## MOTION

Senator Stanford moved that the following floor amendment no. 0322 by Senator Stanford be adopted:

On page 7, beginning on line 4, after "64.37.010" strike all material through "43.384.040" on line 6

On page 7, after line 16, strike all of sections 3 and 4  
Correct any internal references accordingly.

On page 1, line 2 of the title, after "66.20.010" strike all material through "66.08.170." and insert "and 66.24.200."

Senators Stanford and King spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 0322 by Senator Stanford on page 7, line 4 to Engrossed Substitute House Bill No. 1731.

The motion by Senator Stanford carried and floor amendment no. 0322 was adopted by voice vote.

## MOTION

On motion of Senator Keiser, the rules were suspended, Engrossed Substitute House Bill No. 1731 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Keiser and King spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1731 as amended by the Senate.

## ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1731 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 46; Nays, 1; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senator Liias

Excused: Senators MacEwen and Van De Wege

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1731, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

## SECOND READING

HOUSE BILL NO. 1349, by Representatives Orwall, Leavitt, Ramel, Kloba, Reed, Lekanoff, Pollet and Fosse

Concerning foreclosure protections.

The measure was read the second time.

## MOTION

Senator Kuderer moved that the following committee striking amendment by the Committee on Housing be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 61.24.008 and 2012 c 185 s 11 are each amended to read as follows:

(1) A borrower who has been referred to mediation before June 7, 2012, may continue through the mediation process and does not lose his or her right to mediation.

(2) A borrower who has not been referred to mediation as of June 7, 2012, may only be referred to mediation after a notice of default has been issued but no later than ((twenty days from the date a notice of sale is recorded)) 90 days prior to the date of sale listed in the notice of trustee's sale. If an amended notice of trustee's sale is recorded after the trustee sale has been stayed pursuant to RCW 61.24.130, the borrower may be referred to mediation no later than 25 days prior to the date of sale listed in the amended notice of trustee's sale.

(3) A borrower who has not been referred to mediation as of June 7, 2012, and who has had a notice of sale recorded may only be referred to mediation if the referral is made ((before twenty days have passed from the date the notice of sale was recorded)) at least 90 days prior to the date of sale listed in the notice of trustee's sale. If an amended notice of trustee's sale is recorded, the borrower may be referred to mediation no later than 25 days prior to the date of sale listed in the amended notice of trustee's sale.

"**Sec. 2.** RCW 61.24.030 and 2021 c 151 s 3 are each amended to read as follows:

It shall be requisite to a trustee's sale:

(1) That the deed of trust contains a power of sale;

(2) That the deed of trust contains a statement that the real property conveyed is not used principally for agricultural purposes; provided, if the statement is false on the date the deed of trust was granted or amended to include that statement, and false on the date of the trustee's sale, then the deed of trust must be foreclosed judicially. Real property is used for agricultural purposes if it is used in an operation that produces crops, livestock, or aquatic goods;

(3) That a default has occurred in the obligation secured or a covenant of the grantor, which by the terms of the deed of trust makes operative the power to sell;

(4) That no action commenced by the beneficiary of the deed of trust is now pending to seek satisfaction of an obligation secured by the deed of trust in any court by reason of the grantor's default on the obligation secured: PROVIDED, That (a) the seeking of the appointment of a receiver, or the filing of a civil case to obtain court approval to access, secure, maintain, and preserve property from waste or nuisance, shall not constitute an action for purposes of this chapter; and (b) if a receiver is appointed, the grantor shall be entitled to any rents or profits derived from property subject to a homestead as defined in RCW 6.13.010. If the deed of trust was granted to secure a commercial loan, this subsection shall not apply to actions brought to enforce any other lien or security interest granted to secure the obligation secured by the deed of trust being foreclosed;

(5) That the deed of trust has been recorded in each county in which the land or some part thereof is situated;

(6) That prior to the date of the notice of trustee's sale and continuing thereafter through the date of the trustee's sale, the trustee must maintain a street address in this state where personal service of process may be made, and the trustee must maintain a physical presence and have telephone service at such address;

(7)(a) That, for residential real property of up to four units, before the notice of trustee's sale is recorded, transmitted, or served, the trustee shall have proof that the beneficiary is the holder of any promissory note or other obligation secured by the deed of trust. A declaration by the beneficiary made under the penalty of perjury stating that the beneficiary is the holder of any promissory note or other obligation secured by the deed of trust shall be sufficient proof as required under this subsection.

(b) Unless the trustee has violated his or her duty under RCW 61.24.010(4), the trustee is entitled to rely on the beneficiary's declaration as evidence of proof required under this subsection.

(c) This subsection (7) does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW;

(8) That at least ((thirty)) 30 days before notice of sale shall be recorded, transmitted or served, written notice of default and, for residential real property of up to four units, the beneficiary declaration specified in subsection (7)(a) of this section shall be transmitted by the beneficiary or trustee to the borrower and grantor at their last known addresses by both first-class and either registered or certified mail, return receipt requested, and the beneficiary or trustee shall cause to be posted in a conspicuous place on the premises, a copy of the notice, or personally served on the borrower and grantor. This notice shall contain the following information:

(a) A description of the property which is then subject to the deed of trust;

(b) A statement identifying each county in which the deed of trust is recorded and the document number given to the deed of trust upon recording by each county auditor or recording officer;

(c) A statement that the beneficiary has declared the borrower or grantor to be in default, and a concise statement of the default alleged;

(d) An itemized account of the amount or amounts in arrears if the default alleged is failure to make payments;

(e) An itemized account of all other specific charges, costs, or fees that the borrower, grantor, or any guarantor is or may be obliged to pay to reinstate the deed of trust before the recording of the notice of sale;

(f) A statement showing the total of (d) and (e) of this subsection, designated clearly and conspicuously as the amount necessary to reinstate the note and deed of trust before the recording of the notice of sale;

(g) A statement that failure to cure the alleged default within ((thirty)) 30 days of the date of mailing of the notice, or if personally served, within ((thirty)) 30 days of the date of personal service thereof, may lead to recordation, transmittal, and publication of a notice of sale, and that the property described in (a) of this subsection may be sold at public auction at a date no less than ((one hundred twenty)) 120 days in the future, or no less than ((one hundred fifty)) 150 days in the future if the borrower received a letter under RCW 61.24.031;

(h) A statement that the effect of the recordation, transmittal, and publication of a notice of sale will be to (i) increase the costs and fees and (ii) publicize the default and advertise the grantor's property for sale;

(i) A statement that the effect of the sale of the grantor's property by the trustee will be to deprive the grantor of all their interest in the property described in (a) of this subsection;

(j) A statement that the borrower, grantor, and any guarantor has recourse to the courts pursuant to RCW 61.24.130 to contest the alleged default on any proper ground;

(k) In the event the property secured by the deed of trust is residential real property of up to four units, a statement, prominently set out at the beginning of the notice, which shall state as follows:

**"THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.**

You may be eligible for mediation in front of a neutral third party to help save your home.

**CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW** to assess your situation and refer you to mediation if you might benefit. Mediation **MUST** be requested between the time you receive the Notice of Default and no later than ((twenty days after the Notice of Trustee Sale is recorded)) **90 calendar days BEFORE the date of sale listed in the Notice of Trustee Sale. If an amended Notice of Trustee Sale is recorded providing a 45-day notice of the sale, mediation must be requested no later than 25 calendar days BEFORE the date of sale listed in the amended Notice of Trustee Sale.**

**DO NOT DELAY.** If you do nothing, a notice of sale may be issued as soon as 30 days from the date of this notice of default. The notice of sale will provide a minimum of 120 days' notice of the date of the actual foreclosure sale.

**BE CAREFUL** of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

**REFER TO THE CONTACTS BELOW** for sources of assistance.

#### **SEEKING ASSISTANCE**

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: . . . . . Website: . . . . .

The United States Department of Housing and Urban

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Telephone: . . . . . Website: . . . . .

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: . . . . . Website: . . . . ."

The beneficiary or trustee shall obtain the toll-free numbers and website information from the department for inclusion in the notice;

(l) In the event the property secured by the deed of trust is residential real property of up to four units, the name and address of the holder of any promissory note or other obligation secured by the deed of trust and the name, address, and telephone number of a party acting as a servicer of the obligations secured by the deed of trust;

(m) For notices issued after June 30, 2018, on the top of the first page of the notice:

- (i) The current beneficiary of the deed of trust;
- (ii) The current mortgage servicer for the deed of trust; and
- (iii) The current trustee for the deed of trust;

(9) That, for residential real property of up to four units, before the notice of the trustee's sale is recorded, transmitted, or served, the beneficiary has complied with RCW 61.24.031 and, if applicable, RCW 61.24.163;

(10) That, in the case where the borrower or grantor is known to the mortgage servicer or trustee to be deceased, the notice required under subsection (8) of this section must be sent to any spouse, child, or parent of the borrower or grantor known to the trustee or mortgage servicer, and to any owner of record of the property, at any address provided to the trustee or mortgage servicer, and to the property addressed to the heirs and devisees of the borrower.

(a) If the name or address of any spouse, child, or parent of such deceased borrower or grantor cannot be ascertained with use of reasonable diligence, the trustee must execute and record with the notice of sale a declaration attesting to the same.

(b) Reasonable diligence for the purposes of this subsection (10) means the trustee shall search in the county where the property is located, the public records and information for any obituary, will, death certificate, or case in probate within the county for the borrower and grantor;

(11) Upon written notice identifying the property address and the name of the borrower to the servicer or trustee by someone claiming to be a successor in interest to the borrower's or grantor's property rights, but who is not a party to the loan or promissory note or other obligation secured by the deed of trust, a trustee shall not record a notice of sale pursuant to RCW 61.24.040 until the trustee or mortgage servicer completes the following:

(a) Acknowledges the notice in writing and requests reasonable documentation of the death of the borrower or grantor from the claimant including, but not limited to, a death certificate or other written evidence of the death of the borrower or grantor. Other written evidence of the death of the borrower or grantor may include an obituary, a published death notice, or documentation of an open probate action for the estate of the borrower or grantor. The claimant must be allowed ((thirty)) 30 days from the date of this request to present this documentation. If the trustee or mortgage servicer has already obtained sufficient proof of the borrower's death, it may proceed by acknowledging the claimant's notice in writing and issuing a request under (b) of this subsection.

(b) If the mortgage servicer or trustee obtains or receives written documentation of the death of the borrower or grantor from the claimant, or otherwise independently confirms the death of the borrower or grantor, then the servicer or trustee must request in writing documentation from the claimant demonstrating the ownership interest of the claimant in the real

property. A claimant has ((sixty)) 60 days from the date of the request to present this documentation. Documentation demonstrating the ownership interest of the claimant in the real property includes, but is not limited to, one of the following:

- (i) Excerpts of a trust document noting the claimant as a beneficiary of a trust with title to the real property;
- (ii) A will of the borrower or grantor listing the claimant as an heir or devisee with respect to the real property;
- (iii) A probate order or finding of heirship issued by any court documenting the claimant as an heir or devisee or awarding the real property to the claimant;
- (iv) A recorded lack of probate affidavit signed by any heir listing the claimant as an heir of the borrower or grantor pursuant to the laws of intestacy;
- (v) A deed, such as a personal representative's deed, trustee's deed issued on behalf of a trust, statutory warranty deed, transfer on death deed, or other deed, giving any ownership interest to the claimant resulting from the death of the borrower or grantor or executed by the borrower or grantor for estate planning purposes; and
- (vi) Other proof documenting the claimant as an heir of the borrower or grantor pursuant to state rules of intestacy set forth in chapter 11.04 RCW.

(c) If the mortgage servicer or trustee receives written documentation demonstrating the ownership interest of the claimant prior to the expiration of the ((sixty)) 60 days provided in (b) of this subsection, then the servicer or trustee must, within ((twenty)) 20 days of receipt of proof of ownership interest, provide the claimant with, at a minimum, the loan balance, interest rate and interest reset dates and amounts, balloon payments if any, prepayment penalties if any, the basis for the default, the monthly payment amount, reinstatement amounts or conditions, payoff amounts, and information on how and where payments should be made. The mortgage servicers shall also provide the claimant application materials and information, or a description of the process, necessary to request a loan assumption and modification.

(d) Upon receipt by the trustee or the mortgage servicer of the documentation establishing claimant's ownership interest in the real property, that claimant shall be deemed a "successor in interest" for the purposes of this section.

(e) There may be more than one successor in interest to the borrower's property rights. The trustee and mortgage servicer shall apply the provisions of this section to each successor in interest. In the case of multiple successors in interest, where one or more do not wish to assume the loan as coborrowers or coapplicants, a mortgage servicer may require any nonapplicant successor in interest to consent in writing to the application for loan assumption.

(f) The existence of a successor in interest under this section does not impose an affirmative duty on a mortgage servicer or alter any obligation the mortgage servicer has to provide a loan modification to the successor in interest. If a successor in interest assumes the loan, he or she may be required to otherwise qualify for available foreclosure prevention alternatives offered by the mortgage servicer.

(g) (c), (e), and (f) of this subsection (11) do not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW; and

(12) Nothing in this section shall prejudice the right of the mortgage servicer or beneficiary from discontinuing any foreclosure action initiated under the deed of trust act in favor of other allowed methods for pursuit of foreclosure of the security interest or deed of trust security interest.

**Sec. 3.** RCW 61.24.040 and 2018 c 306 s 2 are each amended

to read as follows:

A deed of trust foreclosed under this chapter shall be foreclosed as follows:

(1) At least ((ninety)) 90 days before the sale, or if a letter under RCW 61.24.031 is required, at least ((one hundred twenty)) 120 days before the sale, the trustee shall:

(a) Record a notice in the form described in subsection (2) of this section in the office of the auditor in each county in which the deed of trust is recorded;

(b) To the extent the trustee elects to foreclose its lien or interest, or the beneficiary elects to preserve its right to seek a deficiency judgment against a borrower or grantor under RCW 61.24.100(3)(a), and if their addresses are stated in a recorded instrument evidencing their interest, lien, or claim of lien, or an amendment thereto, or are otherwise known to the trustee, cause a copy of the notice of sale described in subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the following persons or their legal representatives, if any, at such address:

(i)(A) The borrower and grantor;

(B) In the case where the borrower or grantor is deceased, to any successors in interest. If no successor in interest has been established, then to any spouse, child, or parent of the borrower or grantor, at the addresses discovered by the trustee pursuant to RCW 61.24.030(10);

(ii) The beneficiary of any deed of trust or mortgagee of any mortgage, or any person who has a lien or claim of lien against the property, that was recorded subsequent to the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;

(iii) The vendee in any real estate contract, the lessee in any lease, or the holder of any conveyances of any interest or estate in any portion or all of the property described in such notice, if that contract, lease, or conveyance of such interest or estate, or a memorandum or other notice thereof, was recorded after the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;

(iv) The last holder of record of any other lien against or interest in the property that is subject to a subordination to the deed of trust being foreclosed that was recorded before the recordation of the notice of sale;

(v) The last holder of record of the lien of any judgment subordinate to the deed of trust being foreclosed; and

(vi) The occupants of property consisting solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, whether or not the occupant's rental agreement is recorded, which notice may be a single notice addressed to "occupants" for each unit known to the trustee or beneficiary;

(c) Cause a copy of the notice of sale described in subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the plaintiff or the plaintiff's attorney of record, in any court action to foreclose a lien or other encumbrance on all or any part of the property, provided a court action is pending and a lis pendens in connection therewith is recorded in the office of the auditor of any county in which all or part of the property is located on the date the notice is recorded;

(d) Cause a copy of the notice of sale described in subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to any person who has recorded a request for notice in accordance with RCW 61.24.045, at the address specified in such person's most recently recorded request for notice;

(e) Cause a copy of the notice of sale described in subsection

(2) of this section to be posted in a conspicuous place on the property, or in lieu of posting, cause a copy of said notice to be served upon any occupant of the property.

(2)(a) If foreclosing on a commercial loan under RCW 61.24.005(4), the title of the document must be "Notice of Trustee's Sale of Commercial Loan(s)";

(b) In addition to all other indexing requirements, the notice required in subsection (1) of this section must clearly indicate on the first page the following information, which the auditor will index:

(i) The document number or numbers given to the deed of trust upon recording;

(ii) The parcel number(s);

(iii) The grantor;

(iv) The current beneficiary of the deed of trust;

(v) The current trustee of the deed of trust; and

(vi) The current loan mortgage servicer of the deed of trust;

(c) Nothing in this section:

(i) Requires a trustee or beneficiary to cause to be recorded any new notice of trustee's sale upon transfer of the beneficial interest in a deed of trust or the servicing rights for the associated mortgage loan;

(ii) Relieves a mortgage loan servicer of any obligation to provide the borrower with notice of a transfer of servicing rights or other legal obligations related to the transfer; or

(iii) Prevents the trustee from disclosing the beneficiary's identity to the borrower and to county and municipal officials seeking to abate nuisance and abandoned property in foreclosure pursuant to chapter 35.21 RCW.

(d) The notice must be in substantially the following form:

**NOTICE OF TRUSTEE'S SALE**

Grantor: .....

Current beneficiary of the deed of trust: .....

Current trustee of the deed of trust: .....

Current mortgage servicer of the deed of trust: .....

Reference number of the deed of trust: .....

Parcel number(s): .....

I.

NOTICE IS HEREBY GIVEN that the undersigned Trustee will on the . . . . day of . . . . ., . . . ., at the hour of . . . . o'clock . . . . M. at . . . . . [street address and location if inside a building] in the City of . . . . ., State of Washington, sell at public auction to the highest and best bidder, payable at the time of sale, the following described real property, situated in the County(ies) of . . . . ., State of Washington, to-wit:

[If any personal property is to be included in the trustee's sale, include a description that reasonably identifies such personal property]

which is subject to that certain Deed of Trust dated . . . . ., . . . ., recorded . . . . ., . . . ., under Auditor's File No. . . . ., records of . . . . . County, Washington, from . . . . ., as Grantor, to . . . . ., as Trustee, to secure an obligation in favor of . . . . ., as Beneficiary, the beneficial interest in which was assigned by . . . . ., under an Assignment recorded under Auditor's File No. . . . . [Include recording information for all counties if the Deed of Trust is recorded in more than one county.]

II.

No action commenced by the Beneficiary of the Deed of Trust is now pending to seek satisfaction of the obligation in any Court by reason of the Borrower's or Grantor's default on the obligation secured by the Deed of Trust.

[If there is another action pending to foreclose other security for all or part of the same debt, qualify the statement and identify the action.]

III.

The default(s) for which this foreclosure is made is/are as

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follows:

[If default is for other than payment of money, set forth the particulars]

Failure to pay when due the following amounts which are now in arrears:

IV.

The sum owing on the obligation secured by the Deed of Trust is: Principal \$ . . . . ., together with interest as provided in the note or other instrument secured from the . . . . day of . . . . ., . . . , and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute.

V.

The above-described real property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty, express or implied, regarding title, possession, or encumbrances on the . . . . day of . . . . ., . . . . The default(s) referred to in paragraph III must be cured by the . . . . day of . . . . ., . . . . (11 days before the sale date), to cause a discontinuance of the sale. The sale will be discontinued and terminated if at any time on or before the . . . . day of . . . . ., . . . . (11 days before the sale date), the default(s) as set forth in paragraph III is/are cured and the Trustee's fees and costs are paid. The sale may be terminated any time after the . . . . day of . . . . ., . . . . (11 days before the sale date), and before the sale by the Borrower, Grantor, any Guarantor, or the holder of any recorded junior lien or encumbrance paying the entire principal and interest secured by the Deed of Trust, plus costs, fees, and advances, if any, made pursuant to the terms of the obligation and/or Deed of Trust, and curing all other defaults.

VI.

A written notice of default was transmitted by the Beneficiary or Trustee to the Borrower and Grantor at the following addresses:

by both first-class and certified mail on the . . . . day of . . . . ., . . . , proof of which is in the possession of the Trustee; and the Borrower and Grantor were personally served on the . . . . day of . . . . ., . . . , with said written notice of default or the written notice of default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has possession of proof of such service or posting.

VII.

The Trustee whose name and address are set forth below will provide in writing to anyone requesting it, a statement of all costs and fees due at any time prior to the sale.

VIII.

The effect of the sale will be to deprive the Grantor and all those who hold by, through or under the Grantor of all their interest in the above-described property.

IX.

Anyone having any objection to the sale on any grounds whatsoever will be afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to RCW 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the Trustee's sale.

[Add Part X to this notice if applicable under RCW 61.24.040(11)]

, Trustee
Address

Phone

[Acknowledgment]

(3) If the borrower received a letter under RCW 61.24.031, the notice specified in subsection (2)(d) of this section shall also include the following additional language:

"THIS NOTICE IS THE FINAL STEP BEFORE THE FORECLOSURE SALE OF YOUR HOME.

You have only ((20 DAYS from the recording date on this notice to pursue mediation)) until 90 calendar days BEFORE the date of sale listed in this Notice of Trustee Sale to be referred to mediation. If this is an amended Notice of Trustee Sale providing a 45-day notice of the sale, mediation must be requested no later than 25 calendar days BEFORE the date of sale listed in this amended Notice of Trustee Sale.

DO NOT DELAY. CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you are eligible and it may help you save your home. See below for safe sources of help.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: . . . . . Website: . . . . .

The United States Department of Housing and Urban Development

Telephone: . . . . . Website: . . . . .

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: . . . . . Website: . . . . ."

The beneficiary or trustee shall obtain the toll-free numbers and website information from the department for inclusion in the notice;

(4) In addition to providing the borrower and grantor the notice of sale described in subsection (2) of this section, the trustee shall include with the copy of the notice which is mailed to the grantor, a statement to the grantor in substantially the following form:

NOTICE OF FORECLOSURE

Pursuant to the Revised Code of Washington, Chapter 61.24 RCW

The attached Notice of Trustee's Sale is a consequence of default(s) in the obligation to . . . . ., the Beneficiary of your Deed of Trust and holder of the obligation secured thereby. Unless the default(s) is/are cured, your property will be sold at auction on the . . . . day of . . . . ., . . . .

To cure the default(s), you must bring the payments current, cure any other defaults, and pay accrued late charges and other costs, advances, and attorneys' fees as set forth below by the . . . . day of . . . . ., . . . . [11 days before the sale date]. To date, these arrears and costs are as follows:

Table with 2 columns: Currently due, Estimated amount that will be due. Includes rows for 'to reinstate on . . . . .', 'to reinstate on . . . . .', and '(11 days before'.

		the date set for sale)
Delinquent payments from . . . . . , . . . . . in the amount of \$ . . . /mo.:            \$ . . . .            \$ . . . .		
Late charges in the total amount of:            \$ . . . .            \$ . . . .		
		Estimated Amounts
Attorneys' fees:            \$ . . . .            \$ . . . .		
Trustee's fee:            \$ . . . .            \$ . . . .		
Trustee's expenses: (Itemization)		
Title report            \$ . . . .            \$ . . . .		
Recording fees            \$ . . . .            \$ . . . .		
Service/Posting of Notices            \$ . . . .            \$ . . . .		
Postage/Copying expense            \$ . . . .            \$ . . . .		
Publication            \$ . . . .            \$ . . . .		
Telephone charges            \$ . . . .            \$ . . . .		
Inspection fees            \$ . . . .            \$ . . . .		
. . . . .            \$ . . . .            \$ . . . .		
. . . . .            \$ . . . .            \$ . . . .		
<b>TOTALS</b> \$ . . . .            \$ . . . .		

To pay off the entire obligation secured by your Deed of Trust as of the . . . . . day of . . . . . you must pay a total of \$ . . . . in principal, \$ . . . . in interest, plus other costs and advances estimated to date in the amount of \$ . . . . . From and after the date of this notice you must submit a written request to the Trustee to obtain the total amount to pay off the entire obligation secured by your Deed of Trust as of the payoff date.

As to the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust, you must cure each such default. Listed below are the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust. Opposite each such listed default is a brief description of the action necessary to cure the default and a description of the documentation necessary to show that the default has been cured.

Default	Description of Action Required to Cure and Documentation Necessary to Show Cure
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You may reinstate your Deed of Trust and the obligation secured thereby at any time up to and including the . . . . day of . . . . . , . . . [11 days before the sale date], by paying the amount set forth or estimated above and by curing any other defaults described above. Of course, as time passes other payments may become due, and any further payments coming due and any additional late charges must be added to your reinstating payment. Any new defaults not involving payment of money that occur after the date of this notice must also be cured in order to effect reinstatement. In addition, because some of the charges can only be estimated at this time, and because the amount necessary to reinstate or to pay off the entire indebtedness may include presently unknown expenditures required to preserve the property or to comply with state or local law, it will be necessary for you to contact the Trustee before the time you tender reinstatement or

the payoff amount so that you may be advised of the exact amount you will be required to pay. Tender of payment or performance must be made to: . . . . . , whose address is . . . . . , telephone ( ) . . . . . AFTER THE . . . . DAY OF . . . . . , YOU MAY NOT REINSTATE YOUR DEED OF TRUST BY PAYING THE BACK PAYMENTS AND COSTS AND FEES AND CURING THE OTHER DEFAULTS AS OUTLINED ABOVE. The Trustee will respond to any written request for current payoff or reinstatement amounts within ((ten)) 10 days of receipt of your written request. In such a case, you will only be able to stop the sale by paying, before the sale, the total principal balance (\$ . . . . . ) plus accrued interest, costs and advances, if any, made pursuant to the terms of the documents and by curing the other defaults as outlined above.

You may contest this default by initiating court action in the Superior Court of the county in which the sale is to be held. In such action, you may raise any legitimate defenses you have to this default. A copy of your Deed of Trust and documents evidencing the obligation secured thereby are enclosed. You may wish to consult a lawyer. Legal action on your part may prevent or restrain the sale, but only if you persuade the court of the merits of your defense. You may contact the Department of Financial Institutions or the statewide civil legal aid hotline for possible assistance or referrals.

The court may grant a restraining order or injunction to restrain a trustee's sale pursuant to RCW 61.24.130 upon five days notice to the trustee of the time when, place where, and the judge before whom the application for the restraining order or injunction is to be made. This notice shall include copies of all pleadings and related documents to be given to the judge. Notice and other process may be served on the trustee at:

NAME:

ADDRESS:

TELEPHONE NUMBER:

If you do not reinstate the secured obligation and your Deed of Trust in the manner set forth above, or if you do not succeed in restraining the sale by court action, your property will be sold. The effect of such sale will be to deprive you and all those who hold by, through or under you of all interest in the property;

(5) In addition, the trustee shall cause a copy of the notice of sale described in subsection (2)(d) of this section (excluding the acknowledgment) to be published in a legal newspaper in each county in which the property or any part thereof is situated, once on or between the ((thirty-fifth)) 35th and ((twenty-eighth)) 28th day before the date of sale, and once on or between the ((fourteenth)) 14th and seventh day before the date of sale;

(6) In the case where no successor in interest has been established, and neither the beneficiary nor the trustee are able to ascertain the name and address of any spouse, child, or parent of the borrower or grantor in the manner described in RCW 61.24.030(10), then the trustee may, in addition to mailing notice to the property addressed to the unknown heirs and devisees of the grantor, serve the notice of sale by publication in a newspaper of general circulation in the county or city where the property is located once per week for three consecutive weeks. Upon this service by publication, to be completed not less than ((thirty)) 30 days prior to the date the sale is conducted, all unknown heirs shall be deemed served with the notice of sale;

(7)(a) If a servicer or trustee receives notification by someone claiming to be a successor in interest to the borrower or grantor, as under RCW 61.24.030(11), after the recording of the notice of sale, the trustee or servicer must request written documentation within five days demonstrating the ownership interest, provided that, the trustee may, but is not required to, postpone a trustee's sale upon receipt of such notification by someone claiming to be



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a successor in interest.

(b) Upon receipt of documentation establishing a claimant as a successor in interest, the servicer must provide the information in RCW 61.24.030(11)(c). Only if the servicer or trustee receives the documentation confirming someone as successor in interest more than ((forty-five)) 45 days before the scheduled sale must the servicer then provide the information in RCW 61.24.030(11)(c) to the claimant not less than ((twenty)) 20 days prior to the sale.

(c) (b) of this subsection (7) does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

(8) On the date and at the time designated in the notice of sale, the trustee or its authorized agent shall sell the property at public auction to the highest bidder. The trustee may sell the property in gross or in parcels as the trustee shall deem most advantageous;

(9) The place of sale shall be at any designated public place within the county where the property is located and if the property is in more than one county, the sale may be in any of the counties where the property is located. The sale shall be on Friday, or if Friday is a legal holiday on the following Monday, and during the hours set by statute for the conduct of sales of real estate at execution;

(10) The trustee has no obligation to, but may, for any cause the trustee deems advantageous, continue the sale for a period or periods not exceeding a total of ((one hundred twenty)) 120 days by (a) a public proclamation at the time and place fixed for sale in the notice of sale and if the continuance is beyond the date of sale, by giving notice of the new time and place of the sale by both first class and either certified or registered mail, return receipt requested, to the persons specified in subsection (1)(b)(i) and (ii) of this section to be deposited in the mail (i) not less than four days before the new date fixed for the sale if the sale is continued for up to seven days; or (ii) not more than three days after the date of the continuance by oral proclamation if the sale is continued for more than seven days, or, alternatively, (b) by giving notice of the time and place of the postponed sale in the manner and to the persons specified in subsection (1)(b), (c), (d), and (e) of this section and publishing a copy of such notice once in the newspaper(s) described in subsection (5) of this section, more than seven days before the date fixed for sale in the notice of sale. No other notice of the postponed sale need be given;

(11) The purchaser shall forthwith pay the price bid ((and on payment)). On payment and subject to RCW 61.24.050, the trustee shall execute to the purchaser its deed(;; the)). The deed shall recite the facts showing that the sale was conducted in compliance with all of the requirements of this chapter and of the deed of trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value, except that these recitals shall not affect the lien or interest of any person entitled to notice under subsection (1) of this section, if the trustee fails to give the required notice to such person. In such case, the lien or interest of such omitted person shall not be affected by the sale and such omitted person shall be treated as if such person was the holder of the same lien or interest and was omitted as a party defendant in a judicial foreclosure proceeding;

(12) The sale as authorized under this chapter shall not take place less than ((one hundred ninety)) 190 days from the date of default in any of the obligations secured;

(13) If the trustee elects to foreclose the interest of any occupant or tenant of property comprised solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, the following notice shall be included as Part X of the Notice of Trustee's Sale:

#### X. NOTICE TO OCCUPANTS OR TENANTS

The purchaser at the trustee's sale is entitled to possession of the property on the 20th day following the sale, as against the grantor under the deed of trust (the owner) and anyone having an interest junior to the deed of trust, including occupants who are not tenants. After the 20th day following the sale the purchaser has the right to evict occupants who are not tenants by summary proceedings under chapter 59.12 RCW. For tenant-occupied property, the purchaser shall provide a tenant with written notice in accordance with RCW 61.24.060;

(14) Only one copy of all notices required by this chapter need be given to a person who is both the borrower and the grantor. All notices required by this chapter that are given to a general partnership are deemed given to each of its general partners, unless otherwise agreed by the parties.

**Sec. 4.** RCW 61.24.160 and 2012 c 185 s 5 are each amended to read as follows:

(1)(a) A housing counselor who is contacted by a borrower under RCW 61.24.031 has a duty to act in good faith to attempt to reach a resolution with the beneficiary on behalf of the borrower within the ((ninety)) 90 days provided from the date the beneficiary initiates contact with the borrower and the date the notice of default is issued. A resolution may include, but is not limited to, modification of the loan, an agreement to conduct a short sale, a deed in lieu of foreclosure transaction, or some other workout plan.

(b) Nothing in RCW 61.24.031 or this section precludes a meeting or negotiations between the housing counselor, borrower, and beneficiary at any time, including after the issuance of the notice of default.

(c) A borrower who is contacted under RCW 61.24.031 may seek the assistance of a housing counselor or attorney at any time.

(2) Housing counselors have a duty to act in good faith to assist borrowers by:

(a) Preparing the borrower for meetings with the beneficiary;

(b) Advising the borrower about what documents the borrower must have to seek a loan modification or other resolution;

(c) Informing the borrower about the alternatives to foreclosure, including loan modifications or other possible resolutions; and

(d) Providing other guidance, advice, and education as the housing counselor considers necessary.

(3) A housing counselor or attorney assisting a borrower may refer the borrower to mediation, pursuant to RCW 61.24.163, if the housing counselor or attorney determines that mediation is appropriate based on the individual circumstances and the borrower has received a notice of default. The referral to mediation may be made any time after a notice of default has been issued but no later than ((twenty days after the date a notice of sale has been recorded)) 90 days prior to the date of sale listed in the notice of trustee's sale. If an amended notice of trustee's sale is recorded after the trustee sale has been stayed pursuant to RCW 61.24.130, the borrower may be referred to mediation no later than 25 days prior to the date of sale listed in the amended notice of trustee's sale.

(4) For borrowers who have received a letter under RCW 61.24.031 before June 7, 2012, a referral to mediation by a housing counselor or attorney does not preclude a trustee issuing a notice of default if the requirements of RCW 61.24.031 have been met.

(5) Housing counselors providing assistance to borrowers under RCW 61.24.031 are not liable for civil damages resulting from any acts or omissions in providing assistance, unless the acts or omissions constitute gross negligence or willful or wanton misconduct.

(6) Housing counselors shall provide information to the department to assist the department in its annual report to the legislature as required under RCW 61.24.163(18). The information provided to the department by the housing counselors should include outcomes of foreclosures and be similar to the information requested in the national foreclosure mortgage counseling client level foreclosure outcomes report form.

**Sec. 5.** RCW 61.24.163 and 2018 c 306 s 6 are each amended to read as follows:

(1) The foreclosure mediation program established in this section applies only to borrowers who have been referred to mediation by a housing counselor or attorney. The referral to mediation may be made any time after a notice of default has been issued but no later than ((twenty days after the date a notice of sale has been recorded)) 90 days prior to the date of sale listed in the notice of trustee's sale. If an amended notice of trustee's sale is recorded after the trustee sale has been stayed pursuant to RCW 61.24.130, the borrower may be referred to mediation no later than 25 days prior to the date of sale listed in the amended notice of trustee's sale. If the borrower has failed to elect to mediate within the applicable time frame, the borrower and the beneficiary may, but are under no duty to, agree in writing to enter the foreclosure mediation program. The mediation program under this section is not governed by chapter 7.07 RCW and does not preclude mediation required by a court or other provision of law.

(2) A housing counselor or attorney referring a borrower to mediation shall send a notice to the borrower and the department, stating that mediation is appropriate.

(3) Within ((ten)) 10 days of receiving the notice, the department shall:

(a) Send a notice to the beneficiary, the borrower, the housing counselor or attorney who referred the borrower, and the trustee stating that the parties have been referred to mediation. The notice must include the statements and list of documents and information described in subsections (4) and (5) of this section and a statement explaining each party's responsibility to pay the mediator's fee; and

(b) Select a mediator and notify the parties of the selection.

(4) Within ((twenty-three)) 23 days of the department's notice that the parties have been referred to mediation, the borrower shall transmit the documents required for mediation to the mediator and the beneficiary. The required documents include an initial homeowner financial information worksheet as required by the department. The worksheet must include, at a minimum, the following information:

(a) The borrower's current and future income;

(b) Debts and obligations;

(c) Assets;

(d) Expenses;

(e) Tax returns for the previous two years;

(f) Hardship information;

(g) Other applicable information commonly required by any applicable federal mortgage relief program.

(5) Within ((twenty)) 20 days of the beneficiary's receipt of the borrower's documents, the beneficiary shall transmit the documents required for mediation to the mediator and the borrower. The required documents include:

(a) An accurate statement containing the balance of the loan within ((thirty)) 30 days of the date on which the beneficiary's documents are due to the parties;

(b) Copies of the note and deed of trust;

(c) Proof that the entity claiming to be the beneficiary is the owner of any promissory note or obligation secured by the deed of trust. Sufficient proof may be a copy of the declaration described in RCW 61.24.030(7)(a);

(d) The best estimate of any arrearage and an itemized

statement of the arrearages;

(e) An itemized list of the best estimate of fees and charges outstanding;

(f) The payment history and schedule for the preceding twelve months, or since default, whichever is longer, including a breakdown of all fees and charges claimed;

(g) All borrower-related and mortgage-related input data used in any net present values analysis. If no net present values analysis is required by the applicable federal mortgage relief program, then the input data required under the federal deposit insurance corporation and published in the federal deposit insurance corporation loan modification program guide, or if that calculation becomes unavailable, substantially similar input data as determined by the department;

(h) An explanation regarding any denial for a loan modification, forbearance, or other alternative to foreclosure in sufficient detail for a reasonable person to understand why the decision was made;

(i) Appraisal or other broker price opinion most recently relied upon by the beneficiary not more than ((ninety)) 90 days old at the time of the scheduled mediation; and

(j) The portion or excerpt of the pooling and servicing agreement or other investor restriction that prohibits the beneficiary from implementing a modification, if the beneficiary claims it cannot implement a modification due to limitations in a pooling and servicing agreement or other investor restriction, and documentation or a statement detailing the efforts of the beneficiary to obtain a waiver of the pooling and servicing agreement or other investor restriction provisions.

(6) Within ((seventy)) 70 days of receiving the referral from the department, the mediator shall convene a mediation session in the county where the property is located, unless the parties agree on another location. The parties may agree to extend the time in which to schedule the mediation session. If the parties agree to extend the time, the beneficiary shall notify the trustee of the extension and the date the mediator is expected to issue the mediator's certification.

(7)(a) The mediator may schedule phone conferences, consultations with the parties individually, and other communications to ensure that the parties have all the necessary information and documents to engage in a productive mediation.

(b) The mediator must send written notice of the time, date, and location of the mediation session to the borrower, the beneficiary, and the department at least ((thirty)) 30 days prior to the mediation session. At a minimum, the notice must contain:

(i) A statement that the borrower may be represented in the mediation session by an attorney or other advocate;

(ii) A statement that a person with authority to agree to a resolution, including a proposed settlement, loan modification, or dismissal or continuation of the foreclosure proceeding, must be present either in person or on the telephone or videoconference during the mediation session; and

(iii) A statement that the parties have a duty to mediate in good faith and that failure to mediate in good faith may impair the beneficiary's ability to foreclose on the property or the borrower's ability to modify the loan or take advantage of other alternatives to foreclosure.

(8)(a) The borrower, the beneficiary or authorized agent, and the mediator must meet in person for the mediation session. However, a person with authority to agree to a resolution on behalf of the beneficiary may be present over the telephone or videoconference during the mediation session.

(b) After the mediation session commences, the mediator may continue the mediation session once, and any further continuances must be with the consent of the parties.

(9) The participants in mediation must address the issues of

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foreclosure that may enable the borrower and the beneficiary to reach a resolution, including but not limited to reinstatement, modification of the loan, restructuring of the debt, or some other workout plan. To assist the parties in addressing issues of foreclosure, the mediator may require the participants to consider the following:

(a) The borrower's current and future economic circumstances, including the borrower's current and future income, debts, and obligations for the previous ((sixty)) 60 days or greater time period as determined by the mediator;

(b) The net present value of receiving payments pursuant to a modified mortgage loan as compared to the anticipated net recovery following foreclosure;

(c) Any affordable loan modification calculation and net present value calculation when required under any federal mortgage relief program and any modification program related to loans insured by the federal housing administration, the veterans administration, and the rural housing service. If such a calculation is not provided or required, then the beneficiary must provide the net present value data inputs established by the federal deposit insurance corporation and published in the federal deposit insurance corporation loan modification program guide or other net present value data inputs as designated by the department. The mediator may run the calculation in order for a productive mediation to occur and to comply with the mediator certification requirement; and

(d) Any other loss mitigation guidelines to loans insured by the federal housing administration, the veterans administration, and the rural housing service, if applicable.

(10) A violation of the duty to mediate in good faith as required under this section may include:

(a) Failure to timely participate in mediation without good cause;

(b) Failure of the borrower or the beneficiary to provide the documentation required before mediation or pursuant to the mediator's instructions;

(c) Failure of a party to designate representatives with adequate authority to fully settle, compromise, or otherwise reach resolution with the borrower in mediation; and

(d) A request by a beneficiary that the borrower waive future claims he or she may have in connection with the deed of trust, as a condition of agreeing to a modification, except for rescission claims under the federal truth in lending act. Nothing in this section precludes a beneficiary from requesting that a borrower dismiss with prejudice any pending claims against the beneficiary, its agents, loan servicer, or trustee, arising from the underlying deed of trust, as a condition of modification.

(11) If the mediator reasonably believes a borrower will not attend a mediation session based on the borrower's conduct, such as the lack of response to the mediator's communications, the mediator may cancel a scheduled mediation session and send a written cancellation to the department and the trustee and send copies to the parties. The beneficiary may proceed with the foreclosure after receipt of the mediator's written confirmation of cancellation.

(12) Within seven business days after the conclusion of the mediation session, the mediator must send a written certification to the department and the trustee and send copies to the parties of:

(a) The date, time, and location of the mediation session;

(b) The names of all persons attending in person and by telephone or videoconference, at the mediation session;

(c) Whether a resolution was reached by the parties, including whether the default was cured by reinstatement, modification, or restructuring of the debt, or some other alternative to foreclosure was agreed upon by the parties;

(d) Whether the parties participated in the mediation in good faith; and

(e) If a written agreement was not reached, a description of any net present value test used, along with a copy of the inputs, including the result of any net present value test expressed in a dollar amount.

(13) If the parties are unable to reach an agreement, the beneficiary may proceed with the foreclosure after receipt of the mediator's written certification.

(14)(a) The mediator's certification that the beneficiary failed to act in good faith in mediation constitutes a defense to the nonjudicial foreclosure action that was the basis for initiating the mediation. In any action to enjoin the foreclosure, the beneficiary is entitled to rebut the allegation that it failed to act in good faith.

(b) The mediator's certification that the beneficiary failed to act in good faith during mediation does not constitute a defense to a judicial foreclosure or a future nonjudicial foreclosure action if a modification of the loan is agreed upon and the borrower subsequently defaults.

(c) If an affordable loan modification is not offered in the mediation or a written agreement was not reached and the mediator's certification shows that the net present value of the modified loan exceeds the anticipated net recovery at foreclosure, that showing in the certification constitutes a basis for the borrower to enjoin the foreclosure.

(15) The mediator's certification that the borrower failed to act in good faith in mediation authorizes the beneficiary to proceed with the foreclosure.

(16)(a) If a borrower has been referred to mediation before a notice of trustee sale has been recorded, a trustee may not record the notice of sale until the trustee receives the mediator's certification stating that the mediation has been completed. If the trustee does not receive the mediator's certification, the trustee may record the notice of sale after ((ten)) 10 days from the date the certification to the trustee was due. If, after a notice of sale is recorded under this subsection (16)(a), the mediator subsequently issues a certification finding that the beneficiary violated the duty of good faith, the certification constitutes a basis for the borrower to enjoin the foreclosure.

(b) If a borrower has been referred to mediation after the notice of sale was recorded, the sale may not occur until the trustee receives the mediator's certification stating that the mediation has been completed.

(17) A mediator may charge reasonable fees as authorized by this subsection or as authorized by the department. Unless the fee is waived, the parties agree otherwise, or the department otherwise authorizes, a foreclosure mediator's fee may not exceed ((four hundred dollars)) \$400 for preparing, scheduling, and conducting a mediation session lasting between one hour and three hours. For a mediation session exceeding three hours, the foreclosure mediator may charge a reasonable fee, as authorized by the department. The mediator must provide an estimated fee before the mediation, and payment of the mediator's fee must be divided equally between the beneficiary and the borrower. The beneficiary and the borrower must tender the loan mediator's fee within ((thirty)) 30 calendar days from receipt of the department's letter referring the parties to mediation or pursuant to the mediator's instructions.

(18) Beginning December 1, 2012, and every year thereafter, the department shall report annually to the legislature on:

(a) The performance of the program, including the numbers of borrowers who are referred to mediation by a housing counselor or attorney;

(b) The results of the mediation program, including the number of mediations requested by housing counselors and attorneys, the

number of certifications of good faith issued, the number of borrowers and beneficiaries who failed to mediate in good faith, and the reasons for the failure to mediate in good faith, if known, the numbers of loans restructured or modified, the change in the borrower's monthly payment for principal and interest and the number of principal write-downs and interest rate reductions, and, to the extent practical, the number of borrowers who report a default within a year of restructuring or modification;

(c) The information received by housing counselors regarding outcomes of foreclosures; and

(d) Any recommendations for changes to the statutes regarding the mediation program.

(19) This section does not apply to certain federally insured depository institutions, as specified in RCW 61.24.166.

**Sec. 6.** RCW 61.24.165 and 2021 c 151 s 6 are each amended to read as follows:

(1) RCW 61.24.163 applies only to deeds of trust that are recorded against residential real property of up to four units.

(2) RCW 61.24.163 does not apply to deeds of trust:

(a) Securing a commercial loan;

(b) Securing obligations of a grantor who is not the borrower or a guarantor;

(c) Securing a purchaser's obligations under a seller-financed sale; or

(d) Where the grantor is a partnership, corporation, or limited liability company, or where the property is vested in a partnership, corporation, or limited liability company at the time the notice of default is issued.

(3) RCW 61.24.163 does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

(4) For purposes of referral and mediation under RCW 61.24.163, a person may be referred to mediation if the borrower is deceased and the person is a successor in interest of the deceased borrower ((who occupies the property as his or her primary residence)). The referring counselor or attorney must determine a person's eligibility under this section and indicate the grounds for eligibility on the referral to mediation submitted to the department. For the purposes of mediation under RCW 61.24.163, the person must be treated as a "borrower." This subsection does not impose an affirmative duty on the beneficiary to accept an assumption of the loan.

(5) For purposes of referral and mediation under RCW 61.24.163, a person may be referred to mediation if the person has been awarded title to the property in a proceeding for dissolution or legal separation. The referring counselor or attorney must determine the person's eligibility under this section and indicate the grounds for eligibility on the referral to mediation submitted to the department. For the purposes of mediation under RCW 61.24.163, the person must be treated as a "borrower." This subsection does not impose an affirmative duty on the beneficiary to accept an assumption of the loan.

**Sec. 7.** RCW 61.24.166 and 2021 c 151 s 7 are each amended to read as follows:

(1) Beginning on January 1, ((2023)) 2024, the provisions of RCW 61.24.163 do not apply to any federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), that certifies to the department under penalty of perjury that it was not a beneficiary of deeds of trust in more than ((two hundred fifty)) 250 trustee sales of residential real property of up to four units that occurred in this state during the preceding calendar year. A federally insured depository institution certifying that RCW 61.24.163 does not apply must do so annually, beginning no later than January 31, ((2023)) 2024, and no later than January 31st of each year thereafter.

(2) During the 2023 calendar year, the provisions of RCW 61.24.163 do not apply to any federally insured depository

institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), that certifies to the department under penalty of perjury that it was not a beneficiary of deeds of trust in more than 250 trustee sales of owner-occupied residential real property that occurred in this state during 2019. A federally insured depository institution certifying that RCW 61.24.163 does not apply pursuant to this subsection must do so no later than 30 days after the effective date of this section.

(3) This section applies retroactively to January 1, 2023, and prospectively beginning with the effective date of this section.

**Sec. 8.** RCW 61.24.190 and 2021 c 151 s 11 are each amended to read as follows:

(1) Except as provided in subsections (6) and (7) of this section, beginning January 1, 2022, and every quarter thereafter, every beneficiary issuing notices of default, or causing notices of default to be issued on its behalf, on residential real property under this chapter must:

(a) Report to the department, on a form approved by the department, the total number of residential real properties for which the beneficiary has issued a notice of default during the previous quarter, together with the street address, city, and zip code;

(b) Remit the amount required under subsection (2) of this section; and

(c) Report and update beneficiary contact information for the person and work group responsible for the beneficiary's compliance with the requirements of the foreclosure fairness act created in this chapter.

(2) For each residential real property for which a notice of default has been issued, the beneficiary issuing the notice of default, or causing the notice of default to be issued on the beneficiary's behalf, shall remit \$250 to the department to be deposited, as provided under RCW 61.24.172, into the foreclosure fairness account. The \$250 payment is required per property and not per notice of default. The beneficiary shall remit the total amount required in a lump sum each quarter.

(3) Reporting and payments under subsections (1) and (2) of this section are due within 45 days of the end of each quarter.

(4) For purposes of this section, "residential real property" includes residential real property with up to four dwelling units, whether or not the property or any part thereof is owner occupied.

(5) The department, including its officials and employees, may not be held civilly liable for damages arising from any release of information or the failure to release information related to the reporting required under this section, so long as the release was without gross negligence.

(6)(a) Beginning on January 1, 2023, this section does not apply to any beneficiary or loan servicer that is a federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), and that certifies under penalty of perjury that it has issued, or has directed a trustee or authorized agent to issue, fewer than 250 notices of default in the preceding year.

(b) During the 2023 calendar year, this section does not apply to any beneficiary or loan servicer that is a federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), and that certifies under penalty of perjury that fewer than 50 notices of trustee's sale were recorded on its behalf in 2019.

(c) This subsection (6) applies retroactively to January 1, 2023, and prospectively beginning with the effective date of this section.

(7) This section does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

**NEW SECTION. Sec. 9.** A new section is added to chapter 61.24 RCW to read as follows:

(1)(a) The trustee shall continue a foreclosure sale for at least 30 days upon receipt of a written notice from the homeowner

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assistance fund program administered by the Washington state housing finance commission that an application has been submitted to the homeowner assistance fund program on behalf of the applicant.

(b) The trustee shall continue the foreclosure sale for an additional 30-day period upon receipt of a written notice from the homeowner assistance fund program that the applicant is deemed eligible for the program.

(c) An automated notice issued by the homeowner assistance fund program does not qualify as written notice required in this section.

(2)(a) If an application to the homeowner assistance fund program is approved in the amount that would cure the default and make the beneficiary whole, a sale may not proceed while the approved application is pending for payment.

(b) A sale may proceed if the homeowner assistance fund program issues a written confirmation that an application has been denied or that no funds from the program will be paid in response to the application, and that any appeal process available to the applicant has been exhausted and is no longer pending.

(3) The trustee has no duty to delay a sale if the applicant has already received a continuance based on prior application to the homeowner assistance fund program, unless the applicant demonstrates to the trustee that a new application is pending based upon a substantial change in circumstances supporting a new application and that it has not been submitted solely for the purpose of delaying the sale.

(4)(a) The trustee must comply with the process set forth in RCW 61.24.040(1) for giving notice of the continued sale.

(b) A continuance of a sale pursuant to this section shall not be included in calculating the maximum sale continuance period of 120 days established in RCW 61.24.040(10).

(5) For purposes of this section, "applicant" means a person who:

(a) Is the borrower, a successor in interest to a deceased borrower, or a person who has been awarded title to the property; and

(b) Has submitted an application to the homeowner assistance fund program or on whose behalf an application to the program has been submitted.

**NEW SECTION. Sec. 10.** A new section is added to chapter 61.12 RCW to read as follows:

(1) It is unlawful for any person to seek or receive from any person or contract with any person for any fee or compensation for locating, or purporting to purchase or otherwise acquire the right to recover, funds held by a court or county that are proceeds from a foreclosure under this chapter and subject to disposition under RCW 61.12.150 in excess of:

(a) Five percent of the value thereof returned to such owner; and

(b) Reasonable attorneys' fees and costs, upon a motion and a hearing by a court of competent jurisdiction.

(2) Any person who violates this section is guilty of a misdemeanor and shall be fined not less than the amount of the fee or charge he or she has sought or received or contracted for, and not more than 10 times such amount, or imprisoned for not more than 30 days, or both.

(3) The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. Any violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW. Remedies provided by chapter 19.86

RCW are cumulative and not exclusive.

(4) Every contract for any fee or compensation for locating or purporting to purchase the right to recover funds held by a court that are proceeds from a foreclosure under this chapter and subject to disposition under RCW 61.12.150 must contain the following notice in 10-point boldface type or larger directly above the space reserved in the contract for the signature of the buyer:

"NOTICE TO HOMEOWNER:

(1) Do not sign this contract before you read it or if any spaces intended for the agreed terms are left blank.

(2) You are entitled to a copy of this contract at the time you sign it.

(3) You may cancel this contract within 10 days of signing by sending notice of cancellation by regular United States mail to the other party at his or her address shown on the contract, which notice shall be posted not later than midnight of the 10th day (excluding Sundays and holidays) following your signing of the contract."

**Sec. 11.** RCW 61.24.135 and 2021 c 151 s 5 are each amended to read as follows:

(1) It is an unfair or deceptive act or practice under the consumer protection act, chapter 19.86 RCW, for any person, acting alone or in concert with others, to offer, or offer to accept or accept from another, any consideration of any type not to bid, or to reduce a bid, at a sale of property conducted pursuant to a power of sale in a deed of trust. The trustee may decline to complete a sale or deliver the trustee's deed and refund the purchase price, if it appears that the bidding has been collusive or defective, or that the sale might have been void. However, it is not an unfair or deceptive act or practice for any person, including a trustee, to state that a property subject to a recorded notice of trustee's sale or subject to a sale conducted pursuant to this chapter is being sold in an "as-is" condition, or for the beneficiary to arrange to provide financing for a particular bidder or to reach any good faith agreement with the borrower, grantor, any guarantor, or any junior lienholder.

(2) It is an unfair or deceptive act in trade or commerce and an unfair method of competition in violation of the consumer protection act, chapter 19.86 RCW, for any person or entity to: (a) Violate the duty of good faith under RCW 61.24.163; (b) fail to comply with the requirements of RCW 61.24.174, as it existed prior to July 1, 2016, 61.24.173, or 61.24.190; or (c) fail to initiate contact with a borrower and exercise due diligence as required under RCW 61.24.031.

(3)(a) It is unlawful for any person to seek or receive from any person or contract with any person for any fee or compensation for locating, or purporting to purchase or otherwise acquire the right to recover, funds held by a court or county that are proceeds from a foreclosure under this chapter and subject to disposition under RCW 61.24.080 in excess of:

(i) Five percent of the value thereof returned to such owner; and

(ii) Reasonable attorneys' fees and costs, upon a motion and a hearing by a court of competent jurisdiction.

(b) Any person who violates (a) of this subsection is guilty of a misdemeanor and shall be fined not less than the amount of the fee or charge he or she has sought or received or contracted for, and not more than 10 times such amount, or imprisoned for not more than 30 days, or both.

(c) The legislature finds that the practices covered by (a) of this subsection are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. Any violation of (a) of this subsection is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method

of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW. Remedies provided by chapter 19.86 RCW are cumulative and not exclusive.

(4) Every contract for any fee or compensation for locating or purporting to purchase the right to recover funds held by a court that are proceeds from a foreclosure under this chapter and subject to disposition under RCW 61.24.080 must contain the following notice in 10-point boldface type or larger directly above the space reserved in the contract for the signature of the buyer:

"NOTICE TO HOMEOWNER:

(1) Do not sign this contract before you read it or if any spaces intended for the agreed terms are left blank.

(2) You are entitled to a copy of this contract at the time you sign it.

(3) You may cancel this contract within 10 days of signing by sending notice of cancellation by regular United States mail to the other party at his or her address shown on the contract, which notice shall be posted not later than midnight of the 10th day (excluding Sundays and holidays) following your signing of the contract."

NEW SECTION. Sec. 12. (1) Section 9 of this act expires upon the expiration and permanent closure of the homeowner assistance fund program.

(2) The Washington state housing finance commission must provide written notice of the expiration date of section 9 of this act to the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the commission.

NEW SECTION. Sec. 13. Sections 7 through 9 and 12 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately."

On page 1, line 1 of the title, after "protections;" strike the remainder of the title and insert "amending RCW 61.24.008, 61.24.030, 61.24.040, 61.24.160, 61.24.163, 61.24.165, 61.24.166, 61.24.190, and 61.24.135; adding a new section to chapter 61.24 RCW; adding a new section to chapter 61.12 RCW; providing a contingent expiration date; and declaring an emergency."

Senator Kuderer spoke in favor of the motion to not adopt the striking amendment.

The President declared the question before the Senate to be the motion to not adopt the committee striking amendment by the Committee on Housing to House Bill No. 1349.

The motion by Senator Kuderer carried and the committee striking amendment was not adopted by voice vote.

#### MOTION

Senator Kuderer moved that the following striking floor amendment no. 0310 by Senator Kuderer be adopted:

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 61.24.008 and 2012 c 185 s 11 are each amended to read as follows:

(1) A borrower who has been referred to mediation before June 7, 2012, may continue through the mediation process and does not lose his or her right to mediation.

(2) A borrower who has not been referred to mediation as of June 7, 2012, may only be referred to mediation after a notice of default has been issued but no later than ((twenty days from the date a notice of sale is recorded)) 90 days prior to the date of sale listed in the notice of trustee's sale. If an amended notice of trustee's sale is recorded after the trustee sale has been stayed

pursuant to RCW 61.24.130, the borrower may be referred to mediation no later than 25 days prior to the date of sale listed in the amended notice of trustee's sale.

(3) A borrower who has not been referred to mediation as of June 7, 2012, and who has had a notice of sale recorded may only be referred to mediation if the referral is made ((before twenty days have passed from the date the notice of sale was recorded)) at least 90 days prior to the date of sale listed in the notice of trustee's sale. If an amended notice of trustee's sale is recorded, the borrower may be referred to mediation no later than 25 days prior to the date of sale listed in the amended notice of trustee's sale.

**Sec. 2.** RCW 61.24.030 and 2021 c 151 s 3 are each amended to read as follows:

It shall be requisite to a trustee's sale:

(1) That the deed of trust contains a power of sale;

(2) That the deed of trust contains a statement that the real property conveyed is not used principally for agricultural purposes; provided, if the statement is false on the date the deed of trust was granted or amended to include that statement, and false on the date of the trustee's sale, then the deed of trust must be foreclosed judicially. Real property is used for agricultural purposes if it is used in an operation that produces crops, livestock, or aquatic goods;

(3) That a default has occurred in the obligation secured or a covenant of the grantor, which by the terms of the deed of trust makes operative the power to sell;

(4) That no action commenced by the beneficiary of the deed of trust is now pending to seek satisfaction of an obligation secured by the deed of trust in any court by reason of the grantor's default on the obligation secured: PROVIDED, That (a) the seeking of the appointment of a receiver, or the filing of a civil case to obtain court approval to access, secure, maintain, and preserve property from waste or nuisance, shall not constitute an action for purposes of this chapter; and (b) if a receiver is appointed, the grantor shall be entitled to any rents or profits derived from property subject to a homestead as defined in RCW 6.13.010. If the deed of trust was granted to secure a commercial loan, this subsection shall not apply to actions brought to enforce any other lien or security interest granted to secure the obligation secured by the deed of trust being foreclosed;

(5) That the deed of trust has been recorded in each county in which the land or some part thereof is situated;

(6) That prior to the date of the notice of trustee's sale and continuing thereafter through the date of the trustee's sale, the trustee must maintain a street address in this state where personal service of process may be made, and the trustee must maintain a physical presence and have telephone service at such address;

(7)(a) That, for residential real property of up to four units, before the notice of trustee's sale is recorded, transmitted, or served, the trustee shall have proof that the beneficiary is the holder of any promissory note or other obligation secured by the deed of trust. A declaration by the beneficiary made under the penalty of perjury stating that the beneficiary is the holder of any promissory note or other obligation secured by the deed of trust shall be sufficient proof as required under this subsection.

(b) Unless the trustee has violated his or her duty under RCW 61.24.010(4), the trustee is entitled to rely on the beneficiary's declaration as evidence of proof required under this subsection.

(c) This subsection (7) does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW;

(8) That at least ((thirty)) 30 days before notice of sale shall be recorded, transmitted or served, written notice of default and, for residential real property of up to four units, the beneficiary declaration specified in subsection (7)(a) of this section shall be transmitted by the beneficiary or trustee to the borrower and

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grantor at their last known addresses by both first-class and either registered or certified mail, return receipt requested, and the beneficiary or trustee shall cause to be posted in a conspicuous place on the premises, a copy of the notice, or personally served on the borrower and grantor. This notice shall contain the following information:

(a) A description of the property which is then subject to the deed of trust;

(b) A statement identifying each county in which the deed of trust is recorded and the document number given to the deed of trust upon recording by each county auditor or recording officer;

(c) A statement that the beneficiary has declared the borrower or grantor to be in default, and a concise statement of the default alleged;

(d) An itemized account of the amount or amounts in arrears if the default alleged is failure to make payments;

(e) An itemized account of all other specific charges, costs, or fees that the borrower, grantor, or any guarantor is or may be obliged to pay to reinstate the deed of trust before the recording of the notice of sale;

(f) A statement showing the total of (d) and (e) of this subsection, designated clearly and conspicuously as the amount necessary to reinstate the note and deed of trust before the recording of the notice of sale;

(g) A statement that failure to cure the alleged default within ((thirty)) 30 days of the date of mailing of the notice, or if personally served, within ((thirty)) 30 days of the date of personal service thereof, may lead to recordation, transmittal, and publication of a notice of sale, and that the property described in (a) of this subsection may be sold at public auction at a date no less than ((one hundred twenty)) 120 days in the future, or no less than ((one hundred fifty)) 150 days in the future if the borrower received a letter under RCW 61.24.031;

(h) A statement that the effect of the recordation, transmittal, and publication of a notice of sale will be to (i) increase the costs and fees and (ii) publicize the default and advertise the grantor's property for sale;

(i) A statement that the effect of the sale of the grantor's property by the trustee will be to deprive the grantor of all their interest in the property described in (a) of this subsection;

(j) A statement that the borrower, grantor, and any guarantor has recourse to the courts pursuant to RCW 61.24.130 to contest the alleged default on any proper ground;

(k) In the event the property secured by the deed of trust is residential real property of up to four units, a statement, prominently set out at the beginning of the notice, which shall state as follows:

**"THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.**

You may be eligible for mediation in front of a neutral third party to help save your home.

**CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW** to assess your situation and refer you to mediation if you might benefit. Mediation **MUST** be requested between the time you receive the Notice of Default and no later than ((twenty days after the Notice of Trustee Sale is recorded)) **90 calendar days BEFORE the date of sale** listed in the Notice of Trustee Sale. If an amended Notice of Trustee Sale is recorded providing a 45-day notice of the sale, mediation must be requested no later than 25 calendar days BEFORE the date of sale listed in the amended Notice of Trustee Sale.

**DO NOT DELAY.** If you do nothing, a notice of sale may be issued as soon as 30 days from the date of this notice of default.

The notice of sale will provide a minimum of 120 days' notice of the date of the actual foreclosure sale.

**BE CAREFUL** of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

**REFER TO THE CONTACTS BELOW** for sources of assistance.

**SEEKING ASSISTANCE**

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: . . . . . Website: . . . . .

The United States Department of Housing and Urban Development

Telephone: . . . . . Website: . . . . .

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: . . . . . Website: . . . . ."

The beneficiary or trustee shall obtain the toll-free numbers and website information from the department for inclusion in the notice;

(l) In the event the property secured by the deed of trust is residential real property of up to four units, the name and address of the holder of any promissory note or other obligation secured by the deed of trust and the name, address, and telephone number of a party acting as a servicer of the obligations secured by the deed of trust;

(m) For notices issued after June 30, 2018, on the top of the first page of the notice:

(i) The current beneficiary of the deed of trust;

(ii) The current mortgage servicer for the deed of trust; and

(iii) The current trustee for the deed of trust;

(9) That, for residential real property of up to four units, before the notice of the trustee's sale is recorded, transmitted, or served, the beneficiary has complied with RCW 61.24.031 and, if applicable, RCW 61.24.163;

(10) That, in the case where the borrower or grantor is known to the mortgage servicer or trustee to be deceased, the notice required under subsection (8) of this section must be sent to any spouse, child, or parent of the borrower or grantor known to the trustee or mortgage servicer, and to any owner of record of the property, at any address provided to the trustee or mortgage servicer, and to the property addressed to the heirs and devisees of the borrower.

(a) If the name or address of any spouse, child, or parent of such deceased borrower or grantor cannot be ascertained with use of reasonable diligence, the trustee must execute and record with the notice of sale a declaration attesting to the same.

(b) Reasonable diligence for the purposes of this subsection (10) means the trustee shall search in the county where the property is located, the public records and information for any obituary, will, death certificate, or case in probate within the county for the borrower and grantor;

(11) Upon written notice identifying the property address and the name of the borrower to the servicer or trustee by someone claiming to be a successor in interest to the borrower's or grantor's property rights, but who is not a party to the loan or promissory note or other obligation secured by the deed of trust, a trustee shall not record a notice of sale pursuant to RCW 61.24.040 until the trustee or mortgage servicer completes the following:

(a) Acknowledges the notice in writing and requests reasonable

documentation of the death of the borrower or grantor from the claimant including, but not limited to, a death certificate or other written evidence of the death of the borrower or grantor. Other written evidence of the death of the borrower or grantor may include an obituary, a published death notice, or documentation of an open probate action for the estate of the borrower or grantor. The claimant must be allowed ((thirty)) 30 days from the date of this request to present this documentation. If the trustee or mortgage servicer has already obtained sufficient proof of the borrower's death, it may proceed by acknowledging the claimant's notice in writing and issuing a request under (b) of this subsection.

(b) If the mortgage servicer or trustee obtains or receives written documentation of the death of the borrower or grantor from the claimant, or otherwise independently confirms the death of the borrower or grantor, then the servicer or trustee must request in writing documentation from the claimant demonstrating the ownership interest of the claimant in the real property. A claimant has ((sixty)) 60 days from the date of the request to present this documentation. Documentation demonstrating the ownership interest of the claimant in the real property includes, but is not limited to, one of the following:

(i) Excerpts of a trust document noting the claimant as a beneficiary of a trust with title to the real property;

(ii) A will of the borrower or grantor listing the claimant as an heir or devisee with respect to the real property;

(iii) A probate order or finding of heirship issued by any court documenting the claimant as an heir or devisee or awarding the real property to the claimant;

(iv) A recorded lack of probate affidavit signed by any heir listing the claimant as an heir of the borrower or grantor pursuant to the laws of intestacy;

(v) A deed, such as a personal representative's deed, trustee's deed issued on behalf of a trust, statutory warranty deed, transfer on death deed, or other deed, giving any ownership interest to the claimant resulting from the death of the borrower or grantor or executed by the borrower or grantor for estate planning purposes; and

(vi) Other proof documenting the claimant as an heir of the borrower or grantor pursuant to state rules of intestacy set forth in chapter 11.04 RCW.

(c) If the mortgage servicer or trustee receives written documentation demonstrating the ownership interest of the claimant prior to the expiration of the ((sixty)) 60 days provided in (b) of this subsection, then the servicer or trustee must, within ((twenty)) 20 days of receipt of proof of ownership interest, provide the claimant with, at a minimum, the loan balance, interest rate and interest reset dates and amounts, balloon payments if any, prepayment penalties if any, the basis for the default, the monthly payment amount, reinstatement amounts or conditions, payoff amounts, and information on how and where payments should be made. The mortgage servicers shall also provide the claimant application materials and information, or a description of the process, necessary to request a loan assumption and modification.

(d) Upon receipt by the trustee or the mortgage servicer of the documentation establishing claimant's ownership interest in the real property, that claimant shall be deemed a "successor in interest" for the purposes of this section.

(e) There may be more than one successor in interest to the borrower's property rights. The trustee and mortgage servicer shall apply the provisions of this section to each successor in interest. In the case of multiple successors in interest, where one or more do not wish to assume the loan as coborrowers or coapplicants, a mortgage servicer may require any nonapplicant successor in interest to consent in writing to the application for loan assumption.

(f) The existence of a successor in interest under this section does not impose an affirmative duty on a mortgage servicer or alter any obligation the mortgage servicer has to provide a loan modification to the successor in interest. If a successor in interest assumes the loan, he or she may be required to otherwise qualify for available foreclosure prevention alternatives offered by the mortgage servicer.

(g) (c), (e), and (f) of this subsection (11) do not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW; and

(12) Nothing in this section shall prejudice the right of the mortgage servicer or beneficiary from discontinuing any foreclosure action initiated under the deed of trust act in favor of other allowed methods for pursuit of foreclosure of the security interest or deed of trust security interest.

**Sec. 3.** RCW 61.24.040 and 2018 c 306 s 2 are each amended to read as follows:

A deed of trust foreclosed under this chapter shall be foreclosed as follows:

(1) At least ((ninety)) 90 days before the sale, or if a letter under RCW 61.24.031 is required, at least ((one hundred twenty)) 120 days before the sale, the trustee shall:

(a) Record a notice in the form described in subsection (2) of this section in the office of the auditor in each county in which the deed of trust is recorded;

(b) To the extent the trustee elects to foreclose its lien or interest, or the beneficiary elects to preserve its right to seek a deficiency judgment against a borrower or grantor under RCW 61.24.100(3)(a), and if their addresses are stated in a recorded instrument evidencing their interest, lien, or claim of lien, or an amendment thereto, or are otherwise known to the trustee, cause a copy of the notice of sale described in subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the following persons or their legal representatives, if any, at such address:

(i)(A) The borrower and grantor;

(B) In the case where the borrower or grantor is deceased, to any successors in interest. If no successor in interest has been established, then to any spouse, child, or parent of the borrower or grantor, at the addresses discovered by the trustee pursuant to RCW 61.24.030(10);

(ii) The beneficiary of any deed of trust or mortgagee of any mortgage, or any person who has a lien or claim of lien against the property, that was recorded subsequent to the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;

(iii) The vendee in any real estate contract, the lessee in any lease, or the holder of any conveyances of any interest or estate in any portion or all of the property described in such notice, if that contract, lease, or conveyance of such interest or estate, or a memorandum or other notice thereof, was recorded after the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;

(iv) The last holder of record of any other lien against or interest in the property that is subject to a subordination to the deed of trust being foreclosed that was recorded before the recordation of the notice of sale;

(v) The last holder of record of the lien of any judgment subordinate to the deed of trust being foreclosed; and

(vi) The occupants of property consisting solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, whether or not the occupant's rental agreement is recorded, which notice may be a single notice addressed to "occupants" for each unit known to the trustee or beneficiary;



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(c) Cause a copy of the notice of sale described in subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the plaintiff or the plaintiff's attorney of record, in any court action to foreclose a lien or other encumbrance on all or any part of the property, provided a court action is pending and a lis pendens in connection therewith is recorded in the office of the auditor of any county in which all or part of the property is located on the date the notice is recorded;

(d) Cause a copy of the notice of sale described in subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to any person who has recorded a request for notice in accordance with RCW 61.24.045, at the address specified in such person's most recently recorded request for notice;

(e) Cause a copy of the notice of sale described in subsection (2) of this section to be posted in a conspicuous place on the property, or in lieu of posting, cause a copy of said notice to be served upon any occupant of the property.

(2)(a) If foreclosing on a commercial loan under RCW 61.24.005(4), the title of the document must be "Notice of Trustee's Sale of Commercial Loan(s)";

(b) In addition to all other indexing requirements, the notice required in subsection (1) of this section must clearly indicate on the first page the following information, which the auditor will index:

(i) The document number or numbers given to the deed of trust upon recording;

(ii) The parcel number(s);

(iii) The grantor;

(iv) The current beneficiary of the deed of trust;

(v) The current trustee of the deed of trust; and

(vi) The current loan mortgage servicer of the deed of trust;

(c) Nothing in this section:

(i) Requires a trustee or beneficiary to cause to be recorded any new notice of trustee's sale upon transfer of the beneficial interest in a deed of trust or the servicing rights for the associated mortgage loan;

(ii) Relieves a mortgage loan servicer of any obligation to provide the borrower with notice of a transfer of servicing rights or other legal obligations related to the transfer; or

(iii) Prevents the trustee from disclosing the beneficiary's identity to the borrower and to county and municipal officials seeking to abate nuisance and abandoned property in foreclosure pursuant to chapter 35.21 RCW.

(d) The notice must be in substantially the following form:

**NOTICE OF TRUSTEE'S SALE**

Grantor: .....

Current beneficiary of the deed of trust: .....

Current trustee of the deed of trust: .....

Current mortgage servicer of the deed of trust: .....

Reference number of the deed of trust: .....

Parcel number(s): .....

**I.**

NOTICE IS HEREBY GIVEN that the undersigned Trustee will on the . . . . day of . . . . ., at the hour of . . . . o'clock . . . . M. at . . . . . [street address and location if inside a building] in the City of . . . . ., State of Washington, sell at public auction to the highest and best bidder, payable at the time of sale, the following described real property, situated in the County(ies) of . . . . ., State of Washington, to-wit:

[If any personal property is to be included in the trustee's sale, include a description that reasonably identifies such personal property]

which is subject to that certain Deed of Trust dated . . . . ., . . . . .

recorded . . . . ., . . . ., under Auditor's File No. . . . ., records of . . . . . County, Washington, from . . . . ., as Grantor, to . . . . ., as Trustee, to secure an obligation in favor of . . . . ., as Beneficiary, the beneficial interest in which was assigned by . . . . ., under an Assignment recorded under Auditor's File No. . . . . [Include recording information for all counties if the Deed of Trust is recorded in more than one county.]

**II.**

No action commenced by the Beneficiary of the Deed of Trust is now pending to seek satisfaction of the obligation in any Court by reason of the Borrower's or Grantor's default on the obligation secured by the Deed of Trust.

[If there is another action pending to foreclose other security for all or part of the same debt, qualify the statement and identify the action.]

**III.**

The default(s) for which this foreclosure is made is/are as follows:

[If default is for other than payment of money, set forth the particulars]

Failure to pay when due the following amounts which are now in arrears:

**IV.**

The sum owing on the obligation secured by the Deed of Trust is: Principal \$ . . . . ., together with interest as provided in the note or other instrument secured from the . . . . day of . . . . ., and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute.

**V.**

The above-described real property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty, express or implied, regarding title, possession, or encumbrances on the . . . . day of . . . . ., . . . . The default(s) referred to in paragraph III must be cured by the . . . . day of . . . . ., . . . . (11 days before the sale date), to cause a discontinuance of the sale. The sale will be discontinued and terminated if at any time on or before the . . . . day of . . . . ., . . . . (11 days before the sale date), the default(s) as set forth in paragraph III is/are cured and the Trustee's fees and costs are paid. The sale may be terminated any time after the . . . . day of . . . . ., . . . . (11 days before the sale date), and before the sale by the Borrower, Grantor, any Guarantor, or the holder of any recorded junior lien or encumbrance paying the entire principal and interest secured by the Deed of Trust, plus costs, fees, and advances, if any, made pursuant to the terms of the obligation and/or Deed of Trust, and curing all other defaults.

**VI.**

A written notice of default was transmitted by the Beneficiary or Trustee to the Borrower and Grantor at the following addresses:

by both first-class and certified mail on the . . . . day of . . . . ., . . . ., proof of which is in the possession of the Trustee; and the Borrower and Grantor were personally served on the . . . . day of . . . . ., . . . ., with said written notice of default or the written notice of default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has possession of proof of such service or posting.

**VII.**

The Trustee whose name and address are set forth below will provide in writing to anyone requesting it, a statement of all costs

and fees due at any time prior to the sale.

VIII.

The effect of the sale will be to deprive the Grantor and all those who hold by, through or under the Grantor of all their interest in the above-described property.

IX.

Anyone having any objection to the sale on any grounds whatsoever will be afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to RCW 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the Trustee's sale.

[Add Part X to this notice if applicable under RCW 61.24.040(11)]

, Trustee
Address
Phone

[Acknowledgment]

(3) If the borrower received a letter under RCW 61.24.031, the notice specified in subsection (2)(d) of this section shall also include the following additional language:

"THIS NOTICE IS THE FINAL STEP BEFORE THE FORECLOSURE SALE OF YOUR HOME.

You have only ((20 DAYS from the recording date on this notice to pursue mediation)) until 90 calendar days BEFORE the date of sale listed in this Notice of Trustee Sale to be referred to mediation. If this is an amended Notice of Trustee Sale providing a 45-day notice of the sale, mediation must be requested no later than 25 calendar days BEFORE the date of sale listed in this amended Notice of Trustee Sale.

DO NOT DELAY. CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you are eligible and it may help you save your home. See below for safe sources of help.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: Website:

The United States Department of Housing and Urban Development

Telephone: Website:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Website:"

The beneficiary or trustee shall obtain the toll-free numbers and website information from the department for inclusion in the notice;

(4) In addition to providing the borrower and grantor the notice of sale described in subsection (2) of this section, the trustee shall include with the copy of the notice which is mailed to the grantor, a statement to the grantor in substantially the following form:

NOTICE OF FORECLOSURE

Pursuant to the Revised Code of Washington, Chapter 61.24 RCW

The attached Notice of Trustee's Sale is a consequence of default(s) in the obligation to , the Beneficiary of your

Deed of Trust and holder of the obligation secured thereby. Unless the default(s) is/are cured, your property will be sold at auction on the . . . day of . . . . .

To cure the default(s), you must bring the payments current, cure any other defaults, and pay accrued late charges and other costs, advances, and attorneys' fees as set forth below by the . . . day of . . . . . [11 days before the sale date]. To date, these arrears and costs are as follows:

Table with 3 columns: Description, Currently due, Estimated amount that will be due. Rows include Delinquent payments, Attorneys' fees, Trustee's fee, etc.

To pay off the entire obligation secured by your Deed of Trust as of the . . . . . day of . . . . . you must pay a total of \$. . . . . in principal, \$. . . . . in interest, plus other costs and advances estimated to date in the amount of \$. . . . . From and after the date of this notice you must submit a written request to the Trustee to obtain the total amount to pay off the entire obligation secured by your Deed of Trust as of the payoff date.

As to the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust, you must cure each such default. Listed below are the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust. Opposite each such listed default is a brief description of the action necessary to cure the default and a description of the documentation necessary to show that the default has been cured.

Default Description of Action Required to Cure and Documentation Necessary to Show Cure

You may reinstate your Deed of Trust and the obligation secured thereby at any time up to and including the . . . day of . . . . ., . . . [11 days before the sale date], by paying the amount set forth or estimated above and by curing any other defaults described above. Of course, as time passes other payments may become due, and any further payments coming due and any additional late charges must be added to your reinstating payment. Any new defaults not involving payment of money that occur after the date of this notice must also be cured in order to effect reinstatement. In addition, because some of the charges can only be estimated at this time, and because the amount necessary to reinstate or to pay off the entire indebtedness may include presently unknown expenditures required to preserve the property or to comply with state or local law, it will be necessary for you to contact the Trustee before the time you tender reinstatement or the payoff amount so that you may be advised of the exact amount you will be required to pay. Tender of payment or performance must be made to: . . . . ., whose address is . . . . ., telephone ( ) . . . . . AFTER THE . . . . . DAY OF . . . . ., . . . . . YOU MAY NOT REINSTATE YOUR DEED OF TRUST BY PAYING THE BACK PAYMENTS AND COSTS AND FEES AND CURING THE OTHER DEFAULTS AS OUTLINED ABOVE. The Trustee will respond to any written request for current payoff or reinstatement amounts within ((ten)) 10 days of receipt of your written request. In such a case, you will only be able to stop the sale by paying, before the sale, the total principal balance (\$ . . . . .) plus accrued interest, costs and advances, if any, made pursuant to the terms of the documents and by curing the other defaults as outlined above.

You may contest this default by initiating court action in the Superior Court of the county in which the sale is to be held. In such action, you may raise any legitimate defenses you have to this default. A copy of your Deed of Trust and documents evidencing the obligation secured thereby are enclosed. You may wish to consult a lawyer. Legal action on your part may prevent or restrain the sale, but only if you persuade the court of the merits of your defense. You may contact the Department of Financial Institutions or the statewide civil legal aid hotline for possible assistance or referrals.

The court may grant a restraining order or injunction to restrain a trustee's sale pursuant to RCW 61.24.130 upon five days notice to the trustee of the time when, place where, and the judge before whom the application for the restraining order or injunction is to be made. This notice shall include copies of all pleadings and related documents to be given to the judge. Notice and other process may be served on the trustee at:

- NAME:
- ADDRESS:
- TELEPHONE NUMBER:

If you do not reinstate the secured obligation and your Deed of Trust in the manner set forth above, or if you do not succeed in restraining the sale by court action, your property will be sold. The effect of such sale will be to deprive you and all those who hold by, through or under you of all interest in the property;

(5) In addition, the trustee shall cause a copy of the notice of sale described in subsection (2)(d) of this section (excluding the acknowledgment) to be published in a legal newspaper in each county in which the property or any part thereof is situated, once on or between the ((thirty-fifth)) 35th and ((twenty-eighth)) 28th day before the date of sale, and once on or between the ((fourteenth)) 14th and seventh day before the date of sale;

(6) In the case where no successor in interest has been established, and neither the beneficiary nor the trustee are able to

ascertain the name and address of any spouse, child, or parent of the borrower or grantor in the manner described in RCW 61.24.030(10), then the trustee may, in addition to mailing notice to the property addressed to the unknown heirs and devisees of the grantor, serve the notice of sale by publication in a newspaper of general circulation in the county or city where the property is located once per week for three consecutive weeks. Upon this service by publication, to be completed not less than ((thirty)) 30 days prior to the date the sale is conducted, all unknown heirs shall be deemed served with the notice of sale;

(7)(a) If a servicer or trustee receives notification by someone claiming to be a successor in interest to the borrower or grantor, as under RCW 61.24.030(11), after the recording of the notice of sale, the trustee or servicer must request written documentation within five days demonstrating the ownership interest, provided that, the trustee may, but is not required to, postpone a trustee's sale upon receipt of such notification by someone claiming to be a successor in interest.

(b) Upon receipt of documentation establishing a claimant as a successor in interest, the servicer must provide the information in RCW 61.24.030(11)(c). Only if the servicer or trustee receives the documentation confirming someone as successor in interest more than ((forty-five)) 45 days before the scheduled sale must the servicer then provide the information in RCW 61.24.030(11)(c) to the claimant not less than ((twenty)) 20 days prior to the sale.

(c) (b) of this subsection (7) does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

(8) On the date and at the time designated in the notice of sale, the trustee or its authorized agent shall sell the property at public auction to the highest bidder. The trustee may sell the property in gross or in parcels as the trustee shall deem most advantageous;

(9) The place of sale shall be at any designated public place within the county where the property is located and if the property is in more than one county, the sale may be in any of the counties where the property is located. The sale shall be on Friday, or if Friday is a legal holiday on the following Monday, and during the hours set by statute for the conduct of sales of real estate at execution;

(10) The trustee has no obligation to, but may, for any cause the trustee deems advantageous, continue the sale for a period or periods not exceeding a total of ((one hundred twenty)) 120 days by (a) a public proclamation at the time and place fixed for sale in the notice of sale and if the continuance is beyond the date of sale, by giving notice of the new time and place of the sale by both first class and either certified or registered mail, return receipt requested, to the persons specified in subsection (1)(b)(i) and (ii) of this section to be deposited in the mail (i) not less than four days before the new date fixed for the sale if the sale is continued for up to seven days; or (ii) not more than three days after the date of the continuance by oral proclamation if the sale is continued for more than seven days, or, alternatively, (b) by giving notice of the time and place of the postponed sale in the manner and to the persons specified in subsection (1)(b), (c), (d), and (e) of this section and publishing a copy of such notice once in the newspaper(s) described in subsection (5) of this section, more than seven days before the date fixed for sale in the notice of sale. No other notice of the postponed sale need be given;

(11) The purchaser shall forthwith pay the price bid ((and on payment)). On payment and subject to RCW 61.24.050, the trustee shall execute to the purchaser its deed(;; the)). The deed shall recite the facts showing that the sale was conducted in compliance with all of the requirements of this chapter and of the deed of trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide

purchasers and encumbrancers for value, except that these recitals shall not affect the lien or interest of any person entitled to notice under subsection (1) of this section, if the trustee fails to give the required notice to such person. In such case, the lien or interest of such omitted person shall not be affected by the sale and such omitted person shall be treated as if such person was the holder of the same lien or interest and was omitted as a party defendant in a judicial foreclosure proceeding;

(12) The sale as authorized under this chapter shall not take place less than ((one hundred ninety)) 190 days from the date of default in any of the obligations secured;

(13) If the trustee elects to foreclose the interest of any occupant or tenant of property comprised solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, the following notice shall be included as Part X of the Notice of Trustee's Sale:

#### X. NOTICE TO OCCUPANTS OR TENANTS

The purchaser at the trustee's sale is entitled to possession of the property on the 20th day following the sale, as against the grantor under the deed of trust (the owner) and anyone having an interest junior to the deed of trust, including occupants who are not tenants. After the 20th day following the sale the purchaser has the right to evict occupants who are not tenants by summary proceedings under chapter 59.12 RCW. For tenant-occupied property, the purchaser shall provide a tenant with written notice in accordance with RCW 61.24.060;

(14) Only one copy of all notices required by this chapter need be given to a person who is both the borrower and the grantor. All notices required by this chapter that are given to a general partnership are deemed given to each of its general partners, unless otherwise agreed by the parties.

**Sec. 4.** RCW 61.24.160 and 2012 c 185 s 5 are each amended to read as follows:

(1)(a) A housing counselor who is contacted by a borrower under RCW 61.24.031 has a duty to act in good faith to attempt to reach a resolution with the beneficiary on behalf of the borrower within the ((ninety)) 90 days provided from the date the beneficiary initiates contact with the borrower and the date the notice of default is issued. A resolution may include, but is not limited to, modification of the loan, an agreement to conduct a short sale, a deed in lieu of foreclosure transaction, or some other workout plan.

(b) Nothing in RCW 61.24.031 or this section precludes a meeting or negotiations between the housing counselor, borrower, and beneficiary at any time, including after the issuance of the notice of default.

(c) A borrower who is contacted under RCW 61.24.031 may seek the assistance of a housing counselor or attorney at any time.

(2) Housing counselors have a duty to act in good faith to assist borrowers by:

- (a) Preparing the borrower for meetings with the beneficiary;
- (b) Advising the borrower about what documents the borrower must have to seek a loan modification or other resolution;
- (c) Informing the borrower about the alternatives to foreclosure, including loan modifications or other possible resolutions; and
- (d) Providing other guidance, advice, and education as the housing counselor considers necessary.

(3) A housing counselor or attorney assisting a borrower may refer the borrower to mediation, pursuant to RCW 61.24.163, if the housing counselor or attorney determines that mediation is appropriate based on the individual circumstances and the borrower has received a notice of default. The referral to mediation may be made any time after a notice of default has been issued but no later than ((twenty days after the date a notice of

sale has been recorded)) 90 days prior to the date of sale listed in the notice of trustee's sale. If an amended notice of trustee's sale is recorded after the trustee sale has been stayed pursuant to RCW 61.24.130, the borrower may be referred to mediation no later than 25 days prior to the date of sale listed in the amended notice of trustee's sale.

(4) For borrowers who have received a letter under RCW 61.24.031 before June 7, 2012, a referral to mediation by a housing counselor or attorney does not preclude a trustee issuing a notice of default if the requirements of RCW 61.24.031 have been met.

(5) Housing counselors providing assistance to borrowers under RCW 61.24.031 are not liable for civil damages resulting from any acts or omissions in providing assistance, unless the acts or omissions constitute gross negligence or willful or wanton misconduct.

(6) Housing counselors shall provide information to the department to assist the department in its annual report to the legislature as required under RCW 61.24.163(18). The information provided to the department by the housing counselors should include outcomes of foreclosures and be similar to the information requested in the national foreclosure mortgage counseling client level foreclosure outcomes report form.

**Sec. 5.** RCW 61.24.163 and 2018 c 306 s 6 are each amended to read as follows:

(1) The foreclosure mediation program established in this section applies only to borrowers who have been referred to mediation by a housing counselor or attorney. The referral to mediation may be made any time after a notice of default has been issued but no later than ((twenty days after the date a notice of sale has been recorded)) 90 days prior to the date of sale listed in the notice of trustee's sale. If an amended notice of trustee's sale is recorded after the trustee sale has been stayed pursuant to RCW 61.24.130, the borrower may be referred to mediation no later than 25 days prior to the date of sale listed in the amended notice of trustee's sale. If the borrower has failed to elect to mediate within the applicable time frame, the borrower and the beneficiary may, but are under no duty to, agree in writing to enter the foreclosure mediation program. The mediation program under this section is not governed by chapter 7.07 RCW and does not preclude mediation required by a court or other provision of law.

(2) A housing counselor or attorney referring a borrower to mediation shall send a notice to the borrower and the department, stating that mediation is appropriate.

(3) Within ((ten)) 10 days of receiving the notice, the department shall:

- (a) Send a notice to the beneficiary, the borrower, the housing counselor or attorney who referred the borrower, and the trustee stating that the parties have been referred to mediation. The notice must include the statements and list of documents and information described in subsections (4) and (5) of this section and a statement explaining each party's responsibility to pay the mediator's fee; and
- (b) Select a mediator and notify the parties of the selection.

(4) Within ((twenty-three)) 23 days of the department's notice that the parties have been referred to mediation, the borrower shall transmit the documents required for mediation to the mediator and the beneficiary. The required documents include an initial homeowner financial information worksheet as required by the department. The worksheet must include, at a minimum, the following information:

- (a) The borrower's current and future income;
- (b) Debts and obligations;
- (c) Assets;
- (d) Expenses;
- (e) Tax returns for the previous two years;

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- (f) Hardship information;
- (g) Other applicable information commonly required by any applicable federal mortgage relief program.
- (5) Within ((twenty)) 20 days of the beneficiary's receipt of the borrower's documents, the beneficiary shall transmit the documents required for mediation to the mediator and the borrower. The required documents include:
- (a) An accurate statement containing the balance of the loan within ((thirty)) 30 days of the date on which the beneficiary's documents are due to the parties;
- (b) Copies of the note and deed of trust;
- (c) Proof that the entity claiming to be the beneficiary is the owner of any promissory note or obligation secured by the deed of trust. Sufficient proof may be a copy of the declaration described in RCW 61.24.030(7)(a);
- (d) The best estimate of any arrearage and an itemized statement of the arrearages;
- (e) An itemized list of the best estimate of fees and charges outstanding;
- (f) The payment history and schedule for the preceding twelve months, or since default, whichever is longer, including a breakdown of all fees and charges claimed;
- (g) All borrower-related and mortgage-related input data used in any net present values analysis. If no net present values analysis is required by the applicable federal mortgage relief program, then the input data required under the federal deposit insurance corporation and published in the federal deposit insurance corporation loan modification program guide, or if that calculation becomes unavailable, substantially similar input data as determined by the department;
- (h) An explanation regarding any denial for a loan modification, forbearance, or other alternative to foreclosure in sufficient detail for a reasonable person to understand why the decision was made;
- (i) Appraisal or other broker price opinion most recently relied upon by the beneficiary not more than ((ninety)) 90 days old at the time of the scheduled mediation; and
- (j) The portion or excerpt of the pooling and servicing agreement or other investor restriction that prohibits the beneficiary from implementing a modification, if the beneficiary claims it cannot implement a modification due to limitations in a pooling and servicing agreement or other investor restriction, and documentation or a statement detailing the efforts of the beneficiary to obtain a waiver of the pooling and servicing agreement or other investor restriction provisions.
- (6) Within ((seventy)) 70 days of receiving the referral from the department, the mediator shall convene a mediation session in the county where the property is located, unless the parties agree on another location. The parties may agree to extend the time in which to schedule the mediation session. If the parties agree to extend the time, the beneficiary shall notify the trustee of the extension and the date the mediator is expected to issue the mediator's certification.
- (7)(a) The mediator may schedule phone conferences, consultations with the parties individually, and other communications to ensure that the parties have all the necessary information and documents to engage in a productive mediation.
- (b) The mediator must send written notice of the time, date, and location of the mediation session to the borrower, the beneficiary, and the department at least ((thirty)) 30 days prior to the mediation session. At a minimum, the notice must contain:
- (i) A statement that the borrower may be represented in the mediation session by an attorney or other advocate;
- (ii) A statement that a person with authority to agree to a resolution, including a proposed settlement, loan modification, or

dismissal or continuation of the foreclosure proceeding, must be present either in person or on the telephone or videoconference during the mediation session; and

(iii) A statement that the parties have a duty to mediate in good faith and that failure to mediate in good faith may impair the beneficiary's ability to foreclose on the property or the borrower's ability to modify the loan or take advantage of other alternatives to foreclosure.

(8)(a) The borrower, the beneficiary or authorized agent, and the mediator must meet in person for the mediation session. However, a person with authority to agree to a resolution on behalf of the beneficiary may be present over the telephone or videoconference during the mediation session.

(b) After the mediation session commences, the mediator may continue the mediation session once, and any further continuances must be with the consent of the parties.

(9) The participants in mediation must address the issues of foreclosure that may enable the borrower and the beneficiary to reach a resolution, including but not limited to reinstatement, modification of the loan, restructuring of the debt, or some other workout plan. To assist the parties in addressing issues of foreclosure, the mediator may require the participants to consider the following:

(a) The borrower's current and future economic circumstances, including the borrower's current and future income, debts, and obligations for the previous ((sixty)) 60 days or greater time period as determined by the mediator;

(b) The net present value of receiving payments pursuant to a modified mortgage loan as compared to the anticipated net recovery following foreclosure;

(c) Any affordable loan modification calculation and net present value calculation when required under any federal mortgage relief program and any modification program related to loans insured by the federal housing administration, the veterans administration, and the rural housing service. If such a calculation is not provided or required, then the beneficiary must provide the net present value data inputs established by the federal deposit insurance corporation and published in the federal deposit insurance corporation loan modification program guide or other net present value data inputs as designated by the department. The mediator may run the calculation in order for a productive mediation to occur and to comply with the mediator certification requirement; and

(d) Any other loss mitigation guidelines to loans insured by the federal housing administration, the veterans administration, and the rural housing service, if applicable.

(10) A violation of the duty to mediate in good faith as required under this section may include:

(a) Failure to timely participate in mediation without good cause;

(b) Failure of the borrower or the beneficiary to provide the documentation required before mediation or pursuant to the mediator's instructions;

(c) Failure of a party to designate representatives with adequate authority to fully settle, compromise, or otherwise reach resolution with the borrower in mediation; and

(d) A request by a beneficiary that the borrower waive future claims he or she may have in connection with the deed of trust, as a condition of agreeing to a modification, except for rescission claims under the federal truth in lending act. Nothing in this section precludes a beneficiary from requesting that a borrower dismiss with prejudice any pending claims against the beneficiary, its agents, loan servicer, or trustee, arising from the underlying deed of trust, as a condition of modification.

(11) If the mediator reasonably believes a borrower will not

attend a mediation session based on the borrower's conduct, such as the lack of response to the mediator's communications, the mediator may cancel a scheduled mediation session and send a written cancellation to the department and the trustee and send copies to the parties. The beneficiary may proceed with the foreclosure after receipt of the mediator's written confirmation of cancellation.

(12) Within seven business days after the conclusion of the mediation session, the mediator must send a written certification to the department and the trustee and send copies to the parties of:

- (a) The date, time, and location of the mediation session;
- (b) The names of all persons attending in person and by telephone or videoconference, at the mediation session;
- (c) Whether a resolution was reached by the parties, including whether the default was cured by reinstatement, modification, or restructuring of the debt, or some other alternative to foreclosure was agreed upon by the parties;
- (d) Whether the parties participated in the mediation in good faith; and
- (e) If a written agreement was not reached, a description of any net present value test used, along with a copy of the inputs, including the result of any net present value test expressed in a dollar amount.

(13) If the parties are unable to reach an agreement, the beneficiary may proceed with the foreclosure after receipt of the mediator's written certification.

(14)(a) The mediator's certification that the beneficiary failed to act in good faith in mediation constitutes a defense to the nonjudicial foreclosure action that was the basis for initiating the mediation. In any action to enjoin the foreclosure, the beneficiary is entitled to rebut the allegation that it failed to act in good faith.

(b) The mediator's certification that the beneficiary failed to act in good faith during mediation does not constitute a defense to a judicial foreclosure or a future nonjudicial foreclosure action if a modification of the loan is agreed upon and the borrower subsequently defaults.

(c) If an affordable loan modification is not offered in the mediation or a written agreement was not reached and the mediator's certification shows that the net present value of the modified loan exceeds the anticipated net recovery at foreclosure, that showing in the certification constitutes a basis for the borrower to enjoin the foreclosure.

(15) The mediator's certification that the borrower failed to act in good faith in mediation authorizes the beneficiary to proceed with the foreclosure.

(16)(a) If a borrower has been referred to mediation before a notice of trustee sale has been recorded, a trustee may not record the notice of sale until the trustee receives the mediator's certification stating that the mediation has been completed. If the trustee does not receive the mediator's certification, the trustee may record the notice of sale after ((ten)) 10 days from the date the certification to the trustee was due. If, after a notice of sale is recorded under this subsection (16)(a), the mediator subsequently issues a certification finding that the beneficiary violated the duty of good faith, the certification constitutes a basis for the borrower to enjoin the foreclosure.

(b) If a borrower has been referred to mediation after the notice of sale was recorded, the sale may not occur until the trustee receives the mediator's certification stating that the mediation has been completed.

(17) A mediator may charge reasonable fees as authorized by this subsection or as authorized by the department. Unless the fee is waived, the parties agree otherwise, or the department otherwise authorizes, a foreclosure mediator's fee may not exceed ((four hundred dollars)) \$400 for preparing, scheduling, and conducting a mediation session lasting between one hour and

three hours. For a mediation session exceeding three hours, the foreclosure mediator may charge a reasonable fee, as authorized by the department. The mediator must provide an estimated fee before the mediation, and payment of the mediator's fee must be divided equally between the beneficiary and the borrower. The beneficiary and the borrower must tender the loan mediator's fee within ((thirty)) 30 calendar days from receipt of the department's letter referring the parties to mediation or pursuant to the mediator's instructions.

(18) Beginning December 1, 2012, and every year thereafter, the department shall report annually to the legislature on:

- (a) The performance of the program, including the numbers of borrowers who are referred to mediation by a housing counselor or attorney;
- (b) The results of the mediation program, including the number of mediations requested by housing counselors and attorneys, the number of certifications of good faith issued, the number of borrowers and beneficiaries who failed to mediate in good faith, and the reasons for the failure to mediate in good faith, if known, the numbers of loans restructured or modified, the change in the borrower's monthly payment for principal and interest and the number of principal write-downs and interest rate reductions, and, to the extent practical, the number of borrowers who report a default within a year of restructuring or modification;
- (c) The information received by housing counselors regarding outcomes of foreclosures; and
- (d) Any recommendations for changes to the statutes regarding the mediation program.

(19) This section does not apply to certain federally insured depository institutions, as specified in RCW 61.24.166.

**Sec. 6.** RCW 61.24.165 and 2021 c 151 s 6 are each amended to read as follows:

- (1) RCW 61.24.163 applies only to deeds of trust that are recorded against residential real property of up to four units.
- (2) RCW 61.24.163 does not apply to deeds of trust:
  - (a) Securing a commercial loan;
  - (b) Securing obligations of a grantor who is not the borrower or a guarantor;
  - (c) Securing a purchaser's obligations under a seller-financed sale; or
  - (d) Where the grantor is a partnership, corporation, or limited liability company, or where the property is vested in a partnership, corporation, or limited liability company at the time the notice of default is issued.

(3) RCW 61.24.163 does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

(4) For purposes of referral and mediation under RCW 61.24.163, a person may be referred to mediation if the borrower is deceased and the person is a successor in interest of the deceased borrower ((who occupies the property as his or her primary residence)). The referring counselor or attorney must determine a person's eligibility under this section and indicate the grounds for eligibility on the referral to mediation submitted to the department. For the purposes of mediation under RCW 61.24.163, the person must be treated as a "borrower." This subsection does not impose an affirmative duty on the beneficiary to accept an assumption of the loan.

(5) For purposes of referral and mediation under RCW 61.24.163, a person may be referred to mediation if the person has been awarded title to the property in a proceeding for dissolution or legal separation. The referring counselor or attorney must determine the person's eligibility under this section and indicate the grounds for eligibility on the referral to mediation submitted to the department. For the purposes of mediation under RCW 61.24.163, the person must be treated as a "borrower." This subsection does not impose an affirmative duty on the beneficiary

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to accept an assumption of the loan.

**Sec. 7.** RCW 61.24.166 and 2021 c 151 s 7 are each amended to read as follows:

(1) Beginning on January 1, ~~((2023))~~ 2024, the provisions of RCW 61.24.163 do not apply to any federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), that certifies to the department under penalty of perjury that it was not a beneficiary of deeds of trust in more than ~~((two hundred fifty))~~ 250 trustee sales of residential real property of up to four units that occurred in this state during the preceding calendar year. A federally insured depository institution certifying that RCW 61.24.163 does not apply must do so annually, beginning no later than January 31, ~~((2023))~~ 2024, and no later than January 31st of each year thereafter.

(2) During the 2023 calendar year, the provisions of RCW 61.24.163 do not apply to any federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), that certifies to the department under penalty of perjury that it was not a beneficiary of deeds of trust in more than 250 trustee sales of owner-occupied residential real property that occurred in this state during 2019. A federally insured depository institution certifying that RCW 61.24.163 does not apply pursuant to this subsection must do so no later than 30 days after the effective date of this section.

(3) This section applies retroactively to January 1, 2023, and prospectively beginning with the effective date of this section.

**Sec. 8.** RCW 61.24.190 and 2021 c 151 s 11 are each amended to read as follows:

(1) Except as provided in subsections (6) and (7) of this section, beginning January 1, 2022, and every quarter thereafter, every beneficiary issuing notices of default, or causing notices of default to be issued on its behalf, on residential real property under this chapter must:

(a) Report to the department, on a form approved by the department, the total number of residential real properties for which the beneficiary has issued a notice of default during the previous quarter, together with the street address, city, and zip code;

(b) Remit the amount required under subsection (2) of this section; and

(c) Report and update beneficiary contact information for the person and work group responsible for the beneficiary's compliance with the requirements of the foreclosure fairness act created in this chapter.

(2) For each residential real property for which a notice of default has been issued, the beneficiary issuing the notice of default, or causing the notice of default to be issued on the beneficiary's behalf, shall remit \$250 to the department to be deposited, as provided under RCW 61.24.172, into the foreclosure fairness account. The \$250 payment is required per property and not per notice of default. The beneficiary shall remit the total amount required in a lump sum each quarter.

(3) Reporting and payments under subsections (1) and (2) of this section are due within 45 days of the end of each quarter.

(4) For purposes of this section, "residential real property" includes residential real property with up to four dwelling units, whether or not the property or any part thereof is owner occupied.

(5) The department, including its officials and employees, may not be held civilly liable for damages arising from any release of information or the failure to release information related to the reporting required under this section, so long as the release was without gross negligence.

(6)(a) Beginning on January 1, 2023, this section does not apply to any beneficiary or loan servicer that is a federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A),

and that certifies under penalty of perjury that it has issued, or has directed a trustee or authorized agent to issue, fewer than 250 notices of default in the preceding year.

(b) During the 2023 calendar year, this section does not apply to any beneficiary or loan servicer that is a federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), and that certifies under penalty of perjury that fewer than 50 notices of trustee's sale were recorded on its behalf in 2019.

(c) This subsection (6) applies retroactively to January 1, 2023, and prospectively beginning with the effective date of this section.

(7) This section does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

**NEW SECTION. Sec. 9.** A new section is added to chapter 61.24 RCW to read as follows:

(1)(a) The trustee shall continue a foreclosure sale for at least 30 days upon receipt of a written notice from the homeowner assistance fund program administered by the Washington state housing finance commission that an application has been submitted to the homeowner assistance fund program on behalf of the applicant.

(b) The trustee shall continue the foreclosure sale for an additional 30-day period upon receipt of a written notice from the homeowner assistance fund program that the applicant is deemed eligible for the program.

(c) An automated notice issued by the homeowner assistance fund program does not qualify as written notice required in this section.

(2)(a) If an application to the homeowner assistance fund program is approved in the amount that would cure the default and make the beneficiary whole, a sale may not proceed while the approved application is pending for payment.

(b) A sale may proceed if the homeowner assistance fund program issues a written confirmation that an application has been denied or that no funds from the program will be paid in response to the application, and that any appeal process available to the applicant has been exhausted and is no longer pending.

(3) The trustee has no duty to delay a sale if the applicant has already received a continuance based on prior application to the homeowner assistance fund program, unless the applicant demonstrates to the trustee that a new application is pending based upon a substantial change in circumstances supporting a new application and that it has not been submitted solely for the purpose of delaying the sale.

(4)(a) The trustee must comply with the process set forth in RCW 61.24.040(1) for giving notice of the continued sale.

(b) A continuance of a sale pursuant to this section shall not be included in calculating the maximum sale continuance period of 120 days established in RCW 61.24.040(10).

(5) For purposes of this section, "applicant" means a person who:

(a) Is the borrower, a successor in interest to a deceased borrower, or a person who has been awarded title to the property; and

(b) Has submitted an application to the homeowner assistance fund program or on whose behalf an application to the program has been submitted.

**NEW SECTION. Sec. 10.** A new section is added to chapter 61.12 RCW to read as follows:

(1) It is unlawful for any person to seek or receive from any person or contract with any person for any fee or compensation for locating, or purporting to purchase or otherwise acquire the right to recover, funds held by a court or county that are proceeds from a foreclosure under this chapter and subject to disposition under RCW 61.12.150 in excess of:

(a) Five percent of the value thereof returned to such owner; and

(b) Reasonable attorneys' fees and costs, upon a motion and a hearing by a court of competent jurisdiction.

(2) Any person who violates this section is guilty of a misdemeanor and shall be fined not less than the amount of the fee or charge he or she has sought or received or contracted for, and not more than 10 times such amount, or imprisoned for not more than 30 days, or both.

(3) The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. Any violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW. Remedies provided by chapter 19.86 RCW are cumulative and not exclusive.

(4) Every contract for any fee or compensation for locating or purporting to purchase the right to recover funds held by a court that are proceeds from a foreclosure under this chapter and subject to disposition under RCW 61.12.150 must contain the following notice in 10-point boldface type or larger directly above the space reserved in the contract for the signature of the buyer:

"NOTICE TO HOMEOWNER:

(1) Do not sign this contract before you read it or if any spaces intended for the agreed terms are left blank.

(2) You are entitled to a copy of this contract at the time you sign it.

(3) You may cancel this contract within 10 days of signing by sending notice of cancellation by regular United States mail to the other party at his or her address shown on the contract, which notice shall be posted not later than midnight of the 10th day (excluding Sundays and holidays) following your signing of the contract."

**Sec. 11.** RCW 61.24.135 and 2021 c 151 s 5 are each amended to read as follows:

(1) It is an unfair or deceptive act or practice under the consumer protection act, chapter 19.86 RCW, for any person, acting alone or in concert with others, to offer, or offer to accept or accept from another, any consideration of any type not to bid, or to reduce a bid, at a sale of property conducted pursuant to a power of sale in a deed of trust. The trustee may decline to complete a sale or deliver the trustee's deed and refund the purchase price, if it appears that the bidding has been collusive or defective, or that the sale might have been void. However, it is not an unfair or deceptive act or practice for any person, including a trustee, to state that a property subject to a recorded notice of trustee's sale or subject to a sale conducted pursuant to this chapter is being sold in an "as-is" condition, or for the beneficiary to arrange to provide financing for a particular bidder or to reach any good faith agreement with the borrower, grantor, any guarantor, or any junior lienholder.

(2) It is an unfair or deceptive act in trade or commerce and an unfair method of competition in violation of the consumer protection act, chapter 19.86 RCW, for any person or entity to:

(a) Violate the duty of good faith under RCW 61.24.163; (b) fail to comply with the requirements of RCW 61.24.174, as it existed prior to July 1, 2016, 61.24.173, or 61.24.190; or (c) fail to initiate contact with a borrower and exercise due diligence as required under RCW 61.24.031.

(3)(a) It is unlawful for any person to seek or receive from any person or contract with any person for any fee or compensation for locating, or purporting to purchase or otherwise acquire the right to recover, funds held by a court or county that are proceeds from a foreclosure under this chapter and subject to disposition

under RCW 61.24.080 in excess of:

(i) Five percent of the value thereof returned to such owner; and

(ii) Reasonable attorneys' fees and costs, upon a motion and a hearing by a court of competent jurisdiction.

(b) Any person who violates (a) of this subsection is guilty of a misdemeanor and shall be fined not less than the amount of the fee or charge he or she has sought or received or contracted for, and not more than 10 times such amount, or imprisoned for not more than 30 days, or both.

(c) The legislature finds that the practices covered by (a) of this subsection are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. Any violation of (a) of this subsection is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW. Remedies provided by chapter 19.86 RCW are cumulative and not exclusive.

(4) Every contract for any fee or compensation for locating or purporting to purchase the right to recover funds held by a court that are proceeds from a foreclosure under this chapter and subject to disposition under RCW 61.24.080 must contain the following notice in 10-point boldface type or larger directly above the space reserved in the contract for the signature of the buyer:

"NOTICE TO HOMEOWNER:

(1) Do not sign this contract before you read it or if any spaces intended for the agreed terms are left blank.

(2) You are entitled to a copy of this contract at the time you sign it.

(3) You may cancel this contract within 10 days of signing by sending notice of cancellation by regular United States mail to the other party at his or her address shown on the contract, which notice shall be posted not later than midnight of the 10th day (excluding Sundays and holidays) following your signing of the contract."

NEW SECTION. Sec. 12. (1) Section 9 of this act expires upon the expiration and permanent closure of the homeowner assistance fund program.

(2) The Washington state housing finance commission must provide written notice of the expiration date of section 9 of this act to the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the commission.

NEW SECTION. Sec. 13. Sections 7 through 9 and 12 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately."

On page 1, line 1 of the title, after "protections;" strike the remainder of the title and insert "amending RCW 61.24.008, 61.24.030, 61.24.040, 61.24.160, 61.24.163, 61.24.165, 61.24.166, 61.24.190, and 61.24.135; adding a new section to chapter 61.24 RCW; adding a new section to chapter 61.12 RCW; providing a contingent expiration date; and declaring an emergency."

#### MOTION

Senator Fortunato moved that the following floor amendment no. 0316 by Senator Fortunato be adopted:

On page 32, beginning on line 34, after "locating" strike all material through "recover," on line 35

On page 32, line 38, after "(a)" strike "Five" and insert "Fifteen"

On page 33, beginning on line 17, after "locating" strike all



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material through "purchase" on line 18

On page 34, beginning on line 20, after "locating" strike all material through "recover," on line 21

On page 34, line 24, after "(i)" strike "Five" and insert "Fifteen"

On page 35, beginning on line 1, after "locating" strike all material through "purchase" on line 2

Senator Fortunato spoke in favor of adoption of the amendment to the striking amendment.

#### WITHDRAWAL OF AMENDMENT

On motion of Senator Fortunato and without objection, floor amendment no. 0316 by Senator Fortunato on page 32, line 34 to House Bill No. 1349 was withdrawn.

The President declared the question before the Senate to be the adoption of striking floor amendment no. 0310 by Senator Kuderer to House Bill No. 1349.

The motion by Senator Kuderer carried and striking floor amendment no. 0310 was adopted by voice vote.

#### MOTION

On motion of Senator Kuderer, the rules were suspended, House Bill No. 1349 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Kuderer and Fortunato spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1349.

#### ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1349 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 1; Excused, 2.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Absent: Senator Hawkins

Excused: Senators MacEwen and Van De Wege

HOUSE BILL NO. 1349, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

HOUSE BILL NO. 1599, by Representatives Goodman, Berry, Ramel and Pollet

Concerning court files and records exemptions for firearm background checks.

The measure was read the second time.

#### MOTION

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Senator Dhingra moved that the following committee striking amendment by the Committee on Law & Justice be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 71.05.620 and 2018 c 201 s 3028 are each amended to read as follows:

(1) The files and records of court proceedings under this chapter and chapter 71.34 RCW shall be closed but shall be accessible to:

- (a) The department;
- (b) The department of social and health services;
- (c) The authority;
- (d) The state hospitals as defined in RCW 72.23.010;
- (e) Any person who is the subject of a petition;
- (f) The attorney or guardian of the person;
- (g) Resource management services for that person; ((and))
- (h) Service providers authorized to receive such information by resource management services; and

(i) The Washington state patrol firearms background division to conduct background checks for processing and purchasing firearms, concealed pistol licenses, alien firearms licenses, firearm rights restoration petitions under chapter 9.41 RCW, and release of firearms from evidence, including appeals of denial.

(2) The authority shall adopt rules to implement this section."

On page 1, line 2 of the title, after "checks;" strike the remainder of the title and insert "and amending RCW 71.05.620."

Senator Dhingra spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Law & Justice to House Bill No. 1599.

The motion by Senator Dhingra carried and the committee striking amendment was adopted by voice vote.

#### MOTION

On motion of Senator Dhingra, the rules were suspended, House Bill No. 1599 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Dhingra and Padden spoke in favor of passage of the bill.

#### MOTION

On motion of Senator Wagoner, Senator Hawkins was excused.

The President declared the question before the Senate to be the final passage of House Bill No. 1599.

#### ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1599 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson,

L.

Excused: Senators Hawkins, MacEwen and Van De Wege

HOUSE BILL NO. 1599, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

HOUSE BILL NO. 1707, by Representatives Kloba, Reed and Eslick

Concerning bingo conducted by bona fide charitable or nonprofit organizations.

The measure was read the second time.

#### MOTION

On motion of Senator Stanford, the rules were suspended, House Bill No. 1707 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Stanford and Dozier spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1707.

#### ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1707 and the bill passed the Senate by the following vote: Yeas, 44; Nays, 1; Absent, 1; Excused, 3.

Voting yea: Senators Billig, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Holy, Hunt, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senator Kauffman

Absent: Senator Boehnke

Excused: Senators Hawkins, MacEwen and Van De Wege

HOUSE BILL NO. 1707, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

HOUSE BILL NO. 1370, by Representatives Reeves, Corry, Reed, Morgan, Ramel, Pollet and Leavitt

Providing the payment of awards to whistleblowers who report violations of state or federal securities laws and providing protection to whistleblowers and internal reporters.

The measure was read the second time.

#### MOTION

On motion of Senator Stanford, the rules were suspended, House Bill No. 1370 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Stanford and Dozier spoke in favor of passage of the bill.

#### MOTION

On motion of Senator Wagoner, Senator Boehnke was excused.

The President declared the question before the Senate to be the final passage of House Bill No. 1370.

#### ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1370 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Senators Billig, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Boehnke, Hawkins, MacEwen and Van De Wege

HOUSE BILL NO. 1370, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

HOUSE BILL NO. 1301, by Representatives McClintock and Cheney

Creating license review and reporting requirements.

The measure was read the second time.

#### MOTION

Senator Keiser moved that the following committee striking amendment by the Committee on Labor & Commerce be adopted:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) The legislature finds that, at times, additional protection by means of the regulation of a profession through professional licensure may be deemed necessary to ensure that the public's health, safety, and general welfare is protected. Furthermore, technological innovation continues to change the responsibilities and practices surrounding these professions, and by result, the potential harms associated with them.

(2) It is also recognized that requirements, such as educational requirements, fees, and training hours, which an individual must fulfill before receiving a license to practice in a profession, can create barriers to an individual's upward mobility and freedom to pursue their profession of choice.

(3) It is, therefore, the intent of the legislature to establish a sunset review process for all professional licensing requirements regulated by the department of licensing, to ensure that the rights and well-being of current and future practitioners of the profession be given full protection from unnecessary regulatory burden and that regulations meant to safeguard public health and safety are still warranted.

**NEW SECTION. Sec. 2.** This chapter may be known and

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cited as the professional license review act.

**NEW SECTION. Sec. 3.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Department" means the department of licensing.
- (2) "Director" means the director of licensing.

**NEW SECTION. Sec. 4.** (1) Beginning in 2024, the department shall annually review and analyze approximately 10 percent of the professional licenses regulated by the department and prepare and submit an annual report electronically to the chief clerk of the house of representatives, the secretary of the senate, and each member of the house of representatives and senate by August 31st of each year as provided in this section. The department shall complete this process for all professional licenses within its jurisdiction within 10 years and every 10 years thereafter. Each report shall include the department's recommendations regarding whether the professional licenses should be terminated, continued, or modified.

(2) The department may require the submission of information by the affected professional board or commission and other affected or interested parties. The department shall provide notice to the relevant professional board or commission and all licensees, not regulated under a board or commission, prior to commencing the review.

(3) The department's report shall include, but not be limited to, the following:

- (a) The title of the professional license and, if applicable, the name of the professional board or commission responsible for enforcement of the professional license, if any;
- (b) The statutory citation or other authorization for the creation of the professional license and, if applicable, the professional board or commission;
- (c) If applicable, the number of members of the professional board or commission and how the members are appointed;
- (d) If applicable, the qualifications for membership on the professional board or commission;
- (e) If applicable, the number of times the professional board or commission is required to meet during the year and the number of times it actually met during the preceding five calendar years;
- (f) Annual budget information for the five most recently completed fiscal years;
- (g) For the immediately preceding five calendar years, or for the period of time less than five years for which the information is practically available, the number of government certifications, professional licenses, and registrations the department, professional board, or commission has issued, revoked, denied, or assessed penalties against, listed anonymously and separately per type of credential, and the reasons for such revocations, denials, and other penalties;
- (h) A review of the basic assumptions underlying the creation of the professional license;
- (i) A comparison of whether and how other states regulate the profession;
- (j) A review and analysis of the hours or other amount of education, training, or experience required to obtain the license or credential;
- (k) A summary of any regulatory changes made by the department, professional board, or commission as a result of the review; and

(l) Any recommendations regarding whether the professional license should be terminated, continued, or modified.

(4) After the report in subsection (3) of this section is submitted, if the relevant legislative committee determines further analysis is needed it may request the department to conduct further analysis. Specifically, the extended report shall include:

(a) Whether the professional license meets the policies stated and the following recommended courses of action for meeting such policies:

- (i) If the need is to protect consumers against fraud, the recommended course of action should be to strengthen powers under chapter 19.86 RCW, or require disclosures that will reduce misleading attributes of the specific goods or services;
- (ii) If the need is to protect consumers against unclean facilities or to promote general health and safety, the recommended course of action should be to require periodic inspections of such facilities;
- (iii) If the need is to protect consumers against potential damages from failure by providers to complete a contract fully or up to standards, the recommended course of action should be to require that providers be bonded;
- (iv) If the need is to protect a person who is not a party to a contract between the provider and consumer, the recommended course of action should be to require that the provider have insurance;
- (v) If the need is to protect consumers against potential damages by transient providers, the recommended course of action should be to require that providers register their businesses with the state;
- (vi) If the need is to protect consumers against a shortfall or imbalance of knowledge about the goods or services relative to the providers' knowledge, the recommended course of action should be to enact government certification; and
- (vii) If the need is to address a systematic information shortfall such that a reasonable consumer is unable to distinguish between the quality of providers, there is an absence of institutions that provide adequate guidance to the consumer, and the consumer's inability to distinguish between providers and the lack of adequate guidance allows for undue risk of present, significant, and substantiated harms, the recommended course of action should be to enact a professional license; and

(b) If education, training, or experience is a qualification in the professional license under review, a review and analysis of the hours or other amount of education, training, or experience required to ensure such requirements are as least restrictive as necessary to protect the public's health, safety, and welfare.

(5) If a lawful profession is subject to chapter 18.120 RCW, the analysis under subsection (4)(a) of this section shall be made using the least restrictive method of regulation as set out in RCW 18.120.010.

(6) If the department finds that it is necessary to change professional licenses, the department shall recommend the least restrictive regulation consistent with the public interest and the policies in this section.

**NEW SECTION. Sec. 5.** Sections 1 through 4 of this act constitute a new chapter in Title 18 RCW."

On page 1, line 2 of the title, after "legislature;" strike the remainder of the title and insert "and adding a new chapter to Title 18 RCW."

Senator Keiser spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Labor & Commerce to House Bill No. 1301.

The motion by Senator Keiser carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Keiser, the rules were suspended, House

Bill No. 1301 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Keiser and King spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1301 as amended by the Senate.

#### ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1301 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Hawkins, MacEwen and Van De Wege

HOUSE BILL NO. 1301, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the

title of the act.

#### REMARKS BY THE PRESIDENT

President Heck: "Senator Pedersen, before I acknowledge you for your motion, during which time I am absolutely certain you will be your usual incredibly gracious self in acknowledging the very hard work of the rostrum staff. The President would like to point out that one of the members of the rostrum staff happens to be celebrating a particularly important day. Another trip around the sun with a very important numeric value attached to it, which the President is not going to reveal. The ever-competent systems analyst Brittany Yunker Carlson. Happy Birthday Brittany."

[The Senate sang Happy Birthday to System Analyst Brittany Yunker Carlson.]

#### MOTION

At 4:38 p.m., on motion of Senator Pedersen, the Senate adjourned until 9:00 o'clock a.m. Friday, April 7, 2023.

DENNY HECK, President of the Senate

SARAH BANNISTER, Secretary of the Senate

1030	Third Reading Final Passage .....	22
Second Reading .....	5	
Third Reading Final Passage .....	6	
1031		
Second Reading .....	21	
Third Reading Final Passage .....	22	
1039-S2		
Other Action.....	9	
Second Reading .....	7	
Third Reading Final Passage .....	9	
1048-SE		
Messages .....	15	
President Signed.....	20	
1069-S		
Messages .....	15	
President Signed.....	20	
1073-SE		
Second Reading .....	14	
Third Reading Final Passage .....	15	
1106-S		
Second Reading .....	20, 21	
Third Reading Final Passage .....	21	
1199		
Other Action.....	5	
Second Reading .....	3, 5	
Third Reading Final Passage .....	5	
1210-E		
Messages .....	15	
President Signed.....	20	
1254-S		
Messages .....	15	
President Signed.....	20	
1255-S		
Second Reading .....	9	
Third Reading Final Passage .....	10	
1274-E		
Messages .....	15	
President Signed.....	20	
1275-S		
Second Reading .....	7	
Third Reading Final Passage .....	7	
1301		
Other Action.....	59	
Second Reading .....	58	
Third Reading Final Passage .....	60	
1311-SE		
Second Reading .....	22	
	Third Reading Final Passage .....	22
	1326-S	
	Other Action.....	16
	Second Reading .....	15
	Third Reading Final Passage .....	16
	1335-S	
	Other Action.....	24
	Second Reading .....	22
	1335-SE	
	Second Reading .....	22
	Third Reading Final Passage .....	24
	1337	
	Third Reading Final Passage .....	20
	1337-E	
	Other Action.....	19
	Second Reading .....	16, 19
	1340-SE	
	Second Reading .....	14
	Third Reading Final Passage .....	14
	1349	
	Other Action.....	46, 57
	Second Reading .....	35, 46, 56
	Third Reading Final Passage .....	57
	1370	
	Second Reading .....	58
	Third Reading Final Passage .....	58
	1503-S	
	Other Action.....	7
	Second Reading .....	6
	Third Reading Final Passage .....	7
	1503-SE	
	Second Reading .....	6
	1522-S2	
	Messages .....	15
	President Signed.....	20
	1576-S	
	Second Reading .....	27
	1576-SE	
	Other Action.....	34
	Second Reading .....	27
	Third Reading Final Passage .....	35
	1590-S	
	Second Reading .....	6
	Third Reading Final Passage .....	6
	1599	
	Other Action.....	57
	Second Reading .....	57

Third Reading Final Passage .....	57	5338-S	
1600-SE		Messages .....	15
Other Action.....	26	5385	
Second Reading .....	24	Messages .....	1
Third Reading Final Passage .....	26	President Signed.....	21
1624		5512-SE	
Messages .....	15	Messages .....	1
President Signed.....	20	President Signed.....	21
1694-S2		5538-S	
Other Action.....	13	Messages .....	1
Second Reading .....	10	President Signed.....	21
Third Reading Final Passage .....	13	5547-S	
1707		Messages .....	1
Second Reading .....	58	President Signed.....	21
Third Reading Final Passage .....	58	5604-S	
1731-SE		Messages .....	1
Second Reading .....	35	President Signed.....	21
Third Reading Final Passage .....	35	8407	
1792		Messages .....	1
Second Reading .....	22	President Signed.....	2
Third Reading Final Passage .....	22	8635	
5088		Adopted.....	2
Messages .....	1	Introduced .....	1
President Signed.....	21	9027 Chernin, Louise	
5113		Confirmed .....	3
Messages .....	1	9331 Kallappa, William	
President Signed.....	21	Confirmed .....	2
5163		9339 Glasper, Marcus	
Messages .....	1	Confirmed .....	2
President Signed.....	21	CHAPLAIN OF THE DAY	
5170-S		Tynan, Father Peter, University Chaplain,	
Messages .....	1	Saint Martin's Univeristy, Lacey .....	1
President Signed.....	21	FLAG BEARERS	
5176-S		Anderco, Miss Stefania.....	1
Messages .....	1	Spates, Miss Talena .....	1
President Signed.....	21	GUESTS	
5229-S		Leiweke, Mr. Tod, President and part-owner	
Messages .....	1	of the Seattle Kraken, recognized .....	2
President Signed.....	21	Li, Miss Fiona, Pledge of Allegiance.....	1
5304-S		Pettigrew, Mr. Eric, former state	
Messages .....	1	representative, recognized.....	2
President Signed.....	21	Rosen, Mr. Steve, recognized .....	2
5320-SE		Russell, Ms. Jeannine, recognized .....	2
Messages .....	1	Students from Purdy Elementary School,	
President Signed.....	21	recognized.....	6
5336-E		PRESIDENT OF THE SENATE	
Messages .....	1	Remarks by the President.....	60
President Signed.....	21		