

September 19, 2019

## MEMORANDUM

**To:** Civil Rights, Utilities, Economic Development & Arts Committee  
**From:** Asha Venkataraman, Analyst  
**Subject:** Council Bill 119658: Liability for property damage from DV and other crimes

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On September 24, 2019, the Committee on Civil Rights, Utilities, Economic Development & Arts (CRUEDA) will discuss Council Bill (CB) 119658. The legislation would address a tenant's liability for damage to a landlord's property when caused by a perpetrator of domestic violence and establish a mitigation program for landlords to access funds for repairs of such damage. This memorandum describes: (1) the inclusion of a landlord mitigation program not included in previous amendments; (2) next steps. For additional information on the proposed legislation, please see Central Staff memos dated [August 8, 2019](#) and [September 5, 2019](#).

This bill is a substitute for [CB 119598](#) and incorporates the amendments approved by the committee at the September 10, 2019 meeting. The substitute is needed because of the title change that is required to ensure that not only domestic violence, but sexual assault, stalking, and unlawful harassment are covered.

### **New provisions in CB 119658: Landlord mitigation program**

An additional component of the substitute bill discussed conceptually at the September 10, 2019 meeting is the creation of a landlord mitigation program. The purpose of the program is to reimburse landlords for the cost of repairing damages when the perpetrator of domestic violence, sexual assault, stalking, or unlawful harassment against a tenant has caused the property damage, and insurance will not cover the costs. Under this program, the City would cover costs that the landlord cannot recover from the perpetrator or when insurance rejects a claim for those costs. This program operationalizes a policy that a survivor is never at fault for the abuse of their perpetrator and should not have to pay for the damage done by the perpetrator. The damage done must be beyond normal wear and tear. The program would be administered by the Seattle Department of Construction and Inspections (SDCI).

A landlord is eligible for reimbursement of costs exceeding \$500 and up to \$1,000 per tenancy. Any repair costs would have to be consistent with normal and customary costs for the repairs in Seattle. If a landlord is eligible for reimbursement, but there are no funds available, the claim would be denied. However, subject to SDCI's rule development, the landlord could reapply when funds exist.

Prior to applying for reimbursement, a landlord must:

- If they are required to, register the rental unit under the Rental Registration Inspection Ordinance;
- Comply with [RCW 59.18.260](#), which requires completion of an inspection/move-in checklist;
- Repair the property damage; and
- Submit an insurance claim and have had that claim denied.

The landlord must submit the following materials to SDCI within one year of the tenant's vacation of the rental unit:

- An application for reimbursement on a form SDCI will create;
- Materials that substantiate the damage and costs of repair;
- Evidence that the property damage is caused by a perpetrator of domestic violence, sexual assault, stalking, or unlawful harassment; and
- Evidence that the property damage occurred when the rental unit was occupied by a tenant, member of the tenant's family or household, or their intimate partner; that the one of the occupants is a victim of domestic violence, sexual assault, stalking, or unlawful harassment; and that the perpetrator of those crimes is the same person who damaged the property.

Accessing the funds would require the landlord to waive any rights they have to seek compensation from the tenant for property damages caused by the perpetrator of domestic violence, sexual assault, stalking, or unlawful harassment.

A landlord is not required to pursue the perpetrator for recovery of costs before applying to the program for reimbursement because holding the perpetrator accountable for damage has the potential to cause a safety risk to the survivor. However, if the landlord does obtain compensation from the person causing property damages that is less than what the landlord could get under the program, the program could reimburse the difference between the program limit and the amount recovered from the perpetrator. If the landlord recovered compensation after they receive reimbursement from the fund, they would be required to refund the amount received from the City.

As the administering department, SDCI is asked to develop rules to run the program, to be finalized by the time the mitigation program portion of the legislation goes into effect, which would be July 1, 2020. The program would cover damage done to the landlord's property that occurred under any rental agreement entered into starting January 1, 2020. But any claims for submittal under the program could only be submitted once the program is up and running, which is anticipated for July 1, 2020.

**Next Steps**

If the committee votes to refer CB 119658 to Council at the September 24 CRUEDA meeting, Council will be scheduled to vote on September 30.

cc: Kirstan Arestad, Exec Director  
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