

**Council Bill 118817: Proposed Amendment for October 17, 2016 Full Council**

**Sponsors: Councilmember Herbold & Councilmember Sawant**

This amendment:

1. makes a technical change to specify that non-refundable move-in fees and the security deposit do not include payment of a reservation fee authorized by RCW 59.18.253 (2); and
2. clarifies language related to the order in which payments are applied to stipulate that if the tenant has been issued a notice because of missing a payment, any payment made after the notice is issued will first be applied to the payment due per the notice, and then to any rent due.

Section 1. Section 7.24.020 of the Seattle Municipal Code, last amended by Ordinance 124919, is amended as follows

**7.24.020 Definitions**

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“Non-refundable move-in fees” means non-refundable fees paid by a tenant to reimburse a landlord for the cost of obtaining a tenant screening report, criminal background check, or credit report or to pay for cleaning of the dwelling unit upon termination of the tenancy, [but does not include payment of a reservation fee authorized by RCW 59.18.253\(2\)](#).

\* \* \*

“Security deposit” means any payment, fee, charge, or deposit of money paid to the landlord by the tenant at the beginning of the tenancy as a deposit and security for performance of the tenant’s obligations in a written rental agreement, but does not include [payment of a reservation fee authorized by RCW 59.18.253\(2\)](#) or a payment to assure the payment of rent, provided that a security deposit may be applied to rent as provided in Section 7.24.030. Security deposits include payments, charges, or deposits for the purpose of:

1. [Repairing damage to the premises, exclusive of ordinary wear and tear, caused by the tenant, or by a guest or licensee of the tenant.](#)

\* \* \*

Section 2. Section 7.24.030 of the Seattle Municipal Code, last amended by Ordinance 119171, is amended as follows:

**7.24.030 Rental agreement requirements ((-))**

\* \* \*

E. Any rental agreement entered into after the effective date of the ordinance introduced as Council Bill 118817 shall describe the terms and conditions of any monthly or periodic payments required as a condition of tenancy, including but not limited to: rent, security deposits, non-refundable move-in fee, last month's rent, utility payments, parking charges, late fees authorized by the rental agreement, or other monthly or periodic payments required to be made by the tenant to the landlord. When any monthly or periodic payment is made pursuant to the rental agreement, the landlord shall first apply the payment to the rent due before applying it to other payments due by the tenant to the landlord, [except that if the payment is made in response to a notice issued pursuant to RCW 59.12.030 during the period of that notice, the landlord shall first apply the payment to the amount specified in that notice, before applying it to the rent due or to other payments due by the tenant to the landlord.](#)

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