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The City of Seattle

Ordinance _____

Council Bill _____

..title
An ordinance relating to rental agreement regulation; requiring disclosure of fees, prohibiting and limiting certain fees, requiring retention of compliance records, expanding investigation authority, and establishing new enforcement mechanisms; amending Section 7.24.020, 7.24.050, 7.24.060, 7.24.120, and 7.24.130 of, and adding new Sections 7.24.039, 7.24.040, 7.24.045, 7.24.170, 7.24.180, 7.24.190, 7.24.200, 7.24.210, 7.24.220, 7.24.230, and 7.24.240 to, the Seattle Municipal Code.

..body
Recitals:

Seattle faces an ongoing housing affordability crisis. Market analysis by CoStar and BERK found that, between 2012 and 2022, average monthly rents rose 32 percent, from $1,430 to $1,897, even after adjusting for inflation.[1]

[1] CoStar. *Market Analytics for the City of Seattle, 2023*. “One Seattle Comprehensive Plan Update Final Environmental Impact Statement.” City of Seattle, 2025, Exhibit 3.8-19. https://www.seattle.gov/documents/Departments/OPCD/SeattlePlan/OneSeattlePlanFinalEIS2025.pdf

Rising costs are hurting Seattle residents. The City of Seattle's 2025 Comprehensive Plan found that 38,365 renter households in Seattle are cost burdened, spending 30-50 percent of their income on housing. Another 33,795 renter households are severely cost burdened, with housing costs taking up more than half of their income.[2]

Rental junk fees are a growing issue within the housing affordability crisis. These unavoidable and often hidden fees increase the cost of living in unexpected and unpredictable ways. A 2023 study by the National Consumer Law Center found that 89 percent of renters paid one or more fees on top of their rent.[3]

Rental junk fees are often not disclosed up front. A renter may not learn about all the rental fees attached to their housing until lease signing, after they have already spent weeks searching and paid nonrefundable application and move in fees. Tenants are left to choose between paying more than they expected or walking away and losing the time and money they invested.

Rental junk fees exacerbate existing disparities in the rental housing market. Zillow's Consumer Housing Trends Report 2025 found that renters of color (67 percent), particularly AAPI (74 percent) and Hispanic (66 percent) renters, were more likely

[2] "One Seattle Comprehensive Plan Update Final Environmental Impact Statement." City of Seattle, 2025, Exhibits 3.8-17 and 3.8-18. https://www.seattle.gov/documents/Departments/OPCD/SeattlePlan/OneSeattlePlanFinalEIS2025.pdf

[3] Nelson et al. "Too Damn High: How Junk Fees Add to Skyrocketing Rents." National Consumer Law Center, 2023, p. 10. https://www.nclc.org/wp-content/uploads/2023/03/JunkFees-Rpt.pdf

to report paying at least one fee compared to White renters (63 percent). Renters age 18-29 were also significantly more likely (82 percent) to report paying at least one fee compared to other age groups.[4]

Rental junk fees add up to a significant increase in housing costs. In a 2025 study, The Urban Institute found that rental fees added 10 to 30 percent to renters' total monthly payment.[5] Based on Zillow's June 2026 average monthly rent of $2,038 for Seattle, that percentage is $203 to $609 a month in extra fees.[6]

Increases in housing costs are directly tied to the homelessness crisis. A 2020 analysis by the US Government Accountability Office found that a $100 increase in median rent is associated with a nine percent increase in homelessness.[7]

Rental junk fees that become rental debt further contribute to housing and financial instability. Unpaid fees increase the risk of eviction and displacement. Negative

[4] Garcia, Manny. "Renters: Results from the Zillow Consumer Housing Trends Report 2025." Zillow, 2025. https://www.zillow.com/research/renters-housing-trends-report-2025-35647/

[5] Neumann, Zach and Katherine Fallon. "Rental Junk Fees Are Harming Renters." Urban Land Institute, 2025. https://archive-housingmatters.urban.org/articles/rental-junk-fees-are-harming-renters/

[6] "Seattle, WA rental market." Zillow. Accessed June 2026. https://www.zillow.com/rental-manager/market-trends/seattle-wa/

[7] "Homelessness: Better HUD Oversight of Data Collection Could Improve Estimates of Homeless Population." U.S. Government Accountability Office, 2020. https://www.gao.gov/products/gao-20-433

impacts on a renter's credit score can jeopardize future housing opportunities, given that 90 percent [8, 9]

There is no market incentive to advertise the all-in price of a rental unit. Research by the Stanford Institute for Economic Policy Research documents individual businesses losing significant market share when switching to all-in pricing.[10] A landlord that advertises an all-in price appears more expensive than competitors with a lower base rent and unbundled fees.

Rental junk fees represent a market failure and collective action problem that will not self-correct. Regulation of these fees is necessary to level the playing field for landlords who are transparent about their costs and protect renters from unpredictable and predatory pricing models.[11]

Robust enforcement is necessary to achieve effective and even compliance in the rental housing market.

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[9] Nelson et al. "Too Damn High: How Junk Fees Add to Skyrocketing Rents." National Consumer Law Center, 2023, p. 7. https://www.nclc.org/wp-content/uploads/2023/03/JunkFees-Rpt.pdf

[10] Mahoney, Neale. "Why Regulate Junk Fees?" Journal of Economic Perspectives, Volume 39, Number 4, Fall 2025, Pages 203–220. https://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.20241409

[11] Mahoney, Neale. Comment submitted on the Federal Trade Commission Advance Notice of Proposed Rulemaking, Unfair or Deceptive Rental Housing Fee Practices, Project No. R207011, 2026.

Investigating violations of rental agreement regulations on a building or company wide basis will result in more efficient use of City resources, broader resolution for impacted tenants, and a stronger culture of compliance.

Comprehensive remedies for rental agreement violations encourage compliance and protect tenants from unfair and excessive fees, improper notices, unpredictable rent increases, lease violations, and retaliation. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. Section 7.24.020 of the Seattle Municipal Code, last amended by Ordinance 126053, is amended as follows:

7.24.020 Definitions

As used in this Chapter 7.24:

"Common areas" means areas on a property that are accessible by tenants of more than one unit of the property, including but not limited to: hallways, lobbies, common kitchens, fitness centers, rooftop open space, pet facilities, and recreation areas.

* * *

"Last month's rent" means money that is paid as rent for the last month of a residential tenancy and that is paid at the inception of the tenancy or in installments as authorized by Section 7.24.036.

“Mail,” in addition to its common meaning, means any letter, postal card, package, bag, or other item that is addressed to a specific address for delivery by the United States postal service or any commercial carrier performing the function of delivering similar items to residences or businesses.

"Mailbox," in addition to its common meaning, means any authorized depository or receptacle of mail for the United States postal service or authorized depository for a commercial carrier that provides services to the general public, including any address to which mail is or can be addressed, or a place where the United States postal service or equivalent commercial carrier delivers mail to its addressee.

* * *

"Unlawful harassment" has the meaning defined in RCW 59.18.570 as amended.

"Variable fee" means a monthly or other periodic fee, the amount of which may change each time it is assessed based on a predetermined set of conditions.

Section 2. A new Section 7.24.039 is added to the Seattle Municipal Code as follows:

7.24.039 Disclosure of fees required

Any rental agreement or renewal of a rental agreement entered into after July 1, 2027 is subject to the following requirements:

A. A landlord shall disclose in any advertisement, listing, or rental application of a dwelling unit, as well as conspicuously disclosed before the first page of the rental agreement on a form no longer than two pages:

1. The monthly rent of the dwelling unit;

2. The amounts of any discounts or concessions applied;

3. All utilities for which the tenant is responsible;

4. Any utilities included in the monthly rent;

5. The amounts of all mandatory and optional fees, including variable fees pursuant to subsection 7.24.039.E;

6. The total monthly cost to be paid by the tenant, or the average or estimated total monthly cost if any variable fees are included.

B. To meet the fee disclosure requirements of subsection 7.24.039.A in any online advertisement or listing of a dwelling unit, a landlord may either list the required fee disclosure in full text on the advertisement listing, or if infeasible due to listing or advertisement size constraints, unavoidable word limits, or similar impediments, use a hyperlink that links to another page with the required disclosure. If a hyperlink is used, the hyperlink must be obvious on the website, must be labeled to convey that it is a hyperlink and links to the fee disclosure, and must take the reader directly to the information on the next page.

C. Nothing in subsection 7.24.039.A shall be construed as holding a landlord liable for advertisements or listings that the landlord did not authorize, including but not limited to rental listing aggregator websites.

D. A landlord shall provide an updated disclosure form of the information required in subsection 7.24.039.A that is no longer than two pages every 12 months, unless the term of the lease agreement exceeds one year with acknowledgement, witness, or seal pursuant to RCW 59.18.210, as well as upon any change to any non-variable fee. This form shall be served upon the tenant in accordance with RCW 59.12.040.

E. For variable fees, a landlord shall disclose the average monthly amount over the previous 12 months. For newly constructed buildings or other circumstances where such information is unavailable, a landlord shall provide an estimate of variable fees and clearly indicate that the amount of variable fees is an estimate. A landlord shall also

DRAFT

provide a monthly statement with the amount of each variable fee to the tenant delivered in a clear and conspicuous manner.

F. A landlord may not charge any fee for preparing or delivering a disclosure form or variable fee monthly statement pursuant to this Section 7.24.039.

G. The Director shall prepare a model rental fee disclosure form that complies with this Section 7.24.039. The Director shall place the form on the Department's website and provide links to translated versions of the notice in the five languages most commonly spoken in Seattle other than English, as determined on an annual basis using the most recent languages published by the Office of Immigrant and Refugee Affairs. The Director may provide links to translated versions in other languages at the Director's discretion. Landlords are not required to use the model form when disclosing fees to tenants. However, landlords are responsible for ensuring proper disclosure of fees in manner that complies with the requirements of this Section 7.24.039.

Section 3. A new Section 7.24.040 is added to the Seattle Municipal Code as follows:

7.24.040 Fees permitted and prohibited

Any rental agreement or renewal of a rental agreement entered into after July 1, 2027 is subject to the following requirements:

A. A landlord may not require a tenant to pay any mandatory or optional fee, except as provided in this Chapter 7.24 or Chapter 7.25, or chapter 59.18 RCW. Mandatory or optional fees other than those identified in this Chapter 7.24 or Chapter 7.25, or chapter 59.18 RCW, regardless of the name or description of the fee, constitute unfair or excessive fees, which are prohibited. Fees not disclosed pursuant to the

requirements of Section 7.24.039 constitute unfair or excessive fees, which are prohibited.

B. A landlord may charge the following fees in addition to rent:

1. Late rent fees pursuant to Section 7.24.034;

2. Security deposits and nonrefundable move-in fees pursuant to Section 7.24.035;

3. Screening fees pursuant to subsection 7.24.035.B;

4. Pet damage deposits pursuant to Section 7.24.038;

5. Utility fees pursuant to Chapter 7.25;

6. A fee for replacement of a key necessary by fault of the tenant, not to exceed the lesser of the actual cost to the landlord or $50;

7. A fee to provide access to the building when a tenant is locked out by fault of the tenant, not to exceed $50 for access requested between 8 a.m. and 6 p.m. Monday through Friday, except that no fee may be charged when a landlord is at the property at the time of the lockout request, or $150 for access outside those hours;

8. A fee for payment returned to the landlord of insufficient funds, provided that the fee may not exceed the lesser of the actual costs to the landlord imposed by the financial institution or $31;

9. A fee to reimburse a landlord expense for repair of damages to the rental unit or rental property or replacement of fixtures in the rental unit, as allowable under RCW 59.18.180(1) and consistent with the documentation requirements under RCW 59.18.280;

DRAFT

10. A fee for a tenant's liability for default in rent or abandonment of the unit, as provided under RCW 59.18.310, provided that no additional lease break fee may be assessed; and

11. A fee for any optional good or service that is provided to the tenant, except as prohibited under subsection 7.24.040.C, and provided that:

a. The fee is clearly disclosed as optional pursuant to Section 7.24.039;

b. The tenant affirmatively opts in to receiving the good or service in writing;

c. When the tenant opts in to receiving the good or service, the landlord provides a written notice to the tenant describing the process by which the tenant may opt out of the fee;

d. The tenant may opt out of receiving the good or service at any time without penalty or cost; and

e. If the landlord contracts with a third party to provide the good or service, the fee may not exceed the actual cost to the landlord for providing the good or service to the tenant.

C. The following fees are unfair or excessive and may not be added as optional:

1. Any fee for the use of an in-unit appliance or other feature of a dwelling unit by a tenant, except for the rental of a portable cooling device as provided under Section 1 of Chapter 184, Laws of 2026;

DRAFT

2. Any fee for a tenant's access to common areas, except when the fee is associated with providing the tenant exclusive access to a common area facility on a temporary basis, such as the rental of a clubhouse for a private event;

3. Any fee to accept rent payments or other payments by personal check, money order, cashier's check, or automated clearing house (ACH);

4. Any fee for the tenant to receive or collect mail, for package collection and distribution, or to have access to the mailbox associated with their rental unit or dwelling;

5. Any fee for the performance of a landlord duty required under Section 22.206.160 or RCW 59.18.060;

6. Any fee for a partial change of tenancy when adding or removing a tenant to the rental agreement. This does not include screening fees pursuant to subsection 7.24.035.B;

7. Any fee associated with keeping a pet, except a pet damage deposit under Section 7.24.038, whether the fee is imposed once or periodically and regardless of how the fee is named or described;

8. Any fee for insurance provided by the landlord, unless:

a. The landlord meets the requirements of subsection 7.24.040.B.11;

b. The landlord provides the tenant with a copy of the policy prior to the tenant opting in, which must include a clear and conspicuous disclosure of whether the policy includes coverage for the tenant's personal property or loss of use;

DRAFT

c. The landlord notifies the tenant of any change to the policy within five days;

d. The provided insurance meets minimum requirements as determined by rules issued by the Director; and

9. Any other optional fee determined by the Department to be unfair or excessive and prohibited by Director's Rule pursuant to Section 7.24.120. The Department shall consider factors when determining whether a fee is unfair or excessive, including but not limited to:

a. The extent to which the optional good or service associated with the fee provides a meaningful and substantial benefit to tenants;

b. The extent to which the fee is commensurate with the cost to landlords of providing the optional good or service;

c. The extent to which the optional good or service exceeds the obligations and minimum standards set forth in Chapter 7.24, Chapter 7.25, and Chapter 22.206, and chapter 59.18 RCW;

d. The extent to which the fee is optional for tenants;

e. The extent to which the fee is substantively similar to fees that are prohibited by this Chapter 7.24 or by Director's Rule;

f. The extent to which the fee is substantively similar to rent;

g. The extent to which the fee may contribute to an eviction; and

h. The prevalence of the fee and optional good or service.

Section 4. A new Section 7.24.045 is added to the Seattle Municipal Code as follows:

7.24.045 Rental agreement records

A. Landlords shall retain records that document compliance with this Chapter 7.24 for each tenant, including, but not limited to: rental housing advertisements, listings, and application forms; offered and signed rental lease agreements and renewals; fee disclosure forms; variable fee statements; rent and fees charged; third party vendor receipts; and pursuant to rules issued by the Director, other records that are material and necessary to effectuate the terms of this Chapter 7.24. Such records shall be retained for a period of three years from the date they were issued.

B. If a landlord fails to retain adequate records required under subsection 7.24.045.A, there shall be a presumption, rebuttable by clear and convincing evidence, that the landlord violated this Chapter 7.24 for the periods and for each tenant for whom records were not retained.

Section 5. Section 7.24.050 of the Seattle Municipal Code, last amended by Ordinance 125222, is amended as follows:

7.24.050 Defense in commencing action—Fees and costs awarded

In any action commenced for unlawful detainer or to enforce a rental agreement, to impose penalties, or to forfeit a deposit contrary to rental agreement provisions required by subsections 7.24.030.A, 7.24.030.C, ((~~or~~)) 7.24.030.D, or Section 7.24.039, or pursuant to rental agreement provisions prohibited by subsection 7.24.030.B, ((~~and~~)) Section 7.24.035, or Section 7.24.040, it is a defense to such action that such provisions are contrary to the requirements for rental agreements imposed by this Chapter 7.24, and a tenant who prevails on such defense shall be awarded reasonable attorney fees and costs. If a landlord charges any fees contrary to the provisions of

Section 7.24.039 or 7.24.040, the amount of rent in an unlawful detainer action for failure to pay rent or vacate pursuant to Section 22.205.010 shall be reduced by the total amount of all prohibited fees charged.

Section 6. Section 7.24.060 of the Seattle Municipal Code, last amended by Ordinance 125334, is amended as follows:

7.24.060 Private right of action

A. Landlord liability to tenant

1. ((~~If~~)) Except as otherwise provided in this Section 7.25.060, if a landlord attempts to enforce provisions in a rental agreement that are contrary to, or if a landlord fails to meet their obligations under, the requirements of ((~~Sections 7.24.030, 7.24.035, 7.24.036, or 7.24.038~~)) this Chapter 7.24, the landlord shall be liable to the tenant in a civil action for: 1) any actual damages incurred by the tenant plus interest as a result of the landlord's ((~~attempted enforcement~~)) action; 2) ((~~double the amount of any penalties imposed by the City; 3)~~)) double the amount of any prohibited fee or security deposit unlawfully charged or withheld by the landlord; 3) for each violation found by the court, an amount equal to double the penalty for a violation under subsection 7.24.130.F; and 4) reasonable attorney fees and costs. Interest shall accrue from the date the prohibited fee was imposed at 12 percent per annum, or the maximum rate permitted under RCW 19.52.020.

2. A landlord who includes provisions prohibited by ((~~subsection 7.24.030.B, Section 7.24.035, Section 7.24.036, or Section 7.24.038~~)) this Chapter 7.24 in a new rental agreement, or in a renewal of an existing agreement, shall be liable to

the tenant in a civil action for up to ((~~$3,000~~)) $4,000 plus reasonable attorney fees and costs.

3. A landlord who engages in prohibited retaliation under Section 7.24.110 shall be liable to the tenant in a civil action for up to $6,000, any actual damages incurred by the tenant as a result of the landlord's action, and reasonable attorney fees and costs.

4. In any action brought under this Chapter 7.24, one or more tenants may seek relief on behalf of themselves and other similarly situated aggrieved tenants whose claims arise from the same or substantially similar policy or practice alleged to violate this Chapter 7.24 by a common defendant.

B. Remedies for tenants if landlord fails to comply

1. If a landlord fails to comply with the requirements of subsections 7.24.080.A, 7.24.080.B, or 7.24.080.C and such failure was not caused by the tenant, the tenant may terminate the rental agreement by written notice pursuant to law without cost or penalty.

2. In addition to the remedy provided by subsection 7.24.060.B.1, if a landlord fails to comply with the requirements of Section 7.24.080, the tenant may recover in a civil action from the landlord actual damages, attorney fees, and a penalty of up to $500. If a court determines that the landlord deliberately failed to comply with the requirements of Section 7.24.080, the penalty may be up to $1,000.

D. Effective January 1, 2028, the amounts of all liabilities in this Section 7.24.060 shall be adjusted annually by the percentage amount of change in the housing component of the Consumer Price Index for All Urban Consumers (CPI-U) for the

Seattle-Tacoma-Bellevue Primary Metropolitan Statistical Area as published by the United States Department of Labor, Bureau of Labor Statistics, rounded up to the nearest whole number. The Department shall determine the amounts and file a schedule of such amounts with the City Clerk.

E. No tenant may secure relief from more than one governmental agency, instrumentality, or tribunal for the same harm or injury.

Section 7. Section 7.24.120 of the Seattle Municipal Code, last amended by Ordinance 125222, is amended as follows:

7.24.120 Administration and enforcement

A. The Director shall administer and enforce the provisions of this Chapter 7.24 and is authorized to adopt reasonable rules and regulations consistent with this Chapter 7.24 to carry out the Director's duties.

B. ((~~The~~)) Except as provided in subsection 7.24.120.C, the first and second violations of this Chapter 7.24 shall be enforced under the citation provisions set forth in Section 7.24.130. Subsequent violations may be enforced, at the Director's discretion, under the notice of violation provisions set forth in Section 7.24.140 or criminal provisions set forth in Section 7.24.150.

C. Nothing in this Section 7.24.120 shall prohibit the Director from initiating an investigation pursuant to Section 7.24.170 in lieu of pursuing enforcement under subsection 7.24.120.B.

D. In collaboration with the City Attorney's Office, the Director may refer investigations initiated pursuant to Section 7.24.170 to the City Attorney's Office for

filing a civil action prior to issuance of an Order of Investigative Findings. The City Attorney may impose remedies consistent with Section 7.24.190.

E. Nothing contained in this Chapter 7.24 is intended to be nor shall be construed to create or form the basis for any liability on the part of the City, or its officers, employees, or agents, for any injury or damage resulting from or by reason of any act or omission in connection with the implementation or enforcement of this Chapter 7.24 on the part of the City by its officers, employees, or agents.

Section 8. Section 7.24.130 of the Seattle Municipal Code, last amended by Ordinance 127303, is amended as follows:

7.24.130 Citation

* * *

F. Citation penalties

1. The following penalties shall be assessed for each violation((~~s~~)) of any provision of this Chapter 7.24:

a. ((~~$500~~)) $750 for the first violation; ((~~and~~))

b. ((~~$1000~~)) $1,500 for each subsequent violation within a five-year period((~~.~~)) ; and

c. $5,000 for prohibited retaliation pursuant to Section 7.24.110.

2. Effective January 1, 2028, the amounts of all penalties contained in this Section 7.24.130 shall be adjusted annually by the percentage amount of change in the housing component of the Consumer Price Index for All Urban Consumers (CPI-U) for the Seattle-Tacoma-Bellevue Primary Metropolitan Statistical Area as published by the United States Department of Labor, Bureau of Labor Statistics, rounded up to the

nearest whole number. The Department shall determine the amounts and file a schedule of such amounts with the City Clerk.

((~~2~~))3. Violation warning. The Director may, in an exercise of discretion, issue a warning to the person responsible for the violation if that person has not been previously warned or cited for violating this Chapter 7.24.

((~~3~~))4. Collection of penalties. If the person cited fails to pay a penalty imposed pursuant to this Section 7.24.130, the penalty may be referred to a collection agency. The cost to the City for the collection services will be assessed as costs, at the rate agreed to between the City and the collection agency, and added to the penalty. Alternatively, the City may pursue collection in any other manner allowed by law.

Section 9. A new Section 7.24.170 is added to the Seattle Municipal Code as follows:

7.24.170 Investigation

A. The Department shall have the power to investigate violations of this Chapter 7.24 by any landlord. The Department may initiate an investigation pursuant to Director's Rules including, but not limited to, situations when the Director has reason to believe that a violation has occurred or will occur, or the tenant is unlikely to volunteer information regarding such violations. An investigation may also be initiated through the receipt by the Department of a report or complaint filed by a tenant or any other person.

1. The Director may request a landlord or witness to provide documents, records, files, or other sources of evidence to the Department. The Director may issue interrogatories to a landlord or witness. The landlord or witness shall respond to such interrogatories or provide such documents, records, files, or other materials to the

DRAFT

Department within the timelines and according to the procedures established by Director's rules.

2. The Director may initiate investigations, including individual, building-wide, and company-wide investigations, to determine the extent to which a landlord is complying with this Chapter 7.24.

B. A tenant or other person may report to the Department any suspected violation of this Chapter 7.24. The Department shall encourage reporting of alleged violations of this Chapter 7.24 by taking the following measures:

1. The Department shall keep confidential, to the maximum extent permitted by applicable laws, the name and other identifying information of the person reporting the violation. However, with the authorization of such person, the Department may disclose the person's name and identifying information as necessary to enforce this Chapter 7.24 or for other appropriate purposes.

2. The Department may require a landlord to post or otherwise notify its tenants that the Department is conducting an investigation, using a form provided by the Department. The Director may order the landlord to provide the form on an individual basis in the tenant's primary language in a physical or electronic format that is reasonably conspicuous and accessible.

C. The Department's investigation shall commence within three years of the alleged violation. To the extent permitted by law, the applicable statute of limitations for civil actions is tolled during any investigation under this Chapter 7.24 and any administrative enforcement proceeding under this Chapter 7.24 based upon the same facts. For purposes of this Chapter 7.24:

1. The Department's investigation begins on the earlier date of when the Department receives a complaint from a person under this Chapter 7.24, or the Department opens an investigation under this Chapter 7.24.

2. The Department's investigation ends when the Department issues a final order concluding the matter and any appeals have been exhausted; the time to file any appeal has expired; or the Department notifies the landlord in writing that the investigation has been otherwise resolved.

D. The Department's investigation shall be conducted in an objective and impartial manner.

E. The Director may apply by affidavit or declaration in the form allowed under chapter 5.50 RCW to the Hearing Examiner for the issuance of subpoenas requiring a landlord to produce the documents and records required by subsection 7.24.045.A, or for the attendance and testimony of witnesses, or any other document relevant to the issue of whether a landlord has violated any provision of this Chapter 7.24. The Hearing Examiner shall conduct the review without hearing as soon as practicable and shall issue subpoenas upon a showing that there is reason to believe that: a violation has occurred, a tenant is unlikely to volunteer information regarding such violations, or the Department has gathered preliminary information indicating that a violation may have occurred.

F. A landlord that fails to comply with the terms of any subpoena issued under subsection 7.24.170.E in an investigation by the Department under this Chapter 7.24 prior to the issuance of an Order of Investigative Findings issued pursuant to subsection 7.24.180.C may not use such records in any appeal to challenge the correctness of any

DRAFT

determination by the Department of liability, remedies due to the tenant, or penalties assessed.

G. In addition to other remedies, the Director may refer any subpoena issued under subsection 7.24.170.E to the City Attorney to seek a court order to enforce any subpoena.

H. Where the Director has reason to believe that a violation has occurred, the Director may order any appropriate temporary or interim relief to mitigate the violation or maintain the status quo pending completion of a full investigation or hearing, including but not limited to a deposit of funds or bond sufficient to satisfy a good-faith estimate of reimbursement of civil penalties and remedies due to the tenant. A landlord may appeal any such order in accordance with Section 7.24.200.

I. Pending completion of a full investigation, the Director may refer the investigatory file to the City Attorney's Office pursuant to subsection 7.24.120.D.

J. To avoid duplication of efforts or otherwise conserve Department resources, the Director may suspend or close a case for any reason consistent with this Chapter 7.24, including when the case is being actively pursued in another forum or a tenant or other person has withdrawn a report or complaint.

Section 10. A new Section 7.24.180 is added to the Seattle Municipal Code as follows:

7.24.180 Findings of fact and determination

A. Except when there is an agreed upon settlement or the investigatory file is referred to the City Attorney's Office, the Director shall issue a written determination with findings of fact resulting from an investigation pursuant to Section 7.24.170 and

statement of whether a violation of this Chapter 7.24 has or has not occurred based on a preponderance of the evidence before the Director.

B. If the Director determines that there is no violation of this Chapter 7.24, the Director shall issue a "Determination of No Violation" with notice of a tenant or other person's right to appeal the decision, pursuant to subsection 7.24.200.A.

C. If the Director determines that a violation of this Chapter 7.24 has occurred, the Director shall issue an "Order of Investigative Findings" identifying the violation or violations.

1. The Order of Investigative Findings shall state with specificity the amounts due under this Chapter 7.24 for each violation, including payment of civil penalties and remedies due to the tenant pursuant to Section 7.24.190.

2. The Order of Investigative Findings may specify that civil penalties can be mitigated for landlord's timely payment of remedy due to a tenant pursuant to subsection 7.24.190.A.2.

3. The Order of Investigative Findings may direct the landlord to take such corrective action as is necessary to comply with the requirements of this Chapter 7.24, including, but not limited to, monitored compliance for a reasonable time period.

4. The Order of Investigative Findings shall include notice of the landlord's right to appeal the decision, pursuant to Section 7.24.200.

D. The Determination of No Violation or Order of Investigative Findings may be served by first class mail, addressed to the last known address of such person(s) to be notified. Service shall be deemed complete three days after the date of mailing.

Section 11. A new Section 7.24.190 is added to the Seattle Municipal Code as follows:

7.24.190 Remedies

A. The payment of civil penalties and remedies due to the tenant under this Chapter 7.24 is cumulative and is not intended to be exclusive of any other available remedies, penalties, and procedures. A landlord is liable for each violation or failure to comply with any provision of this Chapter 7.24, for which separate and cumulative penalties may be assessed.

1. Effective January 1, 2028, the amounts of all civil penalties contained in this Section 7.24.190 shall be adjusted annually by the percentage amount of change in the housing component of the Consumer Price Index for All Urban Consumers (CPI-U) for the Seattle-Tacoma-Bellevue Primary Metropolitan Statistical Area as published by the United States Department of Labor, Bureau of Labor Statistics, rounded up to the nearest whole number. The Department shall determine the amounts and file a schedule of such amounts with the City Clerk.

2. If there is a remedy due to a tenant, the Director may waive a portion of the amount of civil penalties due to the Department based on timely payment of the full remedy due to the tenant, as provided in this subsection 7.24.190.A.

a. The Director may waive 75 percent of the total amount of civil penalties to the Department if the Director determines that the landlord paid the full remedy due to the tenant within ten days of service of the Order of Investigative Findings.

b. The Director may waive 50 percent of the total amount of civil penalties due to the Department if the Director determines that the landlord paid the full remedy due to the tenant within 15 days of service of the Order of Investigative Findings.

c. The Director shall not waive any amount of civil penalties due to the Department if the Director determines that the landlord has not paid the full remedy due to the tenant after 15 days of service of the Order of Investigative Findings.

B. A landlord found to be in violation of Section 7.24.040 shall be liable to the tenant for: 1) full reimbursement of all prohibited fees charged plus interest, and 2) double the amount of the prohibited fees charged. Interest shall accrue from the date the prohibited fee was charged at 12 percent per annum, or the maximum rate permitted under RCW 19.52.020.

1. If the precise amount of prohibited fees cannot be determined due to a landlord's failure to produce records, or if a landlord produces records in a manner or form which makes timely determination of the amount of prohibited fees impracticable, the Director may determine the value of prohibited fees as a matter of just and reasonable inference, including the use of representative evidence such as testimony or other evidence from representative tenants establishing violations for a class of tenants.

C. Except as provided in subsections 7.24.190.D and 7.24.190.E, The Director is authorized to assess the following civil penalties for a violation of this Chapter 7.24.

1. For a first violation of this Chapter 7.24, the Director may assess a civil penalty of $750 per violation.

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2. For any subsequent violation of this Chapter 7.24, the Director shall assess a penalty of $1,500 per violation.

3. For purposes of this Section 7.24.190, a violation is a subsequent violation if the landlord has been a party to more than one of any of the following, or any combination of the following, within a five-year period:

a. A settlement agreement stipulating that a violation has occurred;

b. An Order of Investigative Findings issued against the landlord;

c. A Court Order obtained by the City Attorney's Office pursuant to subsection 7.24.120.D; or

d. A citation under Section 7.24.130.

D. A landlord found to be in violation of this Chapter 7.24 for retaliation under Section 7.24.110 shall be subject to a civil penalty of $5,000.

E. A landlord who willfully hinders, prevents, impedes, or interferes with the Director or Hearing Examiner in the performance of their duties under this Chapter 7.24 shall be subject to a civil penalty of $5,000.

F. When determining the amount of civil penalties and remedies, under this Section 7.24.190 for a settlement agreement, the Director may consider the following factors provided in this subsection. Except in exceptional circumstances, the Director shall endeavor to ensure that such settlement is for no less than the remedies due to the tenant pursuant to 7.24.190.B:

1. The total amount of civil penalties and remedies due to the tenant;

2. The nature and persistence of the violations;

3. The extent of the landlord's culpability;

4. The substantive or technical nature of the violations;

5. The business resources of the landlord;

6. The circumstances of each situation;

7. The amount of penalties in similar situations; and

8. Pursuant to rules that the Director may issue, other factors that are material and necessary to effectuate the terms of this Chapter 7.24.

G. In addition to the civil penalties and remedies due to the tenant, the Department may assess against the landlord in favor of the City the reasonable costs incurred in enforcing this Chapter 7.24, including but not limited to reasonable attorney's fees.

Section 12. A new Section 7.24.200 is added to the Seattle Municipal Code as follows:

7.24.200 Appeal period and failure to respond

A. A tenant or other person who claims an injury as a result of an alleged violation of this Chapter 7.24 may appeal the Determination of No Violation by filing a written statement of appeal with the Hearing Examiner within 15 days of being served with the Department’s decision. If a tenant fails to appeal the Order of Investigative Findings within 15 days of service, the Determination of No Violation shall be final. If the last day of the appeal period so computed is a Saturday, Sunday, or federal or City holiday, the appeal period shall run until 5 p.m. on the next business day.

1. In considering an appeal of a Determination of No Violation, the only issue before the Hearing Examiner is whether the Director’s Determination of No Violation is supported by a preponderance of the evidence.

2. The statement of appeal shall state specifically the grounds for appeal and how the Director's determination was not supported by a preponderance of the evidence. The appeal statement shall fully describe any evidence that the appellant thinks the Department should have considered.

3. For investigations into multiple allegations that result in a combination Determination of Violation and No Violation, complainants may solely appeal the Determination of No Violation portion of the investigation before the Hearing Examiner.

B. A landlord may appeal the Order of Investigative Findings, including all remedies issued pursuant to Section 7.24.190, by requesting a contested hearing before the Hearing Examiner in writing within 15 days of service of the Order of Investigative Findings. If a landlord fails to appeal the Order of Investigative Findings within 15 days of service, the Order of Investigative Findings shall be final. If the last day of the appeal period so computed is a Saturday, Sunday, or federal or City holiday, the appeal period shall run until 5 p.m. on the next business day.

Section 13. A new Section 7.24.210 is added to the Seattle Municipal Code as follows:

7.24.210 Appeal procedure and failure to appear

A. Contested hearings requested per Section 7.24.200.B shall be conducted pursuant to the procedures for hearing contested cases contained in Section 3.02.090 and the rules adopted by the Hearing Examiner for hearing contested cases. The hearing shall be conducted de novo and the Director shall have the burden of proving by a preponderance of the evidence that the violation or violations occurred. Upon establishing such proof, the remedies and penalties imposed by the Director shall

be upheld unless it is shown that the Director abused discretion. Failure to appear for a contested hearing shall result in an order being entered finding that the landlord committed the violation stated in the Order of Investigative Findings. For good cause shown and upon terms the Hearing Examiner deems just, the Hearing Examiner may set aside an order entered upon a failure to appear.

B. In all contested cases, the Hearing Examiner shall enter an order affirming, modifying or reversing the Order of Investigative Findings.

Section 14. A new Section 7.24.220 is added to the Seattle Municipal Code as follows:

7.24.220 Appeal from Hearing Examiner order

A. The landlord may obtain judicial review of the decision of the Hearing Examiner by applying for a Writ of Review in the King County Superior Court within 30 days from the date of the decision in accordance with the procedure set forth in chapter 7.16 RCW as amended, other applicable law, and court rules.

B. The decision of the Hearing Examiner shall be final and conclusive unless review is sought in compliance with this Section 7.24.220.

Section 15. A new Section 7.24.230 is added to the Seattle Municipal Code as follows:

7.24.230 Failure to comply with final order

A. If a landlord fails to comply within 30 days of service of any settlement agreement with the Department, or with any final order issued by the Director or the Hearing Examiner for which all appeal rights have been exhausted, the Department may pursue, but is not limited to, the following measures to secure compliance:

1. The Director may require the landlord to post or distribute public notice of the landlord's failure to comply in a form and manner determined by the Department.

2. The Director may refer the matter to a collection agency. The cost to the City for the collection services will be assessed as costs, at the rate agreed to between the City and the collection agency, and added to the amounts due.

3. The Director may refer the matter to the City Attorney for the filing of a civil action in a court of competent jurisdiction to enforce such order or to collect amounts due. In the alternative, the Director may seek to enforce a settlement agreement, an Order of Investigative Findings, or a final order of the Hearing Examiner under Section 7.24.240.

Section 16. A new Section 7.24.240 is added to the Seattle Municipal Code as follows:

7.24.240 Debt owed The City of Seattle

A. All monetary amounts due under a settlement agreement, Order of Investigative Findings, or Court Order obtained by the City Attorney’s Office pursuant to subsection 7.24.120.D shall be a debt owed to the City and may be collected in the same manner as any other debt in like amount, which remedy shall be in addition to all other existing remedies; provided that amounts collected by the City for remedies due to the tenant shall be held in trust by the City for the tenant and, once collected by the City, shall be paid by the City to the tenant.

B. If a landlord fails to appeal an Order of Investigative Findings to the Hearing Examiner within the time period set forth in subsection 7.24.200.B, the Director's Order shall be final, and the Director may petition the Seattle Municipal Court to enforce the

Order of Investigative Findings by entering judgment in favor of the City finding that the landlord has failed to exhaust its administrative remedies and that all amounts and relief contained in the order are due. The Order of Investigative Findings shall constitute prima facie evidence that a violation occurred and shall be admissible without further evidentiary foundation. Any certifications or declarations authorized under RCW 5.50.050 containing evidence that the landlord has failed to comply with the order or any parts thereof, and is therefore in default, or that the landlord has failed to appeal the Order of Investigative Findings to the Hearing Examiner within the time period set forth in subsection 7.24.200.B and therefore has failed to exhaust the landlord's administrative remedies, shall also be admissible without further evidentiary foundation.

C. If a landlord fails to obtain judicial review of an order of the Hearing Examiner pursuant to subsection 7.24.220.A, the order of the Hearing Examiner shall be final, and the Director may petition the Seattle Municipal Court to enforce the Order of Investigative Findings by entering judgment in favor of the City for all amounts and relief due under the order of the Hearing Examiner. The order of the Hearing Examiner shall constitute conclusive evidence that the violations contained therein occurred and shall be admissible without further evidentiary foundation. Any certifications or declarations authorized under chapter 5.50 RCW containing evidence that the landlord has failed to comply with the order or any parts thereof, and is therefore in default, or that the landlord has failed to avail itself of judicial review in accordance with subsection 7.24.220.A, shall also be admissible without further evidentiary foundation.

D. In considering matters brought under subsections 7.24.240.B and 7.24.240.C, the Seattle Municipal Court may include within its judgment all terms, conditions, and

remedies contained in the Order of Investigative Findings or the order of the Hearing Examiner, whichever is applicable, that are consistent with the provisions of this Chapter 7.24.

Section 17. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of its application to any person or circumstance, does not affect the validity of the remainder of this ordinance or the validity of its application to other persons or circumstances.

Section 18. Sections 1 through 17 of this ordinance shall take effect on July 1, 2027.

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This ordinance shall take effect as provided by Seattle Municipal Code Sections 1.04.020 and 1.04.070.

Passed by the City Council and signed in open session in authentication of its passage on _____.

_____

President _____ of the City Council

_____ on _____.

_____

Katie B. Wilson, Mayor

Attested on _____.

_____

Scheereen Dedman, City Clerk

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