

JUDICIAL IMPACT FISCAL NOTE

Bill Number: 1228 HB	Title: Landlord-Tenant / COVID-19	Agency: 055 – Administrative Office of the Courts (AOC)
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Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

	FY 2022	FY 2023	2021-23	2023-25	2025-27
Total:					

Estimated Expenditures from:

STATE	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE – Staff Years	2.0		1.0		
Account					
General Fund – State (001-1)	4,505,251		4,505,251		
State Subtotal	4,505,251		4,505,251		
COUNTY					
County FTE Staff Years					
Account					
Local - Counties					
Counties Subtotal					
CITY					
City FTE Staff Years					
Account					
Local – Cities					
Cities Subtotal					
Local Subtotal					
Total Estimated Expenditures:	4,505,251	4,505,251	4,505,251		

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form parts I-V

☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐ Capital budget impact, complete Part IV.

Legislative Contact:	Phone:	Date:
Agency Preparation: Sam Knutson	Phone: 360-704-5528	Date: 1/26/2021
Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date:
OFM Review:	Phone:	Date:

Part II: Narrative Explanation

This bill would end the eviction moratorium and would allow landlords to begin unlawful detainer actions. The bill would provide that a landlord must provide to a tenant who has delinquent rent and has not already agreed to a payment plan, a notice of the affidavit of COVID hardship, notice of early resolution program, and the option of a payment plan. The bill would provide that if a tenant does not respond, a landlord may continue to use existing procedures to begin the unlawful detainer action.

The bill would provide that for delinquent rent between February 29, 2020, and June 30, 2021 a landlord must offer the tenant a payment plan.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

Section 6 – Would direct the Administrative Office of the Courts (AOC) to establish an Early Resolution Program (ERP) to facilitate the resolution of nonpayment of rent cases through dispute resolution centers or a third-party facilitator prior to the landlord filing an unlawful detainer action. In counties under 275,000 people, the ERP must maintain a facilitator acting as an independent third party to resolve disputes between landlord and tenant. In counties with a population over 275,000, use local dispute resolution center would be utilized.

Section 12 – This bill would expire one year after the effective date of the bill.

Section 13 – Would provide an emergency clause, making the bill effective immediately.

II.B - Cash Receipt Impact

None.

II.C – Expenditures

This bill would require the AOC to establish an Early Resolution Program (ERP). The program would expire one year after the effective date of this bill. For purposes of this analysis, it is assumed the bill would be effective July 1, 2021.

Due to the expected volume of unlawful detainer actions, the AOC would require a Court Program Specialist and a Senior Financial Analyst to facilitate the resolution of nonpayment of rent cases through dispute resolution centers or a third-party facilitator. These positions would be required for the year identified in Section 12 and would continue to be required if the program period is extended.

In addition, grant program costs (grants to counties) would be required. These costs are estimated at \$4,307,297¹.

Costs are summarized in the table, below.

Table I – Summary of ERP Costs

¹ Grant program cost estimate provided by dispute resolution center representatives.

Cost Category	FY 2022
Senior Financial Analyst (range 52)	1.0
Salaries	65,928
Benefits	25,688
Total	91,616
Court Program Specialist (range 55)	1.0
Salaries	71,522
Benefits	34,816
Total	106,338
Grant Program Costs	4,307,297
Cost Summary	
FTE	2.0
Salaries	137,450
Benefits	60,504
Grant Program Costs	4,307,297
Total	4,505,251

Part III: Expenditure Detail

III.A – Expenditures by Object or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE – Staff Years	2.0		1.0		
A – Salaries & Wages	137,450		137,450		
B – Employee Benefits	60,504		60,504		
C – Prof. Service Contracts					
E – Goods and Services					
G – Travel					
J – Capital Outlays					
N – Grants	4,307,297		4,307,297		
Total:	4,505,251		4,505,251		

III.B – Detail:

Job Classification	Salary	FY 2022	FY 2023	2021-23	2023-25	2025-27
Senior Financial Analyst	65,928	1.0		0.5		
Court Program Specialist	71,522	1.0		0.5		
Total FTE's		2.0		1.0		

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

None.