SENATE BILL 6212

State of Washington 68th Legislature 2024 Regular Session

By Senators Shewmake, Nguyen, Cleveland, and Van De Wege

- 1 AN ACT Relating to requiring landlords to report on-time rent
- 2 payments to consumer reporting agencies; adding a new section to
- 3 chapter 59.18 RCW; and adding a new section to chapter 59.20 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 59.18 6 RCW to read as follows:
- 7 (1) Beginning January 1, 2025, upon the request of a current or 8 prospective tenant, a landlord shall submit documentation of the 9 requesting tenant's on-time rental payments under the current or 10 forthcoming rental agreement or lease to at least one of the 11 following:
 - (a) A nationwide consumer reporting agency; or
- 13 (b) Any other consumer reporting agency so long as the consumer 14 reporting agency resells or otherwise furnishes rental payment 15 information to a nationwide consumer reporting agency.
- 16 (2) No duty is created under this section requiring any landlord 17 to report any late or missed rent payments.
- 18 (3) A landlord shall provide information regarding a tenant's 19 ability to request reporting of the tenant's on-time rent payments 20 under this section as follows:

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- 1 (a) To each new tenant, at the time of or prior to the tenant's entry into a new rental agreement or lease with the landlord;
 - (b) To each existing tenant, at the time of or prior to:

- (i) The renewal of any currently expiring rental agreement or lease:
- 6 (ii) Entry into a new rental agreement or lease with the same 7 landlord; or
 - (iii) Entry into a tenancy from month-to-month, but only if such tenancy was explicitly agreed to by the landlord and tenant prior to the termination of the rental agreement or lease immediately preceding the tenancy month-to-month.
- 12 (4) The information mandated in subsection (3) of this section 13 must be provided to the tenant in writing and include, at a minimum, 14 the following:
 - (a) A statement that the tenant is entitled to have the tenant's on-time rental payment information reported by the landlord as set forth in this section;
 - (b) A statement that the landlord's duty to report applies only to rent payments which are made on time, and that the landlord has no duty to report late or missed payments;
 - (c) A statement that the tenant's decision to have the tenant's rental payment information reported pursuant to this section is voluntary, and that the tenant may request that the landlord cease reporting this information at any time, for any reason, by providing written notice to the landlord that the tenant no longer wishes to have the tenant's rental payment information reported;
 - (d) A statement that the reporting will commence within 30 days after the first on-time rent payment made following the tenant's request to have the tenant's rental payment information reported under this section, and will continue until the tenant provides written notice to the landlord that the tenant no longer wishes to have the tenant's information reported, or the lease is terminated, whichever happens sooner; and
 - (e) A section affirmatively asking if the tenant wishes to begin having the tenant's rental payment information reported pursuant to this section beginning at the start of the rental agreement or lease in connection with which the information was provided. This section must include a clearly marked space for the tenant or prospective tenant to:

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- 1 (i) Indicate whether or not the tenant wishes to have the tenant's rental payment information reported; and
 - (ii) Provide the tenant's signature and the date of signing.
 - (5) At any time during a current rental agreement or lease, including a tenancy month-to-month, any tenant may request that the landlord begin reporting the tenant's rental payment information pursuant to this section. The request must adhere to the following requirements:
 - (a) The request must be made in writing;
- 10 (b) The request must state that the tenant is requesting that the 11 landlord begin reporting the tenant's rental payment information 12 pursuant to this section;
 - (c) The request must be signed and dated by the tenant; and
- 14 (d) The request must be delivered in person or by certified mail 15 to any one of the following:
 - (i) The landlord;

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- (ii) The landlord's authorized agent;
- 18 (iii) A property manager involved in the management of the 19 property where the dwelling referenced in the rental agreement or 20 lease is located;
 - (iv) Any building that is:
- (A) Regularly used for managing or otherwise administrating the business affairs of the property where the dwelling referenced in the rental agreement or lease is located; and
- 25 (B) Located on the same property as the dwelling referenced in 26 the rental agreement or lease;
- (v) Any address that accepts delivery of rental payments under the rental agreement or lease.
 - (6) If a tenant fails to pay the rent on time, on the first day that the payment may be deemed late under the rental agreement or lease, the tenant is deemed to have provided the landlord with notice under subsection (4)(c) of this section that the tenant no longer wishes to have the tenant's rental payment information reported, and the landlord's duty to report such information under this section is immediately terminated.
- 36 (7) When any tenant provides notice as set forth in subsection 37 (6) of this section that the tenant no longer wishes to have the 38 tenant's rental payment information reported, the following shall 39 apply:

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(a) The tenant is not eligible to have the tenant's rental payment information under the current rental agreement or lease reported pursuant to this section for the first six months following that notice, inclusive of the month in which the notice was given;

- (b) After the six-month period of ineligibility has elapsed, if the tenant wishes to resume having the tenant's rental payment information reported pursuant to this section, the tenant must submit a request as set forth in subsection (5) of this section; and
- (c) A landlord's duty to provide written information to tenants pursuant to subsections (3) and (4) of this section is not rescinded or altered by any period of ineligibility provided under this subsection.
- (8) Once a tenant requests that the tenant's on-time rental payment information be reported, a landlord shall submit documentation of a tenant's on-time rent payment in conformity with subsection (1) of this section no later than 30 days after each ontime payment is made.
- (9) The duty to report on-time rent payments created under this section applies only to payments made under a current rental agreement or lease, or tenancy month-to-month.
- (10) A landlord's duty to report on-time rental payments under this section terminates at the end of a current rental agreement or lease, or when a rental agreement or lease reverts by default to a tenancy month-to-month without explicit oral or written agreement of the landlord and tenant prior to the expiration of the rental agreement or lease immediately preceding the tenancy month-to-month.
- (11) Once a rental agreement or lease reverts by default to a tenancy month-to-month, if a tenant wishes that the rental payment information be reported pursuant to this section, the tenant must submit a request as set forth in subsection (5) of this section.
- (12) Once a tenant engaged in a tenancy month-to-month submits a request under subsection (5) of this section, the landlord shall continue reporting the tenant's rental payment information in conformity with this section until the landlord receives notice from the tenant of the tenant's intent to end such tenancy pursuant to RCW 59.18.200(1)(a).
- (13) Once a tenant requests that the tenant's on-time rental payment information be reported pursuant to this section, a landlord must keep records sufficient to demonstrate, upon request, that the

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- landlord has fulfilled the duties created under this section. These records may be kept in paper or digital format.
 - (14) Upon request, a landlord shall provide a tenant with written proof that the landlord has reported that tenant's rental payment information in compliance with the duties created under this section.
 - (15) For the purposes of this section:

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- 7 (a) "Consumer reporting agency" has the same meaning as in RCW 8 19.182.010.
 - (b) "National consumer reporting agency" means a consumer reporting agency that regularly engages in the practice of assembling or evaluating, and maintaining, for the purpose of furnishing consumer reports to third parties bearing on a consumer's credit worthiness, credit standing, or credit capacity, each of the following regarding consumers residing nationwide:
 - (i) Public record information; and
- 16 (ii) Credit account information from persons who furnish that 17 information regularly and in the ordinary course of business.
 - (c) "On-time rental payment" means any payment that:
- 19 (i) Constitutes the amount agreed upon for rent in the rental 20 agreement or lease; and
- 21 (ii) Is made no later than five days after the due date in the 22 month for which the payment is due.
- 23 (d) "Rental payment information" means documentation sufficient 24 to demonstrate to a credit reporting agency that the tenant has made 25 the rent payment on time.
- NEW SECTION. Sec. 2. A new section is added to chapter 59.20 RCW to read as follows:
 - (1) Beginning January 1, 2025, upon the request of a current or prospective tenant, a landlord shall submit documentation of the requesting tenant's on-time rental payments under the current or forthcoming written rental agreement to at least one of the following:
 - (a) A nationwide consumer reporting agency; or
- 34 (b) Any other consumer reporting agency so long as the consumer 35 reporting agency resells or otherwise furnishes rental payment 36 information to a nationwide consumer reporting agency.
- 37 (2) No duty is created under this section requiring any landlord 38 to report any late or missed rent payments.

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(3) A landlord shall provide information regarding a tenant's ability to request reporting of the tenant's on-time rent payments under this section as follows:

- 4 (a) To each new tenant, at the time of or prior to the tenant's entry into a new written rental agreement with the landlord;
 - (b) To each existing tenant, at the time of or prior to:
 - (i) The renewal of any currently expiring written rental agreement except where such renewal occurs automatically pursuant to RCW 59.20.090(1); or
- 10 (ii) Entry into a new written rental agreement with the same 11 landlord.
- 12 (4) The information mandated in subsection (3) of this section 13 must be provided to the tenant in writing and include, at a minimum, 14 the following:
 - (a) A statement that the tenant is entitled to have the tenant's on-time rental payment information reported by the landlord as set forth in this section;
 - (b) A statement that the landlord's duty to report applies only to rent payments which are made on time, and that the landlord has no duty to report late or missed payments;
 - (c) A statement that the tenant's decision to have the tenant's rental payment information reported pursuant to this section is voluntary, and that the tenant may request that the landlord cease reporting this information at any time, for any reason, by providing written notice to the landlord that the tenant no longer wishes to have their rental payment information reported;
 - (d) A statement that the reporting will commence within 30 days after the first on-time rent payment made following the tenant's request to have the tenant's rental payment information reported under this section, and will continue until the tenant provides written notice to the landlord that the tenant no longer wishes to have the tenant's information reported, or the lease is terminated, whichever happens sooner; and
 - (e) A section affirmatively asking if the tenant wishes to begin having the tenant's rental payment information reported pursuant to this section beginning at the start of the written rental agreement in connection with which the information was provided. This section must include a clearly marked space for the tenant or prospective tenant to:

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- 1 (i) Indicate whether or not the tenant wishes to have their 2 rental payment information reported; and
 - (ii) Provide the tenant's signature and the date of signing.
 - (5) At any time during a current written rental agreement, any tenant may request that the landlord begin reporting the tenant's rental payment information pursuant to this section. The request must adhere to the following requirements:
 - (a) The request must be made in writing;
- 9 (b) The request must state that the tenant is requesting that the 10 landlord begin reporting the tenant's rental payment information pursuant to this section;
 - (c) The request must be signed and dated by the tenant; and
- 13 (d) The request must be delivered in person or by certified mail 14 to any one of the following:
 - (i) The landlord;

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- (ii) The landlord's authorized agent;
- 17 (iii) A property manager involved in the management of the 18 property where the dwelling referenced in the written rental 19 agreement is located;
 - (iv) Any building that is:
- 21 (A) Regularly used for managing or otherwise administrating the 22 business affairs of the property where the dwelling referenced in the 23 written rental agreement is located; and
- 24 (B) Located on the same property as the dwelling referenced in 25 the written rental agreement;
- 26 (v) Any address that accepts delivery of rental payments under 27 the written rental agreement.
 - (6) If a tenant fails to pay the rent on time, on the first day that the payment may be deemed late under the written rental agreement, the tenant is deemed to have provided the landlord with notice under subsection (4)(c) of this section that the tenant no longer wishes to have the tenant's rental payment information reported, and the landlord's duty to report such information under this section is immediately terminated.
- 35 (7) When any tenant provides notice as set forth in subsection 36 (6) of this section that the tenant no longer wishes to have the 37 tenant's rental payment information reported, the following shall 38 apply:
- 39 (a) The tenant is not eligible to have the tenant's rental 40 payment information under the current written rental agreement

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reported pursuant to this section for the first six months following that notice, inclusive of the month in which the notice was given;

- (b) After the six-month period of ineligibility has elapsed, if the tenant wishes to resume having the tenant's rental payment information reported pursuant to this section, the tenant must submit a request as set forth in subsection (5) of this section; and
- (c) A landlord's duty to provide written information to tenants pursuant to subsections (3) and (4) of this section is not rescinded or altered by any period of ineligibility provided under this subsection.
- (8) Once a tenant requests that the tenant's on-time rental payment information be reported, a landlord shall submit documentation of a tenant's on-time rent payment in conformity with subsection (1) of this section no later than 30 days after each on-time payment is made.
- (9) The duty to report on-time rent payments created under this section applies only to payments made under a current written rental agreement, including a written rental agreement that has automatically renewed pursuant to RCW 59.20.090(1).
- (10) A landlord's duty to report on-time rental payments under this section terminates upon any of the following:
 - (a) At the end of a current written rental agreement where the written rental agreement will not be automatically renewed pursuant to RCW 59.20.090(1);
 - (b) When the landlord receives notice pursuant to RCW 59.20.090(3) of the tenant's intention not to renew the written rental agreement; or
 - (c) When a tenant provides written notice that the tenant no longer wishes to have the tenant's rental payment information reported pursuant to this section.
 - (11) Once a tenant requests that the tenant's on-time rental payment information be reported pursuant to this section, a landlord must keep records sufficient to demonstrate, upon request, that the landlord has fulfilled the duties created under this section. These records may be kept in paper or digital format.
 - (12) Upon request, a landlord shall provide a tenant with written proof that the landlord has reported the tenant's rental payment information in compliance with the duties created under this section.
 - (13) For the purposes of this section:

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- 1 (a) "Consumer reporting agency" has the same meaning as in RCW 19.182.010.
 - (b) "National consumer reporting agency" means a consumer reporting agency that regularly engages in the practice of assembling or evaluating, and maintaining, for the purpose of furnishing consumer reports to third parties bearing on a consumer's credit worthiness, credit standing, or credit capacity, each of the following regarding consumers residing nationwide:
 - (i) Public record information; and

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- 10 (ii) Credit account information from persons who furnish that 11 information regularly and in the ordinary course of business.
 - (c) "On-time rental payment" means any payment that:
- 13 (i) Constitutes the amount agreed upon for rent in the written 14 rental agreement; and
- 15 (ii) Is made no later than five days after the due date in the 16 month for which the payment is due.
- 17 (d) "Rental payment information" means documentation sufficient 18 to demonstrate to a credit reporting agency that the tenant has made 19 the rent payment on time.

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