

JAY INSLEE
Governor



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April 22, 2021

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Sections 12 and 13, Engrossed Second Substitute Senate Bill No. 5160 entitled:

“AN ACT Relating to addressing landlord-tenant relations by providing certain tenant protections during the public health emergency, providing for legal representation in eviction cases, establishing an eviction resolution pilot program for nonpayment of rent cases, and authorizing landlord access to certain rental assistance programs.”

While Section 12 attempts to provide direct financial relief to landlords as part of a larger legislative solution in E2SSB 5160, it creates an entitlement for landlords to receive rent assistance without a sufficient framework to prioritize resources to those landlords who have the greatest need. The estimated cost of Section 12 is \$2.4 billion, which is \$1.5 billion more than is currently appropriated by the state or awarded by the federal government. RCW 43.88.055 requires the Legislature to enact an operating budget that leaves a positive ending fund balance at the end of the fiscal biennium. Although the final budget will likely have a different ending fund balance than is reflected today, \$1.5 billion in additional costs could not be sustained by available fiscal resources. In order to ensure that the Legislature meets its statutory obligation to leave a positive ending fund balance at the end of the 2021-23 biennium, I am vetoing Section 12 of this bill at the request of legislative leadership.

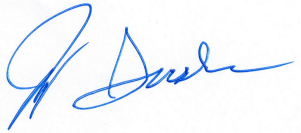
In addition, Section 13 is largely duplicative of an early action bill that I have already signed, ESHB 1368, which provides \$2 million in grant opportunities for eligible landlords. Because of this, Section 13 creates administrative problems for the department of commerce, and may also cause confusion for landlords. As a result, again at the request of legislative leadership, I am also vetoing Section 13.

The Legislature and I agree it is important to provide resources to landlords, and to prioritize assisting those landlords who have a small number of units. If the Legislature wants to increase support for landlords who have a small number of units, I encourage the Legislature to increase funding to the program already created in the early action bill rather than creating redundant programs.

For these reasons I have vetoed Sections 12 and 13 of Engrossed Second Substitute Senate Bill No. 5160.

With the exception of Sections 12 and 13, Engrossed Second Substitute Senate Bill No. 5160 is approved.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jay Inslee", is written over a faint, light-colored rectangular stamp or watermark.

Jay Inslee
Governor