S-3873.1			

SUBSTITUTE SENATE BILL 5771

State of Washington 52nd Legislature 1992 Regular Session

By Senate Committee on Energy & Utilities (originally sponsored by Senators Barr, Sutherland, Nelson and Thorsness)

Read first time 02/05/92.

- 1 AN ACT Relating to payment responsibility for utility service;
- 2 amending RCW 35.21.290 and 35.67.200; creating a new section; and
- 3 providing an effective date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that policies
- 6 should be promoted that provide incentives for citizens to act
- 7 responsibly and pay for those services or products received. The
- 8 legislature further finds that policies encouraging consumers to pay
- 9 the full amount owed for utility services will help avoid wasteful use
- 10 of utility services and help delay increases in the cost of these
- 11 utility services.
- 12 Sec. 2. RCW 35.21.290 and 1965 c 7 s 35.21.290 are each amended to
- 13 read as follows:

- 1 (1) Cities and towns owning their own waterworks, or electric light
- 2 or power plants shall have a lien against the premises to which water,
- 3 electric light, or power services were furnished for four months
- 4 charges therefor due or to become due, but not for any charges more
- 5 than four months past due: PROVIDED, That the owner of the premises or
- 6 the owner of a delinquent mortgage thereon may give written notice to
- 7 the superintendent or other head of such works or plant to cut off
- 8 service to such premises accompanied by payment or tender of payment of
- 9 the then delinquent and unpaid charges for such service against the
- 10 premises together with the cut-off charge, whereupon the city or town
- 11 shall have no lien against the premises for charges for such service
- 12 thereafter furnished, nor shall the owner of the premises or the owner
- 13 of a delinquent mortgage thereon be held for the payment thereof.
- 14 (2) All charges made for utility services shall be charged to the
- 15 <u>customer requesting the service</u>. <u>In cases where the service is</u>
- 16 provided to a commercial or residential tenant, collection of charges
- 17 <u>shall be made from that individual or individuals, and liens against</u>
- 18 the property of the landlord for such service are prohibited. A city
- 19 or town may not refuse to provide service to a commercial or
- 20 residential customer who is a tenant based on the nonpayment for
- 21 services by the prior customer. The city or town may refuse to provide
- 22 service if the prior nonpaying customer continues to reside in the
- 23 premises.
- 24 (3) Cities and towns owning their own waterworks, or electric light
- 25 <u>or power plants shall adopt ordinances that require:</u>
- 26 (a) A satisfactory credit resource or an adequate deposit amount
- 27 before new customers may receive utility services; and
- 28 (b) A schedule and procedure for discontinuing utility service to
- 29 customers delinquent in utility service payments. The ordinances shall
- 30 provide that the maximum period allowed for nonpayment of utility

- 1 services prior to utility service termination is seventy-five days
- 2 after the day the payment is due.
- 3 (4) Nothing in this section shall affect the benefits afforded to
- 4 <u>customers who qualify for the program outlined in RCW 35.21.300.</u>
- 5 **Sec. 3.** RCW 35.67.200 and 1991 c 36 s 2 are each amended to read
- 6 as follows:
- 7 (1) Cities and towns owning their own sewer systems shall have a
- 8 lien for delinquent and unpaid rates and charges for sewer service,
- 9 penalties levied pursuant to RCW 35.67.190, and connection charges,
- 10 including interest thereon, against the premises to which such service
- 11 has been furnished or is available, which lien shall be superior to all
- 12 other liens and encumbrances except general taxes and local and special
- 13 assessments. The city or town by ordinance may provide that delinquent
- 14 charges shall bear interest at not exceeding eight percent per annum
- 15 computed on a monthly basis: PROVIDED, That a city or town using the
- 16 property tax system for utility billing may, by resolution or
- 17 ordinance, adopt the alternative lien procedure as set forth in RCW
- 18 35.67.215.
- 19 (2) All charges made for utility services shall be charged to the
- 20 <u>customer requesting the service</u>. <u>In cases where the service is</u>
- 21 provided to a commercial or residential tenant, collection of charges
- 22 shall be made from that individual or individuals, and liens against
- 23 the property of the landlord for such service are prohibited. A city
- 24 or town may not refuse to provide service to a commercial or
- 25 residential customer who is a tenant based on the nonpayment for
- 26 <u>services by the prior customer. The city or town may refuse to provide</u>
- 27 service if the prior nonpaying customer continues to reside in the
- 28 premises.

- 1 (3) Cities and towns owning their own sewer systems shall adopt
- 2 ordinances that require:
- 3 (a) A satisfactory credit resource or an adequate deposit amount
- 4 before new customers may receive utility services; and
- 5 (b) A schedule and procedure for discontinuing utility service to
- 6 <u>customers delinquent in utility service payments.</u> The ordinances shall
- 7 provide that the maximum period allowed for nonpayment of utility
- 8 services prior to utility service termination is seventy-five days
- 9 <u>after the day the payment is due.</u>
- 10 <u>NEW SECTION.</u> **Sec. 4.** This act shall take effect October 1,
- 11 1991.