

HOUSE BILL REPORT

HB 1188

As Amended by the Senate

Title: An act relating to liens.

Brief Description: Requiring delivery of a copy of a lien document to the owner of the property subject to the lien.

Sponsors: Representatives Morton, Appelwick, Padden, Ballasiotes, Ludwig, Sheahan, Tate, Fuhrman, Silver, Johanson, Long, Flemming, Mielke and Springer.

Brief History:

Reported by House Committee on:
Judiciary, February 9, 1993, DP;
Passed House, February 26, 1993, 94-0;
Amended by Senate.

HOUSE COMMITTEE ON JUDICIARY

Majority Report: Do pass. Signed by 16 members:
Representatives Appelwick, Chair; Ludwig, Vice Chair;
Padden, Ranking Minority Member; Ballasiotes, Assistant
Ranking Minority Member; Campbell; Chappell; Forner;
Johanson; Locke; Long; Mastin; H. Myers; Riley; Scott; Tate;
and Wineberry.

Staff: Patricia Shelledy (786-7149).

Background: In 1988, the Legislature enacted the Uniform Federal Lien Registration Act. Notices affecting federal tax liens or other federal liens are covered by this act. Notices of federal liens upon real property must be recorded in the county where the real property is located. The act does not require that a copy of the lien document be sent to the property owner.

Summary of Bill: A federal lien recorded against real property may be recorded only upon certification that a copy of the lien document has been sent by registered mail to the owner of the real property subject to the lien.

EFFECT OF SENATE AMENDMENT(S): The lien document may be sent to the owner by certified mail as well as by registered mail.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Real property owners may not know the Internal Revenue Service has filed a lien against the owner's property. In one case, the Internal Revenue Service made a mistake. The owner did not discover the mistake until the owner tried to sell the property. It took a long time and considerable loss to the owner to fix the mistake. This bill will give owners notice of the federal lien.

Testimony Against: None.

Witnesses: Representative Morton, prime sponsor (pro).

VOTE ON FINAL PASSAGE:

Yeas 94; Excused 3; Absent 1

Excused: Representatives Locke, Roland, Wineberry

Absent: Representative Appelwick