

SENATE BILL REPORT

HB 1188

AS REPORTED BY COMMITTEE ON LAW & JUSTICE, MARCH 23, 1993

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

HOUSE COMMITTEE ON JUDICIARY

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: Do pass as amended.

Signed by Senators A. Smith, Chairman; Quigley, Vice Chairman; Hargrove, McCaslin, Nelson, Niemi, Rinehart, Roach, and Spanel.

Staff: Dick Armstrong (786-7460)

Hearing Dates: March 18, 1993; March 23, 1993

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:

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.

SUMMARY OF PROPOSED SENATE AMENDMENT:

The bill remains the same except that notice may be sent by either registered or certified mail.

Appropriation: none

Revenue: none

Fiscal Note: none requested

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

TESTIFIED: Representative Morton, prime sponsor; Don Webb, citizen