

HOUSE BILL REPORT

HB 1480

As Reported By House Committee On:

Trade & Economic Development

Title: An act relating to payment responsibility for utility service.

Brief Description: Requiring that utility service charges of tenants be collected from the tenant.

Sponsors: Representatives Brumsickle, Sheldon, Huff, Blanton and Hickel.

Brief History:

Committee Activity:

Trade & Economic Development: 2/6/95, 2/8/95, 2/13/95 [DP].

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: Do pass. Signed by 8 members: Representatives Van Luven, Chairman; Radcliff, Vice Chairman; D. Schmidt, Vice Chairman; Backlund; Ballasiotes; Hickel; Sherstad and Skinner.

Minority Report: Do not pass. Signed by 4 members: Representatives Veloria, Assistant Ranking Minority Member; Hatfield; Mason and Valle.

Staff: Kenny Pittman (786-7392).

Background: Under current law, a utility of a city, town, county, and sewer or water district may place a lien against the property of a landlord if a tenant fails to pay for services rendered. These utilities may also refuse to provide service to a residential customer who is a tenant based upon nonpayment of services by a prior tenant or the landlord.

Summary of Bill: All charges for municipal utility services and private utility services must be made to the customer requesting the service. Municipal utilities and private utility companies are prohibited from placing liens against the property of the landlord based upon the failure of a tenant to pay for services.

Municipal utilities and private utility companies are also prohibited from refusing service to a residential customer who is a tenant based upon nonpayment of services by the prior customer. However, municipal utilities and private utility

companies may refuse to provide services if the prior nonpaying customer continues to reside in the premises.

Appropriation: None.

Fiscal Note: Not Requested.

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

Testimony For: The landlord is always the person who gets stuck with the bill. The person who contracts for the service should be the one who pays the bill. The landlord should not be the collection for the utility districts. This is an issue of fairness.

Testimony Against: The bill would increase the cost of doing business for small water and sewer districts. Would require deposits from customers and drive up the cost of getting into a residence. Sewer and water districts are not the problem. Most water and sewer districts work with tenants and property owners when they are late on payments. The bill would be a problem to administer for multi-family rental housing. The threat of a lien against the property is an important tool to ensure that payment for services is made.

Testified: Representatives Brumsickle, sponsor (Pro); Mark Gjurasic and Bill Brumfield, Washington Apartment Owners Association (Pro); Ben Wood, Seattle-King County Apartment Association (Pro); Gary McDonald, Manufactured Housing Communities (Pro); Eric Mewhinney, Inland Empire Rental Association (Pro); Robert Klien, Southwest Washington Rental Owners Association (Pro); Representative Mason (Con); George Walk, Pierce County (Con); Steve Lindstrom, Snohomish-King Water District Coalition (Con); Dave Arbough, Washington Public Utility District Association (Con); Larry Southwick, city of Bellevue (Con); Joe Daniels, Washington State Water Association (Con); Bill Anderson and Patrick Curren, Silver Lake Water District (Con); Leonard Sanderson, Mayor of Milton (Con); Kim Gearhart, Tacoma Public Utilities (Con); and Tim Sweeney, Washington Utility and Transportation Commission (Concerns).