

***Technology, Telecommunications
& Energy Committee***

HB 1293

Brief Description: *Notifying real property owners of tenants' utility payment delinquencies.*

Sponsors: *Representatives Dunn (co-prime sponsor), Fromhold (co-prime sponsor), Mielke, Hunt, Benson, Miloscia, Roach, Doumit, Schindler, Kagi, Haigh and Esser.*

Brief Summary of Bill

- *Allows county water and sewer utilities and investor owned utilities to provide duplicates of tenant utility service bills to owners of rental property, and notice of a tenant's payment delinquency.*

Requires notice to a property owner, if requested, that a tenant's account is delinquent and requires that the tenant be informed of the property owner's request.

Prohibits a lien by a county water and sewer utility and an investor owned utility after January 1, 2002, against a property owner for a tenant's failure to pay utility charges if notice is requested by the property owner and the utility fails to give the notice.

Hearing Date: *2/14/01*

Staff: *Pam Madson (786-7166).*

Background:

Utilities operated by municipalities, counties and other political subdivisions of the state are authorized to place liens for charges due but unpaid against the property to which utility services are provided. Examples are liens for municipal water, sewer, and electricity services, and for water-sewer districts and irrigation district services.

Different governmental utilities have different lien provisions. The differences involve the method of enforcing the lien, the number of months of unpaid charges that may be subject to a lien, the priority status of the lien, and how the lien is perfected. In addition, similar utilities that are subject to the same lien laws vary greatly in size and have significantly

different billing systems.

Investor-owned utilities are required to levy charges for services that are just, fair, reasonable, and sufficient. Investor-owned utilities have no general lien authority, and may not refuse to serve a new tenant based on a prior tenant's failure to pay utility charges.

In 1998, the Legislature authorized municipal utilities, water-sewer districts, and irrigation districts to provide duplicates of tenant utility service bills to owners of rental property, or to notify an owner that a tenant's account is delinquent. If the property owner or designee makes a written request for notice to the utility or district when a tenant's account is delinquent, the utility or district must provide the notice. The notice of delinquency must be made in the same manner as notice to the tenant or by mail. The tenant must also be notified of the fact that the property owner is receiving a duplicate of the tenant's bill or notice of the tenant's delinquency.

After January 1, 1999, a municipal utility or a water-sewer or irrigation district may not place a lien on an owner's property for the tenant's delinquent bill if the utility or district fails to notify the owner of a tenant's delinquency after receiving a written request to do so.

Summary of Bill:

County water and sewer utilities and investor owned utilities may provide duplicates of tenant utility service bills to owners of rental property, or may notify an owner that a tenant's account is delinquent. If the property owner makes a written request for notice to the utility when a tenant's account is delinquent, the utility must provide the notice. The notice of delinquency must be made in the same manner as notice to the tenant or by mail. The tenant must also be notified of the fact that the property owner is receiving a duplicate of the tenant's bill or notice of the tenant's delinquency.

After January 1, 2002, a county utility or investor-owned utility may not place a lien on the property for the tenant's delinquent bill if the utility fails to notify the owner of a tenant's delinquency after receiving a written request to do so.

Appropriation: None.

Fiscal Note: Not Requested.

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