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SENATE BILL 5784

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State of Washington                      57th Legislature                      2001 Regular Session

By Senators Kline, Kohl-Welles, Prentice, Fraser and Costa

Read first time 02/02/2001. Referred to Committee on Judiciary.

1            AN ACT Relating to tenant security deposits; and amending RCW  
2 59.18.270.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 59.18.270 and 1975 1st ex.s. c 233 s 1 are each  
5 amended to read as follows:

6            All moneys paid to the landlord by the tenant as a deposit as  
7 security for performance of the tenant's obligations in a lease or  
8 rental agreement shall promptly be deposited by the landlord in ((a))  
9 an interest-bearing trust account, maintained by the landlord for the  
10 purpose of holding such security deposits for tenants of the landlord,  
11 in a bank, savings and loan association, mutual savings bank, or  
12 licensed escrow agent located in Washington. ((Unless otherwise agreed  
13 in writing, the landlord shall be)) The tenant is entitled to receipt,  
14 on each anniversary of the deposit, of interest paid on such trust  
15 account deposits, unless the tenancy is terminated sooner, in which  
16 case the tenant shall be immediately entitled to such interest. The  
17 landlord shall provide the tenant with a written receipt for the  
18 deposit and shall provide written notice of the name and address and  
19 location of the depository and any subsequent change thereof. If

1 during a tenancy the status of landlord is transferred to another, any  
2 sums in the deposit trust account affected by such transfer shall  
3 simultaneously be transferred to an equivalent trust account of the  
4 successor landlord, and the successor landlord shall promptly notify  
5 the tenant of the transfer and of the name, address and location of the  
6 new depository. The tenant's claim to any moneys paid under this  
7 section shall be prior to that of any creditor of the landlord,  
8 including a trustee in bankruptcy or receiver, even if such moneys are  
9 commingled.

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