

SENATE BILL REPORT

SHB 1012

As Reported By Senate Committee On:
Financial Services, Insurance & Housing, February 24, 2004

Title: An act relating to residential landlord-tenant relationships.

Brief Description: Regarding residential landlord-tenant relationships.

Sponsors: House Committee on Judiciary (originally sponsored by Representatives Bush, Veloria, Miloscia, Kirby, Kenney, Dunshee and Conway).

Brief History:

Committee Activity: Financial Services, Insurance & Housing: 2/23/04, 2/24/04 [DPA].

SENATE COMMITTEE ON FINANCIAL SERVICES, INSURANCE & HOUSING

Majority Report: Do pass as amended.

Signed by Senators Benton, Chair; Winsley, Vice Chair; Berkey, Keiser, Murray, Prentice and Roach.

Staff: Jennifer Arnold (786-7543)

Background: The Residential Landlord-Tenant Act (RLTA) provides that a landlord must designate to a tenant the landlord's name and address by including such information in either the rental agreement or in a notice conspicuously posted on the premises. A tenant must be notified immediately by certified mail or an updated posting if the landlord's name or address changes. If the landlord does not reside within the state, an agent must be designated, who is authorized to receive legal notice and process on the landlord's behalf. The agent must be located within the same county as the premises. If an out-of-state landlord does not designate an agent, the person to whom rental payments are made will be considered the agent.

"Service of process" refers to the procedure by which a plaintiff serves a defendant with notice of a lawsuit commencement. In general, current law allows service of process or notice on individuals by leaving a copy of the summons and complaint or notice at the defendant's usual mailing address with a person of suitable age and discretion who is a resident, agent, or proprietor of that address. In addition, a copy must be mailed to that same address. This method of service is permitted if it was not possible, after exercising reasonable diligence, to serve the person either personally or by leaving a copy at that person's usual abode.

Generally, a tenant may submit by regular mail notice to a landlord of that landlord's violation of his or her statutory duties under RLTA. Service of notice alone, not done in tandem with service of process, is permitted, but not generally required. Service of process, however, is required for the commencement of a lawsuit.

Summary of Amended Bill: An alternative method for the service of legal notice by a tenant to a landlord is created under RLTA. This alternative only applies if a tenant, after exercising

due diligence, is unable to ascertain the landlord's physical address from the address provided to the tenant by the landlord. If this option is applicable, a tenant may serve notice upon a landlord by sending the legal notice using both certified and regular mail to one of three locations: (1) the address listed on the property owner's current tax statement for the property being rented by the tenant; (2) the address where the tenant sends rental payments; or (3) the address provided to the tenant for service of notice.

This alternative is applicable only to service of notice for violations of landlord duties under RLTA.

Amended Bill Compared to Substitute Bill: The scope of the bill is limited to apply only to service of legal notice for landlord duty violations under RLTA, not service of process. Modifications to the definition of usual mailing address, allowing the inclusion of post office boxes for service of process are removed. Service of process upon landlords will continue as provided for under existing law.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Viable alternatives for providing service are offered in this bill and its proponents would like continued support to move it along. This bill has been in the process for two years now and there remain some concerns. The term legal document is too broad and creates confusion on how process is to be served; it is beyond the scope of service of process already provided for in statute, but otherwise the underlying policy is supported.

Testimony Against: None.

Testified: PRO: Bob Mitchell, WA State Commercial Association of Realtors. NEUTRAL: John Woodring, Rental Housing Association of Puget Sound.

Signed In/Did Not Testify: Pat Tussoni, Tenants Union.