

SENATE BILL REPORT

SHB 1852

As Reported by Senate Committee On:
Government Operations, Tribal Relations & Elections, February 20, 2012

Title: An act relating to the lien for collection of sewer utility charges by counties.

Brief Description: Revising the lien for collection of sewer charges by counties.

Sponsors: House Committee on Local Government (originally sponsored by Representatives Kelley, McCune, Ladenburg, Kirby and Green).

Brief History: Passed House: 2/09/12, 92-0.

Committee Activity: Government Operations, Tribal Relations & Elections: 2/20/12 [DP, DNP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS, TRIBAL RELATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Pridemore, Chair; Prentice, Vice Chair; Swecker, Ranking Minority Member; Chase and Nelson.

Minority Report: Do not pass.

Signed by Senators Benton and Roach.

Staff: Karen Epps (786-7424)

Background: Counties that operate a water or sewer system are required to have a lien on the applicable property for delinquent charges. The lien is for all charges, interest, and penalties and attaches to the premises to which the services were provided. After 60 days, the county may bring a foreclosure action in superior court in the county where the property is located. The lien is subject to foreclosure in the same manner as the foreclosure of a real property tax lien.

Cities and towns have the authority to impose a sewerage lien for up to six months without recording with the county auditor. The sewerage lien is recorded in the same manner as a mechanic's lien. An action to foreclose a six months' lien may be commenced at any time after six months. The sewerage lien includes all charges, interest, penalties, and lien

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recording and release fees. Cities and towns operating their own municipal water system may also terminate water service to the applicable property until the charges are paid.

Summary of Bill: A county that operates a sewer or water system may impose a sewerage lien for up to six months without recording the lien with the county auditor. Additionally, a county may enforce the lien by terminating water service to the property. A sewerage lien may be imposed by the county for up to one year by resolution or ordinance without recording with the county auditor. The lien includes all charges, interest, penalties, and lien recording and release fees.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill revises the lien collection process for county utilities. This bill would give counties a procedural option. The requirement to record a lien after 60 days is a burdensome cost to the customer as well as the county utility. The change under this bill would provide a county utility six months to a year to file a lien against a customer. This would be a nice change for the customer and the county utility. This bill would be a benefit to sewer utility customer by allowing them to get caught up with their bills before a lien is filed adding additional lien charges.

Persons Testifying: PRO: Brynn Brady, Pierce County; Cindy McClelland, Pierce County Public Works & Utility.