

# HOUSE BILL REPORT

## EHB 1443

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**As Passed House:**  
March 3, 2015

**Title:** An act relating to limiting fees charged by commercial parking businesses and requiring notice to customers.

**Brief Description:** Concerning fees charged by commercial parking businesses and requiring notice to customers.

**Sponsors:** Representatives G. Hunt, S. Hunt, Condotta, Shea, Taylor, Scott, Riccelli and Jinkins.

**Brief History:**

**Committee Activity:**

Business & Financial Services: 2/3/15, 2/4/15 [DP].

**Floor Activity:**

Passed House: 3/3/15, 94-0.

**Brief Summary of Engrossed Bill**

- Requires commercial parking businesses to notify customers of late fees and methods of payment accepted.
- Limits late fees and unauthorized parking fees a commercial parking business may charge.

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### HOUSE COMMITTEE ON BUSINESS & FINANCIAL SERVICES

**Majority Report:** Do pass. Signed by 11 members: Representatives Kirby, Chair; Ryu, Vice Chair; Vick, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Blake, G. Hunt, Hurst, Kochmar, McCabe, Santos and Stanford.

**Staff:** David Rubenstein (786-7153).

**Background:**

Commercial parking facilities are generally unregulated by state law. Instead, first- and second-class cities may establish the method of operation of off-street parking businesses by ordinance.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The same cities may also lease city-owned property for off-street parking and may create parking commissions to manage those facilities. The parking commission is authorized to own and operate off street parking facilities as well as contract with private businesses for the management and/or operation of parking facilities under its control, and related services, including leasing the facilities or portions of the facilities.

### **Summary of Engrossed Bill:**

#### Required Notice.

A commercial parking business operating an off-street parking lot may not charge for parking unless it posts a sign at the entrance of the parking lot indicating:

- the times and circumstances in which the customer will be charged for parking;
- the amount and schedule of parking charges;
- the circumstances in which a late fee will be charged, the amount, and the schedule on which it will be increased;
- the methods of payment accepted; and
- the contact information of the commercial parking business.

The sign must use letters and numbers at least 2 inches tall.

The notice requirement is waived for event parking where the business charges a rate different from its ordinary practice, provided an attendant or sign clearly states the charge on entrance. The requirement is also waived where there is an agreement between the business and the parking customer.

#### Limitation on Late Fees.

If a customer fails to pay the parking charge within 30 days after it was incurred, the business may charge a late fee of up to 50 percent of the parking charge. If the customer still hasn't paid within 60 days, the business may charge a late fee of up to 100 percent of the parking charge.

The business may not charge a late fee unless it has posted the required notice and delivered written notice of the late fee within 15 days of when the late fee was incurred. The late fee notice must include the date the parking charge was incurred, the date the late fee will be increased, the vehicle's license plate number, and the contact information for the parking business. Notice is presumed effective if the business delivers the notice to the registered owner of the vehicle.

#### Unauthorized Parking Fees.

Unauthorized parking is any parking in an area where the vehicle is not allowed to be parked, parking without paying the required charge, or taking up more than one parking stall without paying. A commercial parking business may charge for unauthorized parking either the posted parking charge or a fee of 150 percent of the posted parking charge.

If the commercial parking business will charge a fee greater than the posted parking charge, it must post the fee on signage at the entrance of the parking lot and deliver written notice to the customer that includes the date the parking charge was incurred, the date the late fee will be increased, the vehicle's license plate number, and the contact information for the parking business. Notice may be delivered by posting on the vehicle's windshield, mailing to the registered owner within 15 days, or by other commercially reasonable means. The signs must use letters and numbers at least 2 inches tall.

The registered owner is presumed liable for all charges allowed under this act, unless the owner proves that the driver of the vehicle was not authorized to drive it.

Small Claims Actions.

The parking business may pursue an action in small claims court for any charge or fee and may collect reasonable court costs and attorney fees.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) This bill requires transparency of fees and the forms of payment a parking business will accept. Customers who do not have cash on entry should not be penalized with an excessive late fee. This bill will help consumers understand what late fees will be and will limit how much they can be charged. Parking businesses should not be businesses of fees.

(With concerns) The bill may need tighter definitions or clarifications, especially with respect to what "conspicuous" means. There is also a chance that the bill could affect businesses and city lots targeted and providing long-term or extended hours parking for transit.

(Opposed) None.

**Persons Testifying:** (In support) Representative G. Hunt, prime sponsor.

(With concerns) Doug Levy, City of Renton.

**Persons Signed In To Testify But Not Testifying:** None.