

HOUSE BILL REPORT

HB 1480

As Reported By House Committee On:

Trade & Economic Development

Title: An act relating to payment responsibility for utility service.

Brief Description: Requiring that utility service charges of tenants be collected from the tenant.

Sponsors: Representatives Brumsickle, Sheldon, Huff, Blanton and Hickel.

Brief History:

Committee Activity:

Trade & Economic Development: 1/22/96, 1/24/96 [DPS].

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Van Luven, Chairman; Radcliff, Vice Chairman; D. Schmidt, Vice Chairman; Sheldon, Ranking Minority Member; Veloria, Assistant Ranking Minority Member; Backlund; Ballasiotes; Hickel; Sherstad; Skinner and Valle.

Minority Report: Do not pass. Signed by 2 members: Representatives Hatfield and Mason.

Staff: Kenny Pittman (786-7392).

Background: Under current law, a utility of a city, town, county, and sewer or water district may place a lien against the property of a landlord if a tenant fails to pay for services rendered. These utilities may also refuse to provide service to a residential customer who is a tenant because of nonpayment for services by a prior tenant or the landlord.

Summary of Substitute Bill: All charges for municipal utility services and private utility services must be made to the person who contracts for the service. Municipal utilities and private utility companies are prohibited from placing liens against the property of the landlord because of nonpayment for services contracted by the tenant.

Municipal utilities and private utility companies are also prohibited from refusing service to a residential customer who is a tenant because of nonpayment for services by the prior customer. However, municipal utilities and private utility companies may refuse to provide services if the prior nonpaying customer continues to reside on the premises.

Substitute Bill Compared to Original Bill: The substitute bill clarifies that collection of the bill for services must be from the person who contracts for the service. Public utility districts are removed from the bill

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: The landlord is always the person who gets stuck with the bill. The person who requests the service should be the person responsible for paying the bill. The landlord should not be the collection agency for the utilities. This is an issue of fairness.

Testimony Against: The landlord is in the best position to collect the bill from the tenant. This bill will have a negative impact on utility services provided by municipal governments. We are working with a larger group of utilities, property owners, and tenants to address the whole issue of utility services and property owners. The bill should be held until we complete those discussions.

Testified: (Pro) Jeff Powell, Institute of Real Estate Managers; Mark Barbieri, Building Owners and Managers Association; Nancy Hurst, Mobile Home Communities of Washington; and Patty VanDan Broek and Elizabeth Meager, Washington Apartment Owners Association. (Con) Victoria Lincoln, Association of Washington Cities; and William Blakney, King County. (Con as written, substitute addresses concerns) Majken Ryherd-Keira, Washington Low-Income Housing Congress.