

SENATE BILL REPORT

SB 6261

As of January 18, 2010

Title: An act relating to utility services collections against rental property.

Brief Description: Addressing utility services collections against rental property.

Sponsors: Senators Marr, Schoesler, Berkey, Zarelli and Hobbs.

Brief History:

Committee Activity: Financial Institutions, Housing & Insurance: 1/19/10.

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & INSURANCE

Staff: Alison Mendiola (786-7483)

Background: When a local municipality provides its own utility services and the property owner requests to be notified of a tenant's delinquency, then the local municipality is to notify the tenant and owner of a tenant's delinquency at the same time.

A municipality has authority to place a lien on the property when a utility account is four months past due. However, if the owner provides the proper notice and is not notified of a tenant's delinquency, then the local municipality does not have the authority to place a lien on the property for the tenant's delinquent and unpaid charges.

The owner of a property or the owner of a delinquent mortgage on the property may provide written notice to the utility to cut off such services provided the request includes payment of any delinquent and unpaid charges. If the utility continues to provide services despite this request and payment, the municipality may not place a lien for future unpaid charges, and the owner or the holder of the delinquent mortgage on the property is not liable for these charges.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): If a property owner provides proper notice to the local municipality that provides their own utilities and the municipality informs the owner of the tenant's delinquency, then the owner is only liable for up to four months of unpaid electrical or power charges.

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.

After August 1, 2010, if the municipality fails to provide the owner with notice of the tenant's delinquency then the municipality may not collect the tenant's delinquent and unpaid charges from the owner.

The language regarding shutting off utility services is struck.

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, except for Section 1 which take effect on August 1, 2010.