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**Housing Committee**

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**HB 1424**

**Brief Description:** Filing a claim of lien for utility services against the owner of a manufactured housing community.

**Sponsors:** Representatives O'Brien, Schindler and Miloscia.

**Brief Summary of Bill**

- Limits collection and enforcement remedies available to utility lienholder against manufactured housing communities.

**Hearing Date:** 2/1/05

**Staff:** CeCe Clynch (786-7168).

**Background:**

Various utilities furnishing water, sewer, electricity, and gas acquire a statutory lien against the premises when payment for services is delinquent. In some cases, the person to whom the services were furnished and the owner of the premises are one and the same. In other instances, such as in the case of manufactured housing communities, the services were supplied to a tenant rather than to the owner. Regardless of the status of the recipient of the services, the lien is against the premises.

Pursuant to several different statutes, the various utilities are authorized to employ different means to collect the monies owed. Depending upon the utility, these may include:

- cutting off services until the money owing is paid;
- foreclosing the lien in an action filed in superior court; and
- retaining a collection agency to collect the money.

**Summary of Bill:**

Execution of a lien is declared to be the "exclusive remedy" where the tenant in a manufactured housing community fails to pay for services and a claim of lien is filed against the premises. Of the enforcement mechanisms utilized by utilities to collect delinquent payments, use of a collection agency is expressly prohibited. The other collection methods are not specifically mentioned.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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