

SENATE BILL REPORT

SSB 5180

AS PASSED SENATE, FEBRUARY 7, 1992

Brief Description: Restricting civil actions to appoint receivers to manage real property.

SPONSORS: Senate Committee on Law & Justice (originally sponsored by Senators Nelson, Vognild and Sellar).

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: That Substitute Senate Bill No. 5180 be substituted therefor, and the substitute bill do pass.

Signed by Senators Nelson, Chairman; Thorsness, Vice Chairman; Erwin, L. Kreidler, Madsen, and A. Smith.

Staff: Dick Armstrong (786-7460)

Hearing Dates: February 12, 1991; February 19, 1991

BACKGROUND:

Certain municipal housing codes contain ordinances which authorize a city official or tenants in a building to seek to have a receiver appointed in superior court to take possession of and manage a building if it is unfit for human habitation, is a hazard to the health and safety of the occupants or public, or when the owner or manager fails to comply with code provisions.

SUMMARY:

Cities and towns may authorize civil actions by private parties to seek appointment of a receiver to manage privately owned, leased, or rented residential and multi-family real property. A local government cannot appoint a receiver unless three months have elapsed since a building inspector has certified that substandard and dangerous conditions exist which substantially endanger or impair the health and safety of the tenants. Also, a court must find substantial and compelling evidence that uninhabitable conditions exist in the property at issue before appointing a receiver.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

The Landlord-Tenant Act is a balanced, comprehensive statute which provides for rights and remedies for both landlords and tenants. Municipal ordinances which allow for receiverships are counterproductive and unnecessary because the Landlord-Tenant Act and local health codes provide adequate remedies. Also, receiverships have never been used at the local level.

TESTIMONY AGAINST:

The bill provides for too many stringent requirements before a receiver can be appointed. All requirements of the Landlord-Tenant Act should not have to be exhausted before a receiver can be appointed.

TESTIFIED: Scott Osborne, Washington State Bar Association (con); Elaine Rose, City of Seattle (con); Peggy Ganson, AASP (pro); Rob Rueber, Institute of Real Estate Management