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SENATE BILL 5016

State of Washington

53rd Legislature

1993 Regular Session

By Senators Nelson and Amondson

Read first time 01/11/93. Referred to Committee on Energy & Utilities.

- AN ACT Relating to payment responsibility for utility service; amending RCW 35.21.290, 35.67.200, 36.94.150, 56.16.100, and 57.08.080;
- 3 reenacting and amending RCW 80.28.010; and adding a new section to
- 4 chapter 54.16 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 35.21.290 and 1965 c 7 s 35.21.290 are each amended to 7 read as follows:
- 8 Cities and towns owning their own waterworks, or electric light or
- 9 power plants shall have a lien against the premises to which water,
- 10 electric light, or power services were furnished for four months
- 11 charges therefor due or to become due, but not for any charges more
- 12 than four months past due: PROVIDED, That the owner of the premises or
- 13 the owner of a delinquent mortgage thereon may give written notice to
- 14 the superintendent or other head of such works or plant to cut off
- 15 service to such premises accompanied by payment or tender of payment of
- 16 the then delinquent and unpaid charges for such service against the
- 17 premises together with the cut-off charge, whereupon the city or town
- 18 shall have no lien against the premises for charges for such service

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- thereafter furnished, nor shall the owner of the premises or the owner of a delinquent mortgage thereon be held for the payment thereof.
- 3 All charges made for utility services shall be charged to the
- 4 <u>customer requesting the service</u>. <u>In cases where the service is</u>
- 5 provided to a tenant, collection of charges shall be made from that
- 6 <u>individual</u> or <u>individuals</u>, and <u>liens</u> against the property of the
- 7 landlord for such service are prohibited. A city or town may not
- 8 refuse to provide service to a residential customer who is a tenant
- 9 based on the nonpayment for services by the prior customer. The city
- 10 or town may refuse to provide service if the prior nonpaying customer
- 11 <u>continues to reside in the premises.</u>
- 12 **Sec. 2.** RCW 35.67.200 and 1991 c 36 s 2 are each amended to read 13 as follows:
- 14 Cities and towns owning their own sewer systems shall have a lien
- 15 for delinquent and unpaid rates and charges for sewer service,
- 16 penalties levied pursuant to RCW 35.67.190, and connection charges,
- 17 including interest thereon, against the premises to which such service
- 18 has been furnished or is available, which lien shall be superior to all
- 19 other liens and encumbrances except general taxes and local and special
- 20 assessments. The city or town by ordinance may provide that delinquent
- 21 charges shall bear interest at not exceeding eight percent per annum
- 22 computed on a monthly basis: PROVIDED, That a city or town using the
- 23 property tax system for utility billing may, by resolution or
- 24 ordinance, adopt the alternative lien procedure as set forth in RCW
- 25 35.67.215.
- 26 All charges made for utility services shall be charged to the
- 27 <u>customer requesting the service. In cases where the service is</u>
- 28 provided to a tenant, collection of charges shall be made from that
- 29 individual or individuals, and liens against the property of the
- 30 landlord for such service are prohibited. A city or town may not
- 31 refuse to provide service to a residential customer who is a tenant
- 32 based on the nonpayment for services by the prior customer. The city
- 33 or town may refuse to provide service if the prior nonpaying customer
- 34 continues to reside in the premises.
- 35 **Sec. 3.** RCW 36.94.150 and 1975 1st ex.s. c 188 s 3 are each

36 amended to read as follows:

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All counties operating a system of sewerage and/or water shall have lien for delinquent connection charges and charges for the availability of sewerage and/or water service, together with interest fixed by resolution at eight percent per annum from the date due until paid. Penalties of not more than ten percent of the amount due may be imposed in case of failure to pay the charges at times fixed by resolution. The lien shall be for all charges, interest, and penalties and shall attach to the premises to which the services were available. The lien shall be superior to all other liens and encumbrances, except general taxes and local and special assessments of the county.

11 The county department established in RCW 36.94.120 shall certify 12 periodically the delinquencies to the treasurer of the county at which 13 time the lien shall attach.

Upon the expiration of sixty days after the attachment of the lien, the county may bring suit in foreclosure by civil action in the superior court of the county where the property is located. In addition to the costs and disbursements provided by statute, the court may allow the county a reasonable attorney's fee. The lien shall be foreclosed in the same manner as the foreclosure of real property tax liens.

All charges made for utility services shall be charged to the customer requesting the service. In cases where the service is provided to a tenant, collection of charges shall be made from that individual or individuals, and liens against the property of the landlord for such service are prohibited. A county may not refuse to provide service to a residential customer who is a tenant based on the nonpayment for services by the prior customer. The county may refuse to provide service if the prior nonpaying customer continues to reside in the premises.

NEW SECTION. Sec. 4. A new section is added to chapter 54.16 RCW to read as follows:

All charges made for utility services shall be charged to the customer requesting the service. In cases where the service is provided to a tenant, collection of charges shall be made from that individual or individuals, and liens against the property of the landlord for such service are prohibited. A district may not refuse to provide service to a residential customer who is a tenant based on the nonpayment for services by the prior customer. The district may refuse

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- 1 to provide service if the prior nonpaying customer continues to reside
- 2 in the premises.
- 3 **Sec. 5.** RCW 56.16.100 and 1977 ex.s. c 300 s 6 are each amended to 4 read as follows:
- The commissioners shall enforce collection of the sewer connection 5 charges and sewerage disposal service charges against property to which 6 and its owners to whom the service is available, such charges being 7 deemed charges against the property to which the service is available, 8 9 by addition of penalties of not more than ten percent thereof in case of failure to pay the charges at times fixed by resolution. The 10 commissioners may provide by resolution that where either sewer 11 12 connection charges or sewer service charges are delinquent for any specified period of time, the district shall certify the delinquencies 13 14 to the treasurer of the county in which the real property is located, 15 and the charges and any penalties added thereto and interest thereon at 16 the rate fixed by resolution, shall be a lien against the property to which the service was available, subject only to the lien for general 17 18 taxes.
- 19 All charges made for utility services shall be charged to the 20 customer requesting the service. In cases where the service is provided to a tenant, collection of charges shall be made from that 21 individual or individuals, and liens against the property of the 22 23 landlord for such service are prohibited. A district may not refuse to 24 provide service to a residential customer who is a tenant based on the nonpayment for services by the prior customer. The district may refuse 25 to provide service if the prior nonpaying customer continues to reside 26 in the premises. 27
- 28 **Sec. 6.** RCW 57.08.080 and 1982 1st ex.s. c 17 s 12 are each 29 amended to read as follows:
- The commissioners shall enforce collection of the water connection 30 31 charges and rates and charges for water supplied against property 32 owners connecting with the system and/or receiving such water, such 33 charges being deemed charges against the property served, by addition of penalties of not more than ten percent thereof in case of failure to 34 pay the charges at times fixed by resolution. The commissioners may 35 provide by resolution that where either water connection charges or 36 rates and charges for water supplied are delinquent for any specified 37

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period of time, the district shall certify the delinquencies to the treasurer of the county in which the real property is located, and the charges and any penalties added thereto and interest thereon at the rate of not more than eight percent per year shall be a lien against the property upon which the service was received, subject only to the lien for general taxes.

7 All charges made for utility services shall be charged to the 8 customer requesting the service. In cases where the service is 9 provided to a tenant, collection of charges shall be made from that individual or individuals, and liens against the property of the 10 landlord for such service are prohibited. A district may not refuse to 11 provide service to a residential customer who is a tenant based on the 12 nonpayment for services by the prior customer. The district may refuse 13 to provide service if the prior nonpaying customer continues to reside 14 15 in the premises.

- 16 **Sec. 7.** RCW 80.28.010 and 1991 c 347 s 22 and 1991 c 165 s 4 are 17 each reenacted and amended to read as follows:
- 18 (1) All charges made, demanded or received by any gas company, 19 electrical company or water company for gas, electricity or water, or for any service rendered or to be rendered in connection therewith, 20 just, fair, reasonable and sufficient. 21 To meet the requirements of this subsection, all charges made shall be to the 22 23 customer requesting the service. In cases where the service is provided to a tenant, collection of charges shall be made from that 24 individual or individuals, and liens against the property of the 25 landlord for such service are prohibited. 26
- (2) Every gas company, electrical company and water company shall furnish and supply such service, instrumentalities and facilities as shall be safe, adequate and efficient, and in all respects just and reasonable.
- 31 (3) All rules and regulations issued by any gas company, electrical 32 company or water company, affecting or pertaining to the sale or 33 distribution of its product, shall be just and reasonable.
- 34 (4) Utility service for residential space heating shall not be 35 terminated between November 15 through March 15 if the customer:
- 36 (a) Notifies the utility of the inability to pay the bill, 37 including a security deposit. This notice should be provided within 38 five business days of receiving a payment overdue notice unless there

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are extenuating circumstances. If the customer fails to notify the 2 utility within five business days and service is terminated, the customer can, by paying reconnection charges, if any, and fulfilling 3 4 the requirements of this section, receive the protections of this 5 chapter;

- (b) Provides self-certification of household income for the prior twelve months to a grantee of the department of community development which administers federally funded energy assistance programs. grantee shall determine that the household income does not exceed the maximum allowed for eligibility under the state's plan for low-income energy assistance under 42 U.S.C. 8624 and shall provide a dollar figure that is seven percent of household income. The grantee may verify information provided in the self-certification;
- (c) Has applied for home heating assistance from applicable 14 15 government and private sector organizations and certifies that any 16 assistance received will be applied to the current bill and future 17 utility bills;
- 18 (d) Has applied for low-income weatherization assistance to the 19 utility or other appropriate agency if such assistance is available for 20 the dwelling;
- (e) Agrees to a payment plan and agrees to maintain the payment 22 plan. The plan will be designed both to pay the past due bill by the 23 following October 15 and to pay for continued utility service. 24 past due bill is not paid by the following October 15, the customer shall not be eligible for protections under this chapter until the past 26 due bill is paid. The plan shall not require monthly payments in excess of seven percent of the customer's monthly income plus onetwelfth of any arrearage accrued from the date application is made and thereafter during November 15 through March 15. A customer may agree 29 to pay a higher percentage during this period, but shall not be in default unless payment during this period is less than seven percent of monthly income plus one-twelfth of any arrearage accrued from the date 32 application is made and thereafter. 33 If assistance payments are 34 received by the customer subsequent to implementation of the plan, the 35 customer shall contact the utility to reformulate the plan; and
 - (f) Agrees to pay the moneys owed even if he or she moves.

(5) The utility shall:

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- 1 (a) Include in any notice that an account is delinquent and that 2 service may be subject to termination, a description of the customer's 3 duties in this section;
- 4 (b) Assist the customer in fulfilling the requirements under this 5 section;

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- (c) Be authorized to transfer an account to a new residence when a customer who has established a plan under this section moves from one residence to another within the same utility service area;
- (d) Be permitted to disconnect service if the customer fails to honor the payment program. Utilities may continue to disconnect service for those practices authorized by law other than for nonpayment as provided for in this subsection. Customers who qualify for payment plans under this section who default on their payment plans and are disconnected can be reconnected and maintain the protections afforded under this chapter by paying reconnection charges, if any, and by paying all amounts that would have been due and owing under the terms of the applicable payment plan, absent default, on the date on which service is reconnected; and
- 19 (e) Advise the customer in writing at the time it disconnects 20 service that it will restore service if the customer contacts the 21 utility and fulfills the other requirements of this section.
- 22 (6) A payment plan implemented under this section ((is)) shall be 23 consistent with RCW 80.28.080.
 - (7) Every gas company and electrical company shall offer residential customers the option of a budget billing or equal payment plan. The budget billing or equal payment plan shall be offered low-income customers eligible under the state's plan for low-income energy assistance prepared in accordance with 42 U.S.C. 8624(C)(1) without limiting availability to certain months of the year, without regard to the length of time the customer has occupied the premises, and without regard to whether the customer is the tenant or owner of the premises occupied.
- 33 (8) A gas company, electrical company, or water company may not 34 refuse to provide service to a residential customer who is a tenant 35 based on the nonpayment for services by the prior customer. The 36 company may refuse to provide service if the prior nonpaying customer 37 continues to reside in the premises.
- 38 (9) Every gas company, electrical company and water company shall 39 construct and maintain such facilities in connection with the

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1 manufacture and distribution of its product as will be efficient and 2 safe to its employees and the public.

 $((\frac{9}{}))$ (10) An agreement between the customer and the utility, whether oral or written, shall not waive the protections afforded under this chapter.

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 $((\frac{10}{10}))$ (11) In establishing rates or charges for water service, water companies as defined in RCW 80.04.010 may consider the achievement of water conservation goals and the discouragement of wasteful water use practices.

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