
**Financial Institutions &
Insurance Committee**

HB 2715

Brief Description: Providing the option of keeping landlord trust account funds in a credit union.

Sponsors: Representatives Schual-Berke, Benson, Tom, Moeller, McIntire and Chase.

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">• Allows a landlord to deposit a tenant's security deposit in a credit union.

Hearing Date: 2/4/04

Staff: Caroleen Dineen (786-7156).

Background:

Washington's Residential Landlord-Tenant Act (RLTA) governs the relationship between the renter of residential property (tenant) and the property owner or property owner's agent (landlord). The RLTA outlines the specific duties of the landlord and tenant and specifies their rights and remedies.

A landlord may require a tenant to pay a deposit as security for performance of the tenant's obligations in a lease or rental agreement. The landlord must promptly deposit the tenant's security deposit in a trust account maintained by the landlord in a bank, savings and loan association, mutual savings bank, or licensed escrow agent located in Washington.

Summary of Bill:

A landlord may hold a tenant's security deposit in a trust account maintained at a credit union located in Washington. Credit unions are added to the list of institutions in which a landlord is authorized to hold a tenant's security deposit.

Appropriation: None.

Fiscal Note: Not requested.

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