S-2258.1			

SUBSTITUTE SENATE BILL 5854

State of Washington 60th Legislature 2007 Regular Session

By Senate Committee on Consumer Protection & Housing (originally sponsored by Senators Benton and Carrell)

READ FIRST TIME 02/26/07.

- AN ACT Relating to utility liens against rental property; and amending RCW 35.21.290, 35.67.200, and 36.94.150.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- **Sec. 1.** RCW 35.21.290 and 1965 c 7 s 35.21.290 are each amended to read as follows:
 - (1) Except as provided in subsection (2) of this section, cities and towns owning their own waterworks, or electric light or power plants shall have a lien against the premises to which water, electric light, or power services were furnished for four months charges therefor due or to become due, but not for any charges more than four months past due: PROVIDED, That the owner of the premises or the owner of a delinquent mortgage thereon may give written notice to the superintendent or other head of such works or plant to cut off service to such premises accompanied by payment or tender of payment of the then delinquent and unpaid charges for such service against the premises together with the cut-off charge, whereupon the city or town shall have no lien against the premises for charges for such service thereafter furnished, nor shall the owner of the premises or the owner of a delinquent mortgage thereon be held for the payment thereof.

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- (2) If a property owner or the owner's designee notifies the city 1 2 or town in writing that a property served by the city or town is a rental property, and provides, in writing, a mailing address for the 3 tenant that is complete and accurate at the time it is provided, if a 4 city or town contracts directly with the tenant for services, the city 5 or town shall have no lien against the premises for the tenant's 6 delinguent and unpaid charges and the city or town shall have no right 7 of action against the property owner. 8
- 9 **Sec. 2.** RCW 35.67.200 and 1991 c 36 s 2 are each amended to read 10 as follows:
- 11 (1) Except as provided in subsection (2) of this section, cities 12 and towns owning their own sewer systems shall have a lien for delinquent and unpaid rates and charges for sewer service, penalties 13 levied pursuant to RCW 35.67.190, and connection charges, including 14 interest thereon, against the premises to which such service has been 15 16 furnished or is available, which lien shall be superior to all other 17 liens and encumbrances except general taxes and local and special assessments. The city or town by ordinance may provide that delinquent 18 charges shall bear interest at not exceeding eight percent per annum 19 20 computed on a monthly basis: PROVIDED, That a city or town using the 21 property tax system for utility billing may, by resolution or ordinance, adopt the alternative lien procedure as set forth in RCW 22 23 35.67.215.
- 24 (2) If a property owner or the owner's designee notifies the city or town in writing that a property served by the city or town is a 25 26 rental property, and provides, in writing, a mailing address for the tenant that is complete and accurate at the time it is provided, if a 27 city or town contracts directly with the tenant for services, the city 28 or town shall have no lien against the premises for the tenant's 29 delinquent and unpaid charges and the city or town shall have no right 30 of action against the property owner. 31
- 32 **Sec. 3.** RCW 36.94.150 and 1997 c 393 s 9 are each amended to read as follows:
- (1) Except as provided in subsection (4) of this section, all counties operating a system of sewerage and/or water shall have a lien for delinquent connection charges and charges for the availability of

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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. shall be superior to all other liens and encumbrances, except general taxes and local and special assessments of the county.

(2) The county department established in RCW 36.94.120 shall certify periodically the delinquencies to the auditor of the county at which time the lien shall attach.

- (3) 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. Costs associated with the foreclosure of the lien, including but not limited to advertising, title report, and personnel costs, shall be added to the lien upon filing of the foreclosure action. 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.
- (4) If a property owner or the owner's designee notifies the county in writing that a property served by the county is a rental property, and provides, in writing, a mailing address for the tenant that is complete and accurate at the time it is provided, if a county contracts directly with the tenant for services, the county shall have no lien against the premises for the tenant's delinquent and unpaid charges and the county shall have no right of action against the property owner.

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