

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1742**

Chapter 258, Laws of 2023

68th Legislature  
2023 Regular Session

DEPARTMENT OF REVENUE—VARIOUS PROVISIONS—NONTAX STATUTES

EFFECTIVE DATE: July 23, 2023

Passed by the House March 3, 2023  
Yeas 95 Nays 0

LAURIE JINKINS

**Speaker of the House of  
Representatives**

Passed by the Senate April 11, 2023  
Yeas 48 Nays 0

DENNY HECK

**President of the Senate**

Approved May 4, 2023 10:33 AM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1742** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

**Chief Clerk**

FILED

May 4, 2023

**Secretary of State  
State of Washington**

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**HOUSE BILL 1742**

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Passed Legislature - 2023 Regular Session

**State of Washington                      68th Legislature                      2023 Regular Session**

**By** Representative Wylie; by request of Department of Revenue

Read first time 02/03/23. Referred to Committee on Finance.

1            AN ACT Relating to nontax statutes administered by the department  
2 of revenue by modifying provisions of the unclaimed property and  
3 business licensing service programs concerning penalty waivers, the  
4 department of revenue's express settlement authority, and making  
5 technical corrections; amending RCW 19.02.085, 19.150.060,  
6 19.150.080, 19.240.080, 19.240.900, 59.18.312, 59.18.595, 63.30.040,  
7 63.30.690, and 88.26.020; adding a new section to chapter 63.30 RCW;  
8 and creating a new section.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10            **Sec. 1.** RCW 19.02.085 and 2020 c 139 s 3 are each amended to  
11 read as follows:

12            (1) To encourage timely renewal by applicants, a business license  
13 delinquency fee is imposed on licensees who fail to renew by the  
14 business license expiration date. The business license delinquency  
15 fee must be the lesser of (~~one hundred fifty dollars~~) \$150 or  
16 (~~fifty~~) 50 percent of a base comprised of the licensee's renewal  
17 fee minus corporate licensing taxes, corporation annual report fee,  
18 and any interest fees or penalties charged for late taxes or  
19 corporate renewals. The business license delinquency fee must be  
20 added to the renewal fee and paid by the licensee before a business

1 license is renewed. The delinquency fee must be deposited in the  
2 business license account.

3 (2) The department must waive or cancel the business license  
4 delinquency fee imposed in subsection (1) of this section only if  
5 ~~((the))~~:

6 (a) The department determines that the licensee failed to renew a  
7 license by the business license expiration date due to an  
8 undisputable error or failure by the department; or

9 (b) The licensee requests the waiver and has timely renewed all  
10 business licenses and paid the applicable business license fees for a  
11 period of 24 months immediately preceding the period covered by the  
12 renewal application for which the waiver is being requested.

13 (c) For purposes of this subsection, an error or failure is  
14 undisputable if the department is satisfied, beyond any doubt, that  
15 the error or failure occurred.

16 **Sec. 2.** RCW 19.150.060 and 2016 sp.s. c 6 s 1 are each amended  
17 to read as follows:

18 (1) If a notice has been sent, as required by RCW 19.150.040, and  
19 the total sum due has not been paid as of the date specified in the  
20 preliminary lien notice, the lien proposed by this notice attaches as  
21 of that date and the owner may deny an occupant access to the space,  
22 enter the space, inventory the goods therein, and remove any property  
23 found therein to a place of safe keeping. The owner must provide the  
24 occupant a notice of final lien sale or final notice of disposition  
25 by personal service, verified mail, or email to the occupant's last  
26 known address and alternative address or email address. If the owner  
27 sends notice required under this section to the occupant's last known  
28 email address and does not receive a reply or receipt of delivery,  
29 the owner must send a second notice to the occupant's last known  
30 postal address by verified mail. The notice required under this  
31 section must state all of the following:

32 (a) That the occupant's right to use the storage space has  
33 terminated and that the occupant no longer has access to the stored  
34 property.

35 (b) That the stored property is subject to a lien, and the amount  
36 of the lien accrued and to accrue prior to the date required to be  
37 specified in (c) of this subsection.

38 (c) That all the property, other than personal papers and  
39 personal photographs, may be sold to satisfy the lien after a

1 specified date which is not less than fourteen days from the last  
2 date of sending of the final lien sale notice, or a minimum of  
3 (~~forty-two~~) 42 days after the date when any part of the rent or  
4 other charges due from the occupants remain unpaid, whichever is  
5 later, unless the amount of the lien is paid. The owner is not  
6 required to sell the personal property within a maximum number of  
7 days of when the rent or other charges first became due. If the total  
8 value of property in the storage space is less than three hundred  
9 dollars, the owner may, instead of sale, dispose of the property in  
10 any reasonable manner, subject to the restrictions of RCW  
11 19.150.080(4). After the sale or other disposition pursuant to this  
12 section has been completed, the owner shall provide an accounting of  
13 the disposition of the proceeds of the sale or other disposition to  
14 the occupant at the occupant's last known address and at the  
15 alternative address.

16 (d) That any stored vehicles, watercraft, trailers, recreational  
17 vehicles, or campers may be towed or removed from the self-service  
18 storage facility in lieu of sale pursuant to RCW 19.150.160.

19 (e) That any excess proceeds of the sale or other disposition  
20 under RCW 19.150.080(2) over the lien amount and reasonable costs of  
21 sale will be retained by the owner and may be reclaimed by the  
22 occupant, or claimed by another person, at any time for a period of  
23 six months from the sale and that thereafter the proceeds will be  
24 turned over to the state as abandoned property as provided in (~~RCW~~  
25 ~~63.29.165~~) chapter 63.30 RCW.

26 (f) That any personal papers and personal photographs will be  
27 retained by the owner and may be reclaimed by the occupant at any  
28 time for a period of six months from the sale or other disposition of  
29 property and that thereafter the owner may dispose of the personal  
30 papers and photographs in a reasonable manner, subject to the  
31 restrictions of RCW 19.150.080(3).

32 (g) That the occupant has no right to repurchase any property  
33 sold at the lien sale.

34 (2) The owner may not send by email the notice required under  
35 this section to the occupant's last known address or alternative  
36 address unless:

37 (a) The occupant expressly agrees to notice by email;

38 (b) The rental agreement executed by the occupant specifies in  
39 bold type that notices will be given to the occupant by email;

1 (c) The owner provides the occupant with the email address from  
2 which notices will be sent and directs the occupant to modify his or  
3 her email settings to allow email from that address to avoid any  
4 filtration systems; and

5 (d) The owner notifies the occupant of any change in the email  
6 address from which notices will be sent prior to the address change.

7 **Sec. 3.** RCW 19.150.080 and 2007 c 113 s 5 are each amended to  
8 read as follows:

9 (1) After the expiration of the time given in the final notice of  
10 lien sale pursuant to RCW 19.150.060, the property, other than  
11 personal papers and personal photographs, may be sold or disposed of  
12 in a reasonable manner as provided in this section.

13 (2)(a) If the property has a value of three hundred dollars or  
14 more, the sale shall be conducted in a commercially reasonable  
15 manner, and, after applying the proceeds to costs of the sale and  
16 then to the amount of the lien, the owner shall retain any excess  
17 proceeds of the sale on the occupant's behalf. The occupant, or any  
18 other person having a court order or other judicial process against  
19 the property, may claim the excess proceeds, or a portion thereof  
20 sufficient to satisfy the particular claim, at any time within six  
21 months of the date of sale.

22 (b) If the property has a value of less than three hundred  
23 dollars, the property may be disposed of in a reasonable manner.

24 (3) Personal papers and personal photographs that are not  
25 reclaimed by the occupant within six months of a sale under  
26 subsection (2)(a) of this section or other disposition under  
27 subsection (2)(b) of this section may be disposed of in a reasonable  
28 manner.

29 (4) No employee or owner, or family member of an employee or  
30 owner, may acquire, directly or indirectly, the property sold  
31 pursuant to subsection (2)(a) of this section or disposed of pursuant  
32 to subsection (2)(b) of this section, or personal papers and personal  
33 photographs disposed of under subsection (3) of this section.

34 (5) The owner is entitled to retain any interest earned on the  
35 excess proceeds until the excess proceeds are claimed by another  
36 person or are turned over to the state as abandoned property pursuant  
37 to (~~RCW 63.29.165~~) chapter 63.30 RCW.

1       **Sec. 4.** RCW 19.240.080 and 2004 c 168 s 9 are each amended to  
2 read as follows:

3       An issuer is not required to honor a gift certificate presumed  
4 abandoned under (~~RCW 63.29.110~~) chapter 63.30 RCW, if reported(~~(7)~~)  
5 and delivered to the department of revenue in the dissolution of a  
6 business association.

7       **Sec. 5.** RCW 19.240.900 and 2004 c 168 s 18 are each amended to  
8 read as follows:

9       Sections 1 through 12 of this act apply to:

- 10       (1) Gift certificates issued on or after July 1, 2004; and  
11       (2) Those gift certificates presumed abandoned on or after July  
12 1, 2004, and not reported as provided in (~~RCW 63.29.170(4)~~) chapter  
13 63.30 RCW.

14       **Sec. 6.** RCW 59.18.312 and 2011 c 132 s 17 are each amended to  
15 read as follows:

16       (1) A landlord shall, upon the execution of a writ of restitution  
17 by the sheriff, enter and take possession of any property of the  
18 tenant found on the premises. The landlord may store the property in  
19 any reasonably secure place, including the premises, and sell or  
20 dispose of the property as provided under subsection (3) of this  
21 section. The landlord must store the property if the tenant serves a  
22 written request to do so on the landlord or the landlord's  
23 representative by any of the methods described in RCW 59.18.365 no  
24 later than three days after service of the writ. A landlord may elect  
25 to store the property without such a request unless the tenant or the  
26 tenant's representative objects to the storage of the property. If  
27 the tenant or the tenant's representative objects to the storage of  
28 the property or the landlord elects not to store the property because  
29 the tenant has not served a written request on the landlord to do so,  
30 the property shall be deposited upon the nearest public property and  
31 may not be stored by the landlord. If the landlord knows that the  
32 tenant is a person with a disability as defined in RCW 49.60.040 (as  
33 amended by chapter 317, Laws of 2007) and the disability impairs or  
34 prevents the tenant or the tenant's representative from making a  
35 written request for storage, it must be presumed that the tenant has  
36 requested the storage of the property as provided in this section  
37 unless the tenant objects in writing.

1 (2) Property stored under this section shall be returned to the  
2 tenant after the tenant has paid the actual or reasonable drayage and  
3 storage costs, whichever is less, or until it is sold or disposed of  
4 by the landlord in accordance with subsection (3) of this section.

5 (3) Prior to the sale of property stored pursuant to this section  
6 with a cumulative value of over (~~two hundred fifty dollars~~) \$250,  
7 the landlord shall notify the tenant of the pending sale. After  
8 (~~thirty~~) 30 days from the date the notice of the sale is mailed or  
9 personally delivered to the tenant's last known address, the landlord  
10 may sell the property, including personal papers, family pictures,  
11 and keepsakes, and dispose of any property not sold.

12 If the property that is being stored has a cumulative value of  
13 (~~two hundred fifty dollars~~) \$250 or less, then the landlord may  
14 sell or dispose of the property in the manner provided in this  
15 section, except for personal papers, family pictures, and keepsakes.  
16 Prior to the sale or disposal of property stored pursuant to this  
17 section with a cumulative value of (~~two hundred fifty dollars~~) \$250  
18 or less, the landlord shall notify the tenant of the pending sale or  
19 disposal. The notice shall either be mailed to the tenant's last  
20 known address or personally delivered to the tenant. After seven days  
21 from the date the notice is mailed or delivered to the tenant, the  
22 landlord may sell or dispose of the property.

23 The landlord may apply any income derived from the sale of the  
24 tenant's property against moneys due the landlord for drayage and  
25 storage of the property. The amount of sale proceeds that the  
26 landlord may apply towards such costs may not exceed the actual or  
27 reasonable costs for drayage and storage of the property, whichever  
28 is less. Any excess income derived from the sale of such property  
29 shall be held by the landlord for the benefit of the tenant for a  
30 period of one year from the date of the sale. If no claim is made or  
31 action commenced by the tenant for the recovery of the excess income  
32 prior to the expiration of that period of time, then the balance  
33 shall be treated as abandoned property and deposited by the landlord  
34 with the department of revenue pursuant to chapter (~~63.29~~) 63.30  
35 RCW.

36 (4) Nothing in this section shall be construed as creating a  
37 right of distress for rent.

38 (5) When serving a tenant with a writ of restitution pursuant to  
39 RCW 59.12.100 and 59.18.410, the sheriff shall provide written notice  
40 to the tenant that: (a) Upon execution of the writ, the landlord must

1 store the tenant's property only if the tenant serves a written  
2 request on the landlord to do so no later than three days after  
3 service of the writ; (b) the notice to the landlord requesting  
4 storage may be served by personally delivering or mailing a copy of  
5 the request to the landlord at the address identified in, or by  
6 facsimile to the facsimile number listed on, the form described under  
7 subsection (6) of this section; (c) if the tenant has not made such a  
8 written request to the landlord, the landlord may elect to either  
9 store the tenant's property or place the tenant's property on the  
10 nearest public property unless the tenant objects; (d) if the  
11 property is stored, it may not be returned to the tenant unless the  
12 tenant pays the actual or reasonable costs of drayage and storage,  
13 whichever is less, within (~~thirty~~) 30 days; (e) if the tenant or  
14 the tenant's representative objects to storage of the property, it  
15 will not be stored but will be placed on the nearest public property;  
16 and (f) the landlord may sell or otherwise dispose of the property as  
17 provided in subsection (3) of this section if the landlord provides  
18 written notice to the tenant first.

19 (6) When serving a tenant with a writ of restitution under  
20 subsection (5) of this section, the sheriff shall also serve the  
21 tenant with a form provided by the landlord that can be used to  
22 request the landlord to store the tenant's property, which must be  
23 substantially in the following form:

24 REQUEST FOR STORAGE OF PERSONAL PROPERTY

25 . . . . .

26 Name of Plaintiff

27 . . . . .

28 Name(s) of Tenant(s)

29 I/we hereby request the landlord to store our personal property.  
30 I/we understand that I/we am/are responsible for the actual or  
31 reasonable costs of moving and storing the property, whichever is  
32 less. If I/we fail to pay these costs, the landlord may sell or  
33 dispose of the property pursuant to and within the time frame  
34 permitted under RCW 59.18.312(3).

35 Any notice of sale required under RCW 59.18.312(3) must be sent  
36 to the tenants at the following address:



1 . . . . .  
2 . . . . .  
3 . . . . .

4 IF NO ADDRESS IS PROVIDED, NOTICE OF SALE WILL BE SENT TO THE LAST  
5 KNOWN ADDRESS OF THE TENANT(S)

6 Dated: . . . . .

7 . . . . .

8 Tenant-Print Name

9 . . . . .

10 Tenant-Print Name

11 This notice may be delivered or mailed to the landlord or the  
12 landlord's representative at the following address:

13 . . . . .  
14 . . . . .  
15 . . . . .

16 This notice may also be served by facsimile to the landlord or the  
17 landlord's representative at:

18 . . . . .

19 Facsimile Number

20 IMPORTANT

21 IF YOU WANT YOUR LANDLORD TO STORE YOUR PROPERTY, THIS WRITTEN  
22 REQUEST MUST BE RECEIVED BY THE LANDLORD NO LATER THAN THREE (3) DAYS  
23 AFTER THE SHERIFF SERVES THE WRIT OF RESTITUTION. YOU SHOULD RETAIN  
24 PROOF OF SERVICE.

25 **Sec. 7.** RCW 59.18.595 and 2015 c 264 s 3 are each amended to  
26 read as follows:

27 (1) In the event of the death of a tenant who is the sole  
28 occupant of the dwelling unit:

29 (a) The landlord, upon learning of the death of the tenant, shall  
30 promptly mail or personally deliver written notice to any known  
31 personal representative, known designated person, emergency contact  
32 identified by the tenant on the rental application, known person  
33 reasonably believed to be a successor of the tenant as defined in RCW

1 11.62.005, and to the deceased tenant at the address of the dwelling  
2 unit. If the landlord knows of any address used for the receipt of  
3 electronic communications, the landlord shall email the notice to  
4 that address as well. The notice must include:

5 (i) The name of the deceased tenant and address of the dwelling  
6 unit;

7 (ii) The approximate date of the deceased tenant's death;

8 (iii) The rental amount and date through which rent is paid;

9 (iv) A statement that the tenancy will terminate (~~((fifteen))~~) 15  
10 days from the date the notice is mailed or personally delivered or  
11 the date through which rent is paid, whichever comes later, unless  
12 during that time period a tenant representative makes arrangements  
13 with the landlord to pay rent in advance for no more than (~~((sixty))~~)  
14 60 days from the date of the tenant's death to allow a tenant  
15 representative to arrange for orderly removal of the tenant's  
16 property. At the end of the period for which the rent has been paid  
17 pursuant to this subsection, the tenancy ends;

18 (v) A statement that failure to remove the tenant's property  
19 before the tenancy is terminated or ends as provided in (a)(iv) of  
20 this subsection will allow the landlord to enter the dwelling unit  
21 and take possession of any property found on the premises, store it  
22 in a reasonably secure place, and charge the actual or reasonable  
23 costs, whichever is less, of drayage and storage of the property, and  
24 after service of a second notice sell or dispose of the property as  
25 provided in subsection (3) of this section; and

26 (vi) A copy of any designation executed by the tenant pursuant to  
27 RCW 59.18.590;

28 (b) The landlord shall turn over possession of the tenant's  
29 property to a tenant representative if a request is made in writing  
30 within the specified time period or any subsequent date agreed to by  
31 the parties;

32 (c) Within (~~((fourteen))~~) 14 days after the removal of the property  
33 by the tenant representative, the landlord shall refund any unearned  
34 rent and shall give a full and specific statement of the basis for  
35 retaining any deposit together with the payment of any refund due the  
36 deceased tenant under the terms and conditions of the rental  
37 agreement to the tenant representative; and

38 (d) Any tenant representative who removes property from the  
39 tenant's dwelling unit or the premises must, at the time of removal,  
40 provide to the landlord an inventory of the removed property and

1 signed acknowledgment that he or she has only been given possession  
2 and not ownership of the property.

3 (2) A landlord shall send a second written notice before selling  
4 or disposing of a deceased tenant's property.

5 (a) If the tenant representative makes arrangements with the  
6 landlord to pay rent in advance as provided in subsection (1)(a)(iv)  
7 of this section, the landlord shall mail a second written notice to  
8 any known personal representative, known designated person, emergency  
9 contact identified by the tenant on the rental application, known  
10 person reasonably believed to be a successor of the tenant as defined  
11 in RCW 11.62.005, and to the deceased tenant at the dwelling unit.  
12 The second notice must include:

13 (i) The name, address, and phone number or other contact  
14 information for the tenant representative, if known, who made the  
15 arrangements to pay rent in advance;

16 (ii) The amount of rent paid in advance and date through which  
17 rent was paid; and

18 (iii) A statement that the landlord may sell or dispose of the  
19 property on or after the date through which rent is paid or at least  
20 (~~forty-five~~) 45 days after the second notice is mailed, whichever  
21 comes later, if a tenant representative does not claim and remove the  
22 property in accordance with this subsection.

23 (b) If the landlord places the property in storage pursuant to  
24 subsection (1)(a) of this section, the landlord shall mail a second  
25 written notice, unless a written notice under (a) of this subsection  
26 has already been provided, to any known personal representative,  
27 known designated person, emergency contact identified by the tenant  
28 on the rental application, known person reasonably believed to be a  
29 successor of the tenant as defined in RCW 11.62.005, and to the  
30 deceased tenant at the dwelling unit. The second notice must state  
31 that the landlord may sell or dispose of the property on or after a  
32 specified date that is at least (~~forty-five~~) 45 days after the  
33 second notice is mailed if a tenant representative does not claim and  
34 remove the property in accordance with this subsection.

35 (c) The landlord shall turn over possession of the tenant's  
36 property to a tenant representative if a written request is made  
37 within the applicable time periods after the second notice is mailed,  
38 provided the tenant representative: (i) Pays the actual or reasonable  
39 costs, whichever is less, of drayage and storage of the property, if  
40 applicable; and (ii) gives the landlord an inventory of the property

1 and signs an acknowledgment that he or she has only been given  
2 possession and not ownership of the property.

3 (d) Within (~~fourteen~~) 14 days after the removal of the property  
4 by the tenant representative, the landlord shall refund any unearned  
5 rent and shall give a full and specific statement of the basis for  
6 retaining any deposit together with the payment of any refund due the  
7 deceased tenant under the terms and conditions of the rental  
8 agreement to the tenant representative.

9 (3) (a) If a tenant representative has not contacted the landlord  
10 or removed the deceased tenant's property within the applicable time  
11 periods under this section, the landlord may sell or dispose of the  
12 deceased tenant's property, except for personal papers and personal  
13 photographs, as provided in this subsection.

14 (i) If the landlord reasonably estimates the fair market value of  
15 the stored property to be more than (~~one thousand dollars~~) \$1,000,  
16 the landlord shall arrange to sell the property in a commercially  
17 reasonable manner and may dispose of any property that remains unsold  
18 in a reasonable manner.

19 (ii) If the value of the stored property does not meet the  
20 threshold provided in (a) (i) of this subsection, the landlord may  
21 dispose of the property in a reasonable manner.

22 (iii) The landlord may apply any income derived from the sale of  
23 the property pursuant to this section against any costs of sale and  
24 moneys due the landlord, including actual or reasonable costs,  
25 whichever is less, of drayage and storage of the deceased tenant's  
26 property. Any excess income derived from the sale of such property  
27 under this section must be held by the landlord for a period of one  
28 year from the date of sale, and if no claim is made for recovery of  
29 the excess income before the expiration of that one-year period, the  
30 balance must be treated as abandoned property and deposited by the  
31 landlord with the department of revenue pursuant to chapter (~~63.29~~)  
32 63.30 RCW.

33 (b) Personal papers and personal photographs that are not claimed  
34 by a tenant representative within (~~ninety~~) 90 days after a sale or  
35 other disposition of the deceased tenant's other property shall be  
36 either destroyed or held for the benefit of any successor of the  
37 deceased tenant as defined in RCW 11.62.005.

38 (c) No landlord or employee of a landlord, or his or her family  
39 members, may acquire, directly or indirectly, the property sold

1 pursuant to (a)(i) of this subsection or disposed of pursuant to  
2 (a)(ii) of this subsection.

3 (4) Upon learning of the death of the tenant, the landlord may  
4 enter the deceased tenant's dwelling unit and immediately dispose of  
5 any perishable food, hazardous materials, and garbage found on the  
6 premises and turn over animals to a tenant representative or to an  
7 animal control officer, humane society, or other individual or  
8 organization willing to care for the animals.

9 (5) Any notices sent by the landlord under this section must  
10 include a mailing address, any address used for the receipt of  
11 electronic communications, and a telephone number of the landlord.

12 (6) If a landlord knowingly violates this section, the landlord  
13 is liable to the deceased tenant's estate for actual damages. The  
14 prevailing party in any action pursuant to this subsection may  
15 recover costs and reasonable attorneys' fees.

16 (7) A landlord who complies with this section is relieved from  
17 any liability relating to the deceased tenant's property.

18 **Sec. 8.** RCW 63.30.040 and 2022 c 225 s 201 are each amended to  
19 read as follows:

20 Subject to RCW 63.30.120, the following property is presumed  
21 abandoned if it is unclaimed by the apparent owner during the period  
22 specified below:

23 (1) A traveler's check, 15 years after issuance;

24 (2) A money order, five years after issuance;

25 (3) A state or municipal bond, bearer bond, or original issue  
26 discount bond, three years after the earliest of the date the bond  
27 matures or is called or the obligation to pay the principal of the  
28 bond arises;

29 (4) A debt of a business association, three years after the  
30 obligation to pay arises;

31 (5) A demand, savings, or time deposit, including a deposit that  
32 is automatically renewable, three years after the later of maturity,  
33 if applicable, of the deposit or the owner's last indication of  
34 interest in the deposit, except a deposit that is automatically  
35 renewable is deemed matured on its initial date of maturity unless  
36 the apparent owner consented in a record on file with the holder to  
37 renewal at or about the time of the renewal;

38 (6) Money or a credit owed to a customer as a result of a retail  
39 business transaction, three years after the obligation arose;

1 (7) An amount owed by an insurance company on a life or endowment  
2 insurance policy or an annuity contract that has matured or  
3 terminated, three years after the obligation to pay arose under the  
4 terms of the policy or contract or, if a policy or contract for which  
5 an amount is owed on proof of death has not matured by proof of the  
6 death of the insured or annuitant, as follows:

7 (a) With respect to an amount owed on a life or endowment  
8 insurance policy, three years after the earlier of the date:

9 (i) The insurance company has knowledge of the death of the  
10 insured; or

11 (ii) The insured has attained, or would have attained if living,  
12 the limiting age under the mortality table on which the reserve for  
13 the policy is based; and

14 (b) With respect to an amount owed on an annuity contract, three  
15 years after the date the insurance company has knowledge of the death  
16 of the annuitant;

17 (8) Property distributable by a business association in the  
18 course of dissolution, one year after the property becomes  
19 distributable;

20 (9) Property held by a court, including property received as  
21 proceeds of a class action, one year after the property becomes  
22 distributable;

23 (10) Property held by a government or governmental subdivision,  
24 agency, or instrumentality, including municipal bond interest and  
25 unredeemed principal under the administration of a paying agent or  
26 indenture trustee, one year after the property becomes distributable;

27 (11) Wages, commissions, bonuses, or reimbursements to which an  
28 employee is entitled, or other compensation for personal services,  
29 one year after the amount becomes payable;

30 (12) A deposit or refund owed to a subscriber by a utility, one  
31 year after the deposit or refund becomes payable; (~~and~~)

32 (13) Payroll card, one year after the amount becomes payable;  
33 (~~and~~)

34 (14) Excess proceeds from the sale of property by an owner of a  
35 self-service storage facility conducted pursuant to RCW 19.150.080,  
36 six months from the date of sale;

37 (15) Excess income from the sale of tenant property by a landlord  
38 conducted pursuant to RCW 59.18.312 and RCW 59.18.595, one year from  
39 the date of the sale;

1       (16) Excess funds from the sale of an abandoned vessel by an  
2 operator of a private moorage facility conducted pursuant to RCW  
3 88.26.020, one year from the date of the sale; and

4       (17) Property not specified in this section or RCW 63.30.050  
5 through 63.30.100, the earlier of three years after the owner first  
6 has a right to demand the property or the obligation to pay or  
7 distribute the property arises.

8       **Sec. 9.** RCW 63.30.690 and 2022 c 225 s 1013 are each amended to  
9 read as follows:

10       (1) A person who fails to pay or deliver property when due is  
11 required to pay to the administrator interest at the rate as computed  
12 under RCW 82.32.050(1)(c) and set under RCW 82.32.050(2). However,  
13 the administrator must waive or cancel interest imposed under this  
14 subsection if:

15       (a) The administrator finds that the failure to pay or deliver  
16 the property within the time prescribed by this chapter was the  
17 result of circumstances beyond the person's control sufficient for  
18 waiver or cancellation of interest under RCW 82.32.105;

19       (b) The failure to timely pay or deliver the property within the  
20 time prescribed by this chapter was the direct result of written  
21 instructions given to the person by the administrator; or

22       (c) The extension of a due date for payment or delivery under an  
23 assessment issued by the administrator was not at the person's  
24 request and was for the sole convenience of the administrator.

25       (2) If a person fails to file any report or to pay or deliver any  
26 amounts or property when due under a report required under this  
27 chapter, there is assessed a penalty equal to 10 percent of the  
28 amount unpaid and the value of any property not delivered.

29       (3) If an examination results in an assessment for amounts unpaid  
30 or property not delivered, there is assessed a penalty equal to 10  
31 percent of the amount unpaid and the value of any property not  
32 delivered.

33       (4) If a person fails to pay or deliver to the administrator by  
34 the due date any amounts or property due under an assessment issued  
35 by the administrator to the person, there is assessed an additional  
36 penalty of five percent of the amount unpaid and the value of any  
37 property not delivered.

38       (5) If a holder makes a fraudulent report under this chapter, the  
39 administrator may require the holder to pay the administrator, in

1 addition to interest under this section, a civil penalty of \$1,000  
2 for each day from the date the report was made until corrected, up to  
3 a cumulative maximum amount of \$25,000, plus 25 percent of the amount  
4 or value of any property that should have been reported or was  
5 underreported.

6 (6) Penalties under subsections (2) through (4) of this section  
7 may be waived or canceled only if ~~((the))~~:

8 (a) The administrator finds that the failure to pay or deliver  
9 within the time prescribed by this chapter was the result of  
10 circumstances beyond the person's control sufficient for waiver or  
11 cancellation of penalties under RCW 82.32.105; or

12 (b) The person requests the waiver for a report required to be  
13 filed under RCW 63.30.220 and has timely filed as provided by RCW  
14 63.30.240 all reports due under RCW 63.30.220 and paid or delivered  
15 all property associated with those reports for a period of 24 months  
16 immediately preceding the period covered by the report for which the  
17 waiver is being requested.

18 (7) If a person willfully fails to file a report or to provide  
19 written notice to apparent owners as required under this chapter, the  
20 administrator may assess a civil penalty of \$100 for each day the  
21 report is withheld or the notice is not sent, but not more than  
22 \$5,000.

23 (8) If a holder, having filed a report, failed to file the report  
24 electronically as required by RCW ~~((63.29.170))~~ 63.30.220, or failed  
25 to pay electronically any amounts due under the report as required by  
26 RCW ~~((63.29.190))~~ 63.30.340, the administrator must assess a penalty  
27 equal to five percent of the amount payable or deliverable under the  
28 report, unless the administrator grants the taxpayer relief from the  
29 electronic filing and payment requirements. Total penalties assessed  
30 under this subsection may not exceed five percent of the amount  
31 payable and value of property deliverable under the report.

32 (9) If a holder enters into a contract or other arrangement for  
33 the purpose of evading an obligation under this chapter or otherwise  
34 willfully fails to perform a duty imposed on the holder under this  
35 chapter, the administrator may require the holder to pay the  
36 administrator, in addition to interest as provided in this section, a  
37 civil penalty of \$1,000 for each day the obligation is evaded or the  
38 duty not performed, up to a cumulative maximum amount of \$25,000,  
39 plus 25 percent of the amount or value of property that should have



1 been but was not reported, paid, or delivered as a result of the  
2 evasion or failure to perform.

3 (10) The penalties imposed in this section are cumulative.

4 **Sec. 10.** RCW 88.26.020 and 2013 c 291 s 41 are each amended to  
5 read as follows:

6 (1) Any private moorage facility operator may take reasonable  
7 measures, including the use of chains, ropes, and locks, or removal  
8 from the water, to secure vessels within the private moorage facility  
9 so that the vessels are in the possession and control of the operator  
10 and cannot be removed from the facility. These procedures may be used  
11 if an owner mooring or storing a vessel at the facility fails, after  
12 being notified that charges are owing and of the owner's right to  
13 commence legal proceedings to contest that such charges are owing, to  
14 pay charges owed or to commence legal proceedings. Notification shall  
15 be by two separate letters, one sent by first-class mail and one sent  
16 by registered mail to the owner and any lienholder of record at the  
17 last known address. In the case of a transient vessel, or where no  
18 address was furnished by the owner, the operator need not give notice  
19 prior to securing the vessel. At the time of securing the vessel, an  
20 operator shall attach to the vessel a readily visible notice. The  
21 notice shall be of a reasonable size and shall contain the following  
22 information:

23 (a) The date and time the notice was attached;

24 (b) A statement that if the account is not paid in full within  
25 (~~ninety~~) 90 days from the time the notice is attached the vessel  
26 may be sold at public auction to satisfy the charges; and

27 (c) The address and telephone number where additional information  
28 may be obtained concerning release of the vessel.

29 After a vessel is secured, the operator shall make a reasonable  
30 effort to notify the owner and any lienholder of record by registered  
31 mail in order to give the owner the information contained in the  
32 notice.

33 (2) A private moorage facility operator, at his or her  
34 discretion, may move moored vessels ashore for storage within  
35 properties under the operator's control or for storage with a private  
36 person under their control as bailees of the private moorage  
37 facility, if the vessel is, in the opinion of the operator, a  
38 nuisance, in danger of sinking or creating other damage, or is owing

1 charges. The costs of any such procedure shall be paid by the  
2 vessel's owner.

3 (3) If a vessel is secured under subsection (1) of this section  
4 or moved ashore under subsection (2) of this section, the owner who  
5 is obligated to the private operator for charges may regain  
6 possession of the vessel by:

7 (a) Making arrangements satisfactory with the operator for the  
8 immediate removal of the vessel from the facility or for authorized  
9 moorage; and

10 (b) Making payment to the operator of all charges, or by posting  
11 with the operator a sufficient cash bond or other acceptable  
12 security, to be held in trust by the operator pending written  
13 agreement of the parties with respect to payment by the vessel owner  
14 of the amount owing, or pending resolution of the matter of the  
15 charges in a civil action in a court of competent jurisdiction. After  
16 entry of judgment, including any appeals, in a court of competent  
17 jurisdiction, or after the parties reach agreement with respect to  
18 payment, the trust shall terminate and the operator shall receive so  
19 much of the bond or other security as agreed, or as is necessary, to  
20 satisfy any judgment, costs, and interest as may be awarded to the  
21 operator. The balance shall be refunded immediately to the owner at  
22 the last known address.

23 (4) If a vessel has been secured by the operator under subsection  
24 (1) of this section and is not released to the owner under the  
25 bonding provisions of this section within (~~ninety~~) 90 days after  
26 notifying or attempting to notify the owner under subsection (1) of  
27 this section, the vessel is conclusively presumed to have been  
28 abandoned by the owner.

29 (5) If a vessel moored or stored at a private moorage facility is  
30 abandoned, the operator may authorize the public sale of the vessel  
31 by authorized personnel, consistent with this section, to the highest  
32 and best bidder for cash as follows:

33 (a) Before the vessel is sold, the vessel owner and any  
34 lienholder of record shall be given at least (~~twenty~~) 20 days'  
35 notice of the sale in the manner set forth in subsection (1) of this  
36 section if the name and address of the owner is known. The notice  
37 shall contain the time and place of the sale, a reasonable  
38 description of the vessel to be sold, and the amount of charges owed  
39 with respect to the vessel. The notice of sale shall be published at  
40 least once, more than (~~ten~~) 10 but not more than (~~twenty~~) 20 days

1 before the sale, in a newspaper of general circulation in the county  
2 in which the facility is located. This notice shall include the name  
3 of the vessel, if any, the last known owner and address, and a  
4 reasonable description of the vessel to be sold. The operator may bid  
5 all or part of its charges at the sale and may become a purchaser at  
6 the sale.

7 (b) Before the vessel is sold, any person seeking to redeem an  
8 impounded vessel under this section may commence a lawsuit in the  
9 superior court for the county in which the vessel was impounded to  
10 contest the validity of the impoundment or the amount of charges  
11 owing. This lawsuit must be commenced within (~~sixty~~) 60 days of the  
12 date the notification was provided under subsection (1) of this  
13 section, or the right to a hearing is deemed waived and the owner is  
14 liable for any charges owing the operator. In the event of  
15 litigation, the prevailing party is entitled to reasonable attorneys'  
16 fees and costs.

17 (c) The proceeds of a sale under this section shall be applied  
18 first to the payment of any liens superior to the claim for charges,  
19 then to payment of the charges, then to satisfy any other liens on  
20 the vessel in the order of their priority. The balance, if any, shall  
21 be paid to the owner. If the owner cannot in the exercise of due  
22 diligence be located by the operator within one year of the date of  
23 the sale, the excess funds from the sale shall revert to the  
24 department of revenue under chapter (~~63.29~~) 63.30 RCW. If the sale  
25 is for a sum less than the applicable charges, the operator is  
26 entitled to assert a claim for deficiency, however, the deficiency  
27 judgment shall not exceed the moorage fees owed for the previous six-  
28 month period.

29 (d) In the event no one purchases the vessel at a sale, or a  
30 vessel is not removed from the premises or other arrangements are not  
31 made within (~~ten~~) 10 days of sale, title to the vessel will revert  
32 to the operator.

33 (e) Either a minimum bid may be established or a letter of credit  
34 may be required from the buyer, or both, to discourage the future  
35 abandonment of the vessel.

36 (6) The rights granted to a private moorage facility operator  
37 under this section are in addition to any other legal rights an  
38 operator may have to hold and sell a vessel and in no manner does  
39 this section alter those rights, or affect the priority of other  
40 liens on a vessel.

1        NEW SECTION.    **Sec. 11.**    A new section is added to chapter 63.30  
2    RCW to read as follows:

3        (1) The department may enter into an agreement in writing with  
4    any holder with respect to any duties under this chapter or any  
5    property or amounts due under this chapter, including penalties and  
6    interest.

7        (2) Upon its execution by all parties, the agreement is final and  
8    conclusive as to the periods, property, and any other matters  
9    expressly covered by the agreement. Except upon a showing of fraud or  
10   malfeasance, or of misrepresentation of a material fact:

11        (a) The agreement may not be reopened as to the matters agreed  
12   upon, nor may the agreement be modified, by any officer, employee, or  
13   agent of the state, or the holder; and

14        (b) In any suit, action, or proceeding, such agreement, or any  
15   determination, assessment, collection, payment, abatement, or refund,  
16   or credit made in accordance with the agreement, may not be annulled,  
17   modified, set aside, or disregarded.

18        (3) No agreement under this section may affect a holder's  
19   obligations to an owner or an owner's rights against a holder, except  
20   as expressly provided in RCW 63.30.350.

21        (4) No agreement under this section may include any  
22   indemnification of any holder for amounts or property that has not  
23   been paid or delivered to the department. Nothing in this subsection  
24   may be construed to affect the finality and conclusiveness of any  
25   agreement under this section to the extent provided in subsection (2)  
26   of this section.

27        NEW SECTION.    **Sec. 12.**    Sections 2 through 8, 10, and 11 of this  
28   act apply both prospectively and retroactively to January 1, 2023.

29        NEW SECTION.    **Sec. 13.**    If any provision of this act or its  
30   application to any person or circumstance is held invalid, the  
31   remainder of the act or the application of the provision to other  
32   persons or circumstances is not affected.

        Passed by the House March 3, 2023.  
        Passed by the Senate April 11, 2023.  
        Approved by the Governor May 4, 2023.  
        Filed in Office of Secretary of State May 4, 2023.

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