

When real property is being sold, it is important from the standpoint of a municipal utility that the seller's outstanding utility charges be paid – that unrecorded utility liens be satisfied – as part of the sale process. Chapter 60.80 RCW was enacted to establish a procedure to help ensure payment of outstanding utility charges owed up to the point of the sale.

### Seller Responsible for Charges

Unless the purchaser and seller otherwise agree in writing, the seller is responsible at closing for paying outstanding utility charges and thus satisfying unrecorded utility liens. [RCW 60.80.010\(1\)](#). See [RCW 60.80.005\(1\)](#) for a definition of what those "charges" include.

### Request for Final Billing

Unless the seller and purchaser have waived the services of a closing agent, the closing agent must submit a written request for final billing to each utility providing service to the property, which, per [RCW 60.80.020\(1\)](#), must include (1) a legal description of the property, and (2) the address. (See sample form.) If no closing agent is used, either the seller or purchaser may submit the request.

Once a request for final billing has been properly submitted, the utility then has seven days (or three business days if submitted by fax or messenger) to provide a response. Assuming the utility can locate the account, it must send a final billing statement to the requestor, which includes: (1) all outstanding charges; (2) the estimated or actual final balance on the account as of the closing date; and (3) the average per diem rate for the utility or utilities involved, including taxes and other charges. If the utility is unable to identify the account from the information provided, the utility must notify the requester that the request is insufficient.

If the utility fails to respond to a request for final billing in the manner described above, the utility loses its unrecorded lien and it may not recover the charges from the buyer.

### Closing Delayed

When the closing of a property sale is delayed by 31 or more days, the closing agent, seller, or buyer must request a new estimated or actual final billing. Upon receipt, utilities must provide within seven business days (three business days if submitted by fax or messenger) either: (1) a written revised estimated or actual final billing statement; or (2) a written extension of the per diem rate.

### Estimated Billing Different than Actual Billing

When the estimated billing amount exceeds the total charges billed, the utility must refund the overpaid amount to the seller within a prescribed time after receiving payment for final billing – within 14 business days if the utility has its own treasurer, or 30 business days if the county treasurer acts as treasurer of the utility.

When the total charges billed exceed the estimated billing amount, the utility may not recover from the buyer those charges that exceed the estimated charges. The utility, however, may still recover such charges from the seller or the person who incurred them, if not the seller (i.e., a tenant).

### **No Request for Final Billing is Submitted**

If property subject to an unrecorded utility lien is sold and no request for final billing was submitted, the property remains subject to the unrecorded lien (the buyer is responsible for the unpaid charges). The utility, however, has the option of pursuing collection of unpaid utility charges incurred prior to closing from the seller or from the person who incurred them, if not the seller (i.e., a tenant).

### **Additional Resources**

[Chapter 60.80 RCW](#)

[Seattle Public Utilities Request for Final Billing Form](#)

\*DISCLAIMER: This document meant to provide summary information on basic agency rights and obligations under state and federal law; it is not intended to be regarded as specific legal advice. Consult with your agency's legal counsel about this topic as well.