## CERTIFICATION OF ENROLLMENT

# SUBSTITUTE HOUSE BILL 1680

54th Legislature 1995 Regular Session

Passed by the House April 19, 1995 Yeas 93 Nays 0

### Speaker of the House of Representatives

Passed by the Senate April 10, 1995 Yeas 41 Nays 0

#### CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1680** as passed by the House of Representatives and the Senate on the dates hereon set forth.

President of the Senate

Approved

Chief Clerk

FILED

Governor of the State of Washington

Secretary of State State of Washington

## SUBSTITUTE HOUSE BILL 1680

AS AMENDED BY THE SENATE

Passed Legislature - 1995 Regular Session

### State of Washington 54th Legislature 1995 Regular Session

**By** House Committee on Law & Justice (originally sponsored by Representatives Hickel, Appelwick and Padden; by request of Administrator for the Courts)

Read first time 03/01/95.

AN ACT Relating to interest on court fines; and amending RCW 3.02.045, 3.46.120, 3.50.100, 35.20.220, 3.62.020, 3.62.040, 10.82.090, and 36.18.190.

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

5 Sec. 1. RCW 3.02.045 and 1994 c 301 s 1 are each amended to read 6 as follows:

7 (1) Courts of limited jurisdiction may use collection agencies under chapter 19.16 RCW for purposes of collecting unpaid penalties on 8 infractions, criminal fines, costs, assessments, civil judgments, or 9 10 forfeitures that have been imposed by the courts. Courts of limited jurisdiction may enter into agreements with one or more attorneys or 11 12 collection agencies for collection of outstanding penalties, fines, 13 costs, assessments, and forfeitures. These agreements may specify the scope of work, remuneration for services, and other charges deemed 14 15 Such agreements may authorize collection agencies to appropriate. retain all or any portion of the interest collected on these accounts. 16 17 (2) Courts of limited jurisdiction may use credit cards or debit cards for purposes of billing and collecting unpaid penalties, fines, 18 19 costs, assessments, and forfeitures so imposed. Courts of limited

jurisdiction may enter into agreements with one or more financial institutions for the purpose of the collection of penalties, fines, costs, assessments, and forfeitures. The agreements may specify conditions, remuneration for services, and other charges deemed appropriate.

6 (3) Servicing of delinquencies by collection agencies or by 7 collecting attorneys in which the court retains control of its 8 delinquencies shall not constitute assignment of debt.

9 (4) For purposes of this section, the term debt shall include 10 penalties, fines, costs, assessments, or forfeitures imposed by the 11 courts.

12 (5) The court may assess as court costs the moneys paid for 13 remuneration for services or charges paid to collecting attorneys, to 14 collection agencies, or, in the case of credit cards, to financial 15 institutions.

16 **Sec. 2.** RCW 3.46.120 and 1988 c 169 s 1 are each amended to read 17 as follows:

(1) All money received by the clerk of a municipal department
including penalties, fines, bail forfeitures, fees and costs shall be
paid by the clerk to the city treasurer.

(2) The city treasurer shall remit monthly thirty-two percent of 21 the <u>noninterest</u> money received under this section, other than for 22 23 parking infractions, and certain costs to the state treasurer. 24 "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, 25 or those costs awarded against convicted defendants in criminal actions 26 under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes 27 if such costs are specifically designated as costs by the court and are 28 29 awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the 30 fees of defense counsel. Money remitted under this subsection to the 31 state treasurer shall be deposited as provided in RCW 43.08.250. 32

(3) The balance of the <u>noninterest</u> money received under this
section shall be retained by the city and deposited as provided by law.
(4) Penalties, fines, bail forfeitures, fees, and costs may accrue
interest at the rate of twelve percent per annum, upon assignment to a
collection agency. Interest may accrue only while the case is in
collection status.

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1 (5) Interest retained by the court on penalties, fines, bail 2 forfeitures, fees, and costs shall be split twenty-five percent to the 3 state treasurer for deposit in the public safety and education account 4 as provided in RCW 43.08.250, twenty-five percent to the state 5 treasurer for deposit in the judicial information system account as 6 provided in RCW 2.68.020, twenty-five percent to the city general fund, 7 and twenty-five percent to the city general fund to fund local courts.

8 **Sec. 3.** RCW 3.50.100 and 1988 c 169 s 2 are each amended to read 9 as follows:

(1) Costs in civil and criminal actions may be imposed as provided 10 in district court. All fees, costs, fines, forfeitures and other money 11 12 imposed by any municipal court for the violation of any municipal or town ordinances shall be collected by the court clerk and, together 13 14 with any other *noninterest* revenues received by the clerk, shall be 15 deposited with the city or town treasurer as a part of the general fund of the city or town, or deposited in such other fund of the city or 16 town, or deposited in such other funds as may be designated by the laws 17 18 of the state of Washington.

19 (2) The city treasurer shall remit monthly thirty-two percent of the noninterest money received under this section, other than for 20 parking infractions, and certain costs to the state treasurer. 21 "Certain costs" as used in this subsection, means those costs awarded 22 23 to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, 24 or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes 25 if such costs are specifically designated as costs by the court and are 26 awarded for the specific reimbursement of costs incurred by the state, 27 county, city, or town in the prosecution of the case, including the 28 29 fees of defense counsel. Money remitted under this subsection to the 30 state treasurer shall be deposited as provided in RCW 43.08.250.

(3) The balance of the <u>noninterest</u> money received under this section shall be retained by the city and deposited as provided by law. (4) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

37 (5) Interest retained by the court on penalties, fines, bail
 38 forfeitures, fees, and costs shall be split twenty-five percent to the

1 state treasurer for deposit in the public safety and education account 2 as provided in RCW 43.08.250, twenty-five percent to the state 3 treasurer for deposit in the judicial information system account as 4 provided in RCW 2.68.020, twenty-five percent to the city general fund, 5 and twenty-five percent to the city general fund to fund local courts.

6 Sec. 4. RCW 35.20.220 and 1988 c 169 s 6 are each amended to read 7 as follows:

8 (1) The chief clerk, under the supervision and direction of the 9 court administrator of the municipal court, shall have the custody and care of the books, papers and records of said court; he shall be 10 present by himself or deputy during the session of said court, and 11 12 shall have the power to swear all witnesses and jurors, and administer oaths and affidavits, and take acknowledgments. He shall keep the 13 14 records of said court, and shall issue all process under his hand and 15 the seal of said court, and shall do and perform all things and have 16 the same powers pertaining to his office as the clerks of the superior courts have in their office. He shall receive all fines, penalties and 17 18 fees of every kind, and keep a full, accurate and detailed account of 19 the same; and shall on each day pay into the city treasury all money received for said city during the day previous, with a detailed account 20 21 of the same, and taking the treasurer's receipt therefor.

22 (2) The city treasurer shall remit monthly thirty-two percent of 23 the noninterest money received under this section, other than for 24 parking infractions and certain costs to the state treasurer. "Certain 25 costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or 26 those costs awarded against convicted defendants in criminal actions 27 under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes 28 29 if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, 30 county, city, or town in the prosecution of the case, including the 31 fees of defense counsel. Money remitted under this subsection to the 32 state treasurer shall be deposited as provided in RCW 43.08.250. 33

(3) The balance of the <u>noninterest</u> money received under this
 section shall be retained by the city and deposited as provided by law.
 (4) Penalties, fines, bail forfeitures, fees, and costs may accrue
 interest at the rate of twelve percent per annum, upon assignment to a

1 collection agency. Interest may accrue only while the case is in 2 collection status.

3 (5) Interest retained by the court on penalties, fines, bail 4 forfeitures, fees, and costs shall be split twenty-five percent to the 5 state treasurer for deposit in the public safety and education account 6 as provided in RCW 43.08.250, twenty-five percent to the state 7 treasurer for deposit in the judicial information system account as 8 provided in RCW 2.68.020, twenty-five percent to the city general fund, 9 and twenty-five percent to the city general fund to fund local courts.

10 **Sec. 5.** RCW 3.62.020 and 1988 c 169 s 3 are each amended to read 11 as follows:

(1) Except as provided in subsection (4) of this section, all 12 costs, fees, fines, forfeitures and penalties assessed and collected in 13 14 whole or in part by district courts, except costs, fines, forfeitures 15 and penalties assessed and collected, in whole or in part, because of 16 the violation of city ordinances, shall be remitted by the clerk of the district court to the county treasurer at least monthly, together with 17 18 a financial statement as required by the division of municipal 19 corporations, noting the information necessary for crediting of such 20 funds as required by law.

(2) The county treasurer shall remit thirty-two percent of the 21 noninterest money received under subsection (1) of this section except 22 23 certain costs to the state treasurer. "Certain costs" as used in this 24 subsection, means those costs awarded to prevailing parties in civil 25 actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 26 10.46.190, or 36.18.040, or other similar statutes if such costs are 27 specifically designated as costs by the court and are awarded for the 28 29 specific reimbursement of costs incurred by the state or county in the prosecution of the case, including the fees of defense counsel. Money 30 remitted under this subsection to the state treasurer shall be 31 deposited as provided in RCW 43.08.250. 32

(3) The balance of the <u>noninterest</u> money received by the county
 treasurer under subsection (1) of this section shall be deposited in
 the county current expense fund.

36 (4) All money collected for county parking infractions shall be37 remitted by the clerk of the district court at least monthly, with the

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information required under subsection (1) of this section, to the
 county treasurer for deposit in the county current expense fund.

3 (5) Penalties, fines, bail forfeitures, fees, and costs may accrue 4 interest at the rate of twelve percent per annum, upon assignment to a 5 collection agency. Interest may accrue only while the case is in 6 collection status.

7 (6) Interest retained by the court on penalties, fines, bail 8 forfeitures, fees, and costs shall be split twenty-five percent to the 9 state treasurer for deposit in the public safety and education account as provided in RCW 43.08.250, twenty-five percent to the state 10 treasurer for deposit in the judicial information system account as 11 provided in RCW 2.68.020, twenty-five percent to the county current 12 expense fund, and twenty-five percent to the county current expense 13 fund to fund local courts. 14

15 **Sec. 6.** RCW 3.62.040 and 1988 c 169 s 4 are each amended to read 16 as follows:

(1) Except as provided in subsection (4) of this section, all costs, fines, forfeitures and penalties assessed and collected, in whole or in part, by district courts because of violations of city ordinances shall be remitted by the clerk of the district court at least monthly directly to the treasurer of the city wherein the violation occurred.

23 (2) The city treasurer shall remit monthly thirty-two percent of 24 the noninterest money received under this section, other than for 25 parking infractions and certain costs, to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded 26 to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, 27 or those costs awarded against convicted defendants in criminal actions 28 29 under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes 30 if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, 31 county, city, or town in the prosecution of the case, including the 32 33 fees of defense counsel. Money remitted under this subsection to the 34 state treasurer shall be deposited as provided in RCW 43.08.250.

35 (3) The balance of the <u>noninterest</u> money received under this
 36 section shall be retained by the city and deposited as provided by law.

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1 (4) All money collected for city parking infractions shall be 2 remitted by the clerk of the district court at least monthly to the 3 city treasurer for deposit in the city's general fund.

4 (5) Penalties, fines, bail forfeitures, fees, and costs may accrue
5 interest at the rate of twelve percent per annum, upon assignment to a
6 collection agency. Interest may accrue only while the case is in
7 collection status.

8 (6) Interest retained by the court on penalties, fines, bail 9 forfeitures, fees, and costs shall be split twenty-five percent to the 10 state treasurer for deposit in the public safety and education account 11 as provided in RCW 43.08.250, twenty-five percent to the state 12 treasurer for deposit in the judicial information system account as 13 provided in RCW 2.68.020, twenty-five percent to the city general fund, 14 and twenty-five percent to the city general fund to fund local courts.

15 Sec. 7. RCW 10.82.090 and 1989 c 276 s 3 are each amended to read 16 as follows:

17 Financial obligations imposed in a judgment shall bear interest 18 from the date of the judgment until payment, at the rate applicable to civil judgments. All nonrestitution interest retained by the court 19 shall be split twenty-five percent to the state treasurer for deposit 20 in the public safety and education account as provided in RCW 21 43.08.250, twenty-five percent to the state treasurer for deposit in 22 23 the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the county current expense fund, and twenty-five 24 25 percent to the county current expense fund to fund local courts.

26 **Sec. 8.** RCW 36.18.190 and 1994 c 185 s 9 are each amended to read 27 as follows:

28 Superior court clerks may contract with collection agencies or may use county collection services for the collection of unpaid court 29 obligations. The costs for the agencies or county services shall be 30 paid by the debtor. By agreement, clerks may authorize collection 31 32 agencies to retain all or any portion of the interest collected on these accounts. Collection may not be initiated with respect to a 33 criminal offender who is under the supervision of the department of 34 35 corrections without the prior agreement of the department.

Any contract with a collection agency shall be awarded only after competitive bidding. Factors that a court clerk shall consider in

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1 awarding a collection contract include but are not limited to: (1) A 2 collection agency's history and reputation in the community; and (2) 3 the agency's access to a local data base that may increase the 4 efficiency of its collections.

5 The servicing of an unpaid court obligation does not constitute 6 assignment of a debt, and no contract with a collection agency may 7 remove the court's control over unpaid obligations owed to the court.

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