

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5827

55th Legislature
1997 Regular Session

Passed by the Senate April 22, 1997
YEAS 41 NAYS 5

President of the Senate

Passed by the House April 10, 1997
YEAS 80 NAYS 18

**Speaker of the
House of Representatives**

Approved

CERTIFICATE

I, Mike O Connell, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5827** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

Governor of the State of Washington

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5827

AS AMENDED BY THE HOUSE

Passed Legislature - 1997 Regular Session

State of Washington 55th Legislature 1997 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senators Roach, Haugen and Long)

Read first time 03/05/97.

1 AN ACT Relating to fees for judicial and nonjudicial collection of
2 governmental debt by collection agencies; and amending RCW 19.16.500.

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

4 **Sec. 1.** RCW 19.16.500 and 1982 c 65 s 1 are each amended to read
5 as follows:

6 (1)(a) Agencies, departments, taxing districts, political
7 subdivisions of the state, counties, and ((incorporated)) cities may
8 retain, by written contract, collection agencies licensed under this
9 chapter for the purpose of collecting public debts owed by any person,
10 including any restitution that is being collected on behalf of a crime
11 victim.

12 (b) Any governmental entity as described in (a) of this subsection
13 using a collection agency may add a reasonable fee, payable by the
14 debtor, to the outstanding debt for the collection agency fee incurred
15 or to be incurred. The amount to be paid for collection services shall
16 be left to the agreement of the governmental entity and its collection
17 agency or agencies, but a contingent fee of up to fifty percent of the
18 first one hundred thousand dollars of the unpaid debt per account and
19 up to thirty-five percent of the unpaid debt over one hundred thousand

1 dollars per account is reasonable, and a minimum fee of the full amount
2 of the debt up to one hundred dollars per account is reasonable. Any
3 fee agreement entered into by a governmental entity is presumptively
4 reasonable.

5 (2) No debt may be assigned to a collection agency unless (a) there
6 has been an attempt to advise the debtor (i) of the existence of the
7 debt and (ii) that the debt may be assigned to a collection agency for
8 collection if the debt is not paid, and (b) at least thirty days have
9 elapsed from the time ((~~the~~)) notice was ((~~sent~~)) attempted.

10 (3) Collection agencies assigned debts under this section shall
11 have only those remedies and powers which would be available to them as
12 assignees of private creditors.

13 (4) For purposes of this section, the term debt shall include fines
14 and other debts, including the fee required under subsection (1)(b) of
15 this section.

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