## CERTIFICATION OF ENROLLMENT

## SECOND SUBSTITUTE HOUSE BILL 1048

Chapter 251, Laws of 2019

66th Legislature 2019 Regular Session

SMALL CLAIMS COURT--RECOVERY OF JUDGMENTS

EFFECTIVE DATE: July 28, 2019

Passed by the House March 11, 2019 Yeas 98 Nays 0

## FRANK CHOPP

## Speaker of the House of Representatives

Passed by the Senate April 16, 2019 Yeas 29 Nays 19

## CYRUS HABIB

# President of the Senate

Approved May 7, 2019 9:59 AM

#### CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 1048** as passed by House of Representatives and the Senate on the dates hereon set forth.

## BERNARD DEAN

Chief Clerk

FILED

May 13, 2019

JAY INSLEE

Secretary of State State of Washington

Governor of the State of Washington

#### SECOND SUBSTITUTE HOUSE BILL 1048

Passed Legislature - 2019 Regular Session

State of Washington 66th Legislature 2019 Regular Session

By House Appropriations (originally sponsored by Representatives Goodman, Stokesbary, Jinkins, Macri, Appleton, Wylie, and Chambers)

READ FIRST TIME 02/21/19.

- AN ACT Relating to modifying the process for prevailing parties to recover judgments in small claims court; amending RCW 12.40.020, 12.40.030, 12.40.040, 12.40.050, 12.40.105, 12.40.120, 4.56.200, and
- 4 43.79.505; adding a new section to chapter 12.40 RCW; and repealing
- 5 RCW 12.40.110.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 12.40.020 and 2011 1st sp.s. c 44 s 2 are each 8 amended to read as follows:
- 9  $((\frac{(1)}{(1)}))$  A small claims action shall be commenced by the plaintiff 10 filing a claim, in the form prescribed by RCW 12.40.050, in the small
- 11 claims department. A filing fee of ((fourteen)) thirty-five dollars
- 12 plus any surcharge authorized by RCW 7.75.035 shall be paid when the
- 13 claim is filed. Any party filing a counterclaim, cross-claim, or
- 14 third-party claim in such action shall pay to the court a filing fee
- 15 of ((<del>fourteen</del>)) <u>thirty-five</u> dollars plus any surcharge authorized by
- 16 RCW 7.75.035. Fifty cents of every filing fee shall be deposited into
- 17 the judicial stabilization trust account created in RCW 43.79.505 and
- 18 used to fund indigent defense through the office of public defense.
- 19 Fifty cents of every filing fee shall be deposited into the crime
- 20 <u>victims' compensation account created in RCW 7.68.045 and used to</u>
- 21 assist crime victims.

- (((2) Until July 1, 2013, in addition to the fees required by this section, an additional surcharge of ten dollars shall be charged on the filing fees required by this section, of which seventy-five percent must be remitted to the state treasurer for deposit in the judicial stabilization trust account and twenty-five percent must be retained by the county.))
- 7 **Sec. 2.** RCW 12.40.030 and 1997 c 352 s 1 are each amended to 8 read as follows:
- Upon filing of a claim, the court shall set a time for hearing on the matter. The court shall issue a notice of the claim which shall be served upon the defendant to notify the defendant of the hearing date. A trial need not be held ((on this)) at the first ((appearance)) hearing, if dispute resolution services are offered instead of trial, or local practice rules provide ((that trials will be held on different days)) for a pretrial hearing.
- 16 **Sec. 3.** RCW 12.40.040 and 1997 c 352 s 2 are each amended to read as follows:

1819

20

2122

23

24

25

26

27

- The notice of claim ((ean)) may be served either as provided for the service of summons or complaint and notice in civil actions as described in RCW 4.28.080 or by registered or certified mail if a return receipt with the signature of the party being served is filed with the court. No other legal document or process is to be served with the notice of claim. Information from the court regarding the small claims department, local small claims procedure, dispute resolution services, or other matters related to litigation in the small claims department may be included with the notice of claim when served.
- The notice of claim shall be served promptly after filing the claim. Service must be complete at least ten <u>calendar</u> days prior to the first hearing.
- The person serving the notice of claim shall be entitled to receive from the plaintiff, besides mileage, the fee specified in RCW 33 36.18.040 for such service; which sum, together with the filing fee 34 set forth in RCW 12.40.020, shall be added to any judgment given for 35 plaintiff.
- 36 **Sec. 4.** RCW 12.40.050 and 1984 c 258 s 62 are each amended to read as follows:

p. 2

A claim filed in the small claims department shall contain: (1) The name and address of the plaintiff; (2) a <u>sworn</u> statement, in brief and concise form, of the nature and amount of the claim and when the claim accrued; and (3) the name and residence of the defendant, if known to the plaintiff, for the purpose of serving the notice of claim on the defendant.

- **Sec. 5.** RCW 12.40.105 and 2004 c 70 s 1 are each amended to read 8 as follows:
  - ((If the losing party fails to pay the judgment within thirty days or within the period otherwise ordered by the court, the judgment shall be increased by: (1) An amount sufficient to cover costs of certification of the judgment under RCW 12.40.110; (2) the amount specified in RCW 36.18.012(2))) (1) Upon the judge's entry of judgment in a small claims action, the judgment is certified as a district court civil judgment and shall be increased by: (a) The amount specified in RCW 36.18.012(2); (b) any post judgment interest provided for in RCW 4.56.110 and 19.52.020; and (((3))) (c) any other costs incurred by the prevailing party to enforce the judgment, including but not limited to reasonable attorneys' fees, without regard to the jurisdictional limits on the small claims department.
    - (2) The clerk of the small claims department shall enter the civil judgment on the judgment docket of the district court; and, as in other judgments of district courts, once the judgment is entered on the district court's docket garnishment, execution, and other process on execution provided by law may issue thereon.
  - (3) A certified copy of the district court judgment shall be provided to the prevailing party for no additional fee.
- 28 (4) The prevailing party may file a transcript of the district
  29 court civil judgment or a certified copy of the district court
  30 judgment with superior courts for entry in the superior courts' lien
  31 dockets with like effect as in other cases.
- **Sec. 6.** RCW 12.40.120 and 1997 c 352 s 4 are each amended to 33 read as follows:

No appeal shall be permitted from a judgment of the small claims department of the district court where the amount claimed was less than two hundred fifty dollars. No appeal shall be permitted by a party who requested the exercise of jurisdiction by the small claims department where the amount claimed by that party was less than one

p. 3

- 1 thousand dollars. A party in default may seek to have the default
- 2 judgment set aside according to the <a href="civil">civil</a> court rules applicable to
- 3 setting aside judgments in district court.
- 4 <u>NEW SECTION.</u> **Sec. 7.** A new section is added to chapter 12.40 5 RCW to read as follows:
- If the prevailing party receives payment of the judgment, the prevailing party shall file a satisfaction of such judgment with all courts in which the judgment was filed. If the prevailing party fails
- 9 to file proof of satisfaction of the judgment, the party paying the
- 10 judgment may file such notice with all courts in which the judgment
- 11 was filed.

16

17

1819

20

21

22

24

25

2627

2829

30

31

32

3334

35

36

37

38

- 12 **Sec. 8.** RCW 4.56.200 and 2012 c 133 s 1 are each amended to read 13 as follows:
- The lien of judgments upon the real estate of the judgment debtor shall commence as follows:
  - (1) Judgments of the district court of the United States rendered or filed in the county in which the real estate of the judgment debtor is situated, from the time of the entry or filing thereof;
  - (2) Judgments of the superior court for the county in which the real estate of the judgment debtor is situated, from the time of the filing by the county clerk upon the execution docket in accordance with RCW 4.64.030;
  - (3) Judgments of the district court of the United States rendered in any county in this state other than that in which the real estate of the judgment debtor to be affected is situated, judgments of the supreme court of this state, judgments of the court of appeals of this state, and judgments of the superior court for any county other than that in which the real estate of the judgment debtor to be affected is situated, from the time of the filing of a duly certified abstract of such judgment with the county clerk of the county in which the real estate of the judgment debtor to be affected is situated, as provided in this act;
  - (4) Judgments of a district court of this state rendered or filed as a foreign judgment in a superior court in the county in which the real estate of the judgment debtor is situated, from the time of the filing of a <u>duly certified district court judgment or</u> duly certified transcript of the docket of the district court with the county clerk of the county in which such judgment was rendered or filed, and upon

- such filing said judgment shall become to all intents and purposes a judgment of the superior court for said county; and
- (5) Judgments of a district court of this state rendered or filed 3 in a superior court in any other county in this state than that in 4 which the real estate of the judgment debtor to be affected is 5 6 situated, a transcript of the docket of which has been filed with the 7 county clerk of the county where such judgment was rendered or filed, from the time of filing, with the county clerk of the county in which 8 the real estate of the judgment debtor to be affected is situated, of 9 a duly certified abstract of the record of said judgment in the 10 11 office of the county clerk of the county in which the certified transcript of the docket of said judgment of said district court was 12 13 originally filed.
- 14 **Sec. 9.** RCW 43.79.505 and 2011 1st sp.s. c 44 s 6 are each 15 amended to read as follows:
- The judicial stabilization trust account is created within the state treasury, subject to appropriation. All receipts from the surcharges authorized by RCW 3.62.060(2),  $((\frac{12.40.020(2)}{r}))$   $\frac{12.40.020}{r}$ , 36.18.018(4), and 36.18.020(5) shall be deposited in this account. Moneys in the account may be spent only after appropriation.
- Expenditures from the account may be used only for the support of judicial branch agencies.
- NEW SECTION. Sec. 10. RCW 12.40.110 (Procedure on nonpayment) and 2016 c 202 s 19, 1998 c 52 s 6, 1995 c 292 s 6, 1984 c 258 s 68, 1983 c 254 s 3, 1975 1st ex.s. c 40 s 1, 1973 c 128 s 2, & 1919 c 187 s 11 are each repealed.

Passed by the House March 11, 2019. Passed by the Senate April 16, 2019. Approved by the Governor May 7, 2019. Filed in Office of Secretary of State May 13, 2019.

--- END ---