
SENATE BILL 5494

State of Washington

52nd Legislature

1991 Regular Session

By Senators von Reichbauer, Pelz, Johnson, Owen, Thorsness, Vognild, Sellar and Moore.

Read first time February 4, 1991. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to collection of debts; amending RCW 12.40.105,
2 12.40.070, and 62A.3-515; and adding a new chapter to Title 19 RCW.

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

4 NEW SECTION. **Sec. 1.** (1) "Financial institution" means a
5 bank, trust company, mutual savings bank, savings and loan association,
6 or credit union authorized to do business and accept deposits in this
7 state under state or federal law.

8 (2) "Account information" means:

9 (a) The date the account was opened, the amount of the opening
10 deposit to the account and, if closed, the closing date of the account;

11 (b) The last known address and phone number, if any, of the drawer
12 according to the account records of the financial institution;

13 (c) A copy of the statement of account which would include the
14 period ten calendar days prior to the date the item was drawn through
15 the tenth calendar day after the item was drawn.

1 NEW SECTION. **Sec. 2.**

 (1) A financial institution may report
2 a financial transaction to law enforcement agencies, regardless of the
3 value of the property involved, if it suspects the transaction to
4 involve the proceeds of an unlawful activity. No financial
5 institution, or officer, employee, or agent of the financial
6 institution, making a report in good faith under this section, shall be
7 liable to any person for loss or damage caused in whole or in part by
8 the making, filing, or governmental use of the report, or information
9 contained in the report. The law enforcement agency requesting a
10 report under this section shall reimburse the financial institution for
11 the reasonable costs of providing any documents under this chapter.
12 Upon conviction, the defendant shall be required to reimburse these
13 costs as part of restitution.

 (2) A financial institution may disclose information concerning the
14 identity of the account owner and other account information to law
15 enforcement agencies, a holder of a dishonored item drawn on the
16 account or a payee or its agent concerning a dishonored item drawn on
17 it, where it reasonably believes a statutory notice of dishonor has
18 been given pursuant to RCW 62A.3-520, fifteen days have elapsed, and
19 the item remains unpaid. No financial institution, or officer,
20 employee, or agent of a financial institution, disclosing information
21 under this section, shall be liable to any person for loss or damage
22 caused in whole or in part by the disclosure of such information. The
23 party requesting a report under this section shall reimburse the
24 financial institution for the reasonable costs of providing any
25 documents under this chapter. Any reasonable administrative costs paid
26 to a financial institution by a party in compliance with this
27 subsection shall be included in recoverable collection costs as
28 provided in RCW 62A.3-515.
29

1 pursuant to section 2(2) of this act; and (~~(2)~~) (3) the amount
2 specified in RCW 36.18.020(3), without regard to the jurisdictional
3 limits on the small claims department.

4 **Sec. 5.** RCW 12.40.070 and 1984 c 258 s 64 are each amended to read
5 as follows:

6 A claim must be verified by the real claimant, and no claim shall
7 be filed or prosecuted in the small claims department by the assignee
8 of the claim except that collection agencies may seek enforcement of a
9 previous judgment in the small claims department.

10 **Sec. 6.** RCW 62A.3-515 and 1986 c 128 s 1 are each amended to read
11 as follows:

12 (1) Whenever a check as defined in RCW 62A.3-104 has been
13 dishonored by nonacceptance or nonpayment the payee or holder of the
14 check is entitled to collect a reasonable handling fee for each such
15 instrument. When such check has not been paid within fifteen days and
16 after the holder of such check sends such notice of dishonor as
17 provided by RCW 62A.3-520 to the drawer at his or her last known
18 address, then if the instrument does not provide for the payment of
19 interest, or collection costs and attorneys fees, the drawer of such
20 instrument shall also be liable for payment of interest at the rate of
21 twelve percent per annum from the date of dishonor and cost of
22 collection not to exceed forty dollars or the face amount of the check,
23 whichever is the lesser, and reasonable administrative costs under
24 section 2(2) of this act. In addition, in the event of court action on
25 the check the court, after such notice and the expiration of said
26 fifteen days, shall award a reasonable attorneys fee, and three times
27 the face amount of the check or (~~(one)~~) five hundred dollars, whichever
28 is less, as part of the damages payable to the holder of the check.

1 This section shall not apply to any instrument which has been
2 dishonored by reason of any justifiable stop payment order.

3 (2)(a) Subsequent to the commencement of the action but prior to
4 the hearing, the defendant may tender to the plaintiff as satisfaction
5 of the claim, an amount of money equal to the sum of the amount of the
6 check, a reasonable handling fee, accrued interest, collection costs
7 equal to the face amount of the check not to exceed forty dollars, and
8 the incurred court and service costs, and reasonable administrative
9 costs under section 2(2) of this act.

10 (b) Nothing in this section precludes the right to commence action
11 in any court under chapter 12.40 RCW for small claims.

12 NEW SECTION. **Sec. 7.** Sections 1 through 3 of this act shall
13 constitute a new chapter in Title 19 RCW.