

CERTIFICATION OF ENROLLMENT  
**SUBSTITUTE SENATE BILL 5827**

Chapter 387, Laws of 1997

55th Legislature  
1997 Regular Session

COLLECTION OF GOVERNMENTAL DEBT BY COLLECTION AGENCIES--CRIME  
VICTIM RESTITUTION--RECOVERY OF COSTS

EFFECTIVE DATE: 7/27/97

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

BRAD OWEN

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**President of the Senate**

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

CLYDE BALLARD

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**Speaker of the  
House of Representatives**

Approved May 15, 1997

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.

MIKE O'CONNELL

\_\_\_\_\_  
**Secretary**

FILED

May 15, 1997 - 4:37 p.m.

GARY LOCKE

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**Governor of the State of Washington**

**Secretary of State  
State of Washington**

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**SUBSTITUTE SENATE BILL 5827**

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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.

Passed the Senate April 22, 1997.

Passed the House April 10, 1997.

Approved by the Governor May 15, 1997.

Filed in Office of Secretary of State May 15, 1997.