<u>E2SHB 1390</u> - S COMM AMD By Committee on Ways & Means

Strike everything after the enacting clause and insert the following:

3 "Sec. 1. RCW 10.82.090 and 2011 c 106 s 2 are each amended to 4 read as follows:

5 (1) Except as provided in subsection (2) of this section, 6 financial obligations imposed in a judgment shall bear interest from 7 the date of the judgment until payment, at the rate ((applicable to civil judgments)) of six percent. All nonrestitution 8 interest 9 retained by the court shall be split twenty-five percent to the state treasurer for deposit in the state general fund, twenty-five percent 10 to the state treasurer for deposit in the judicial information system 11 account as provided in RCW 2.68.020, twenty-five percent to the 12 county current expense fund, and twenty-five percent to the county 13 current expense fund to fund local courts. 14

15 (2) The court may, on motion by the offender, following the 16 offender's release from total confinement, reduce or waive the 17 interest on legal financial obligations levied as a result of a 18 criminal conviction as follows:

(a) The court shall waive all interest on the portions of the legal financial obligations that are not restitution that accrued during the term of total confinement for the conviction giving rise to the financial obligations, provided the offender shows that the interest creates a hardship for the offender or his or her immediate family;

(b) The court may reduce interest on the restitution portion of the legal financial obligations only if the principal has been paid in full;

(c) The court may otherwise reduce or waive the interest on the portions of the legal financial obligations that are not restitution if the offender shows that he or she has personally made a good faith effort to pay and that the interest accrual is causing a significant hardship. For purposes of this section, "good faith effort" means that the offender has either (i) paid the principal amount in full; or (ii) made at least fifteen monthly payments within an eighteen-

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1 month period, excluding any payments mandatorily deducted by the 2 department of corrections;

3 (d) For purposes of (a) through (c) of this subsection, the court 4 may reduce or waive interest on legal financial obligations only as 5 an incentive for the offender to meet his or her <u>other</u> legal 6 financial obligations.

7 The court may grant the motion, establish a payment schedule, and 8 retain jurisdiction over the offender for purposes of reviewing and 9 revising the reduction or waiver of interest.

10 (3) This section applies to persons convicted as adults or 11 adjudicated in juvenile court.

12 **Sec. 2.** RCW 3.50.100 and 2012 c 136 s 3 are each amended to read 13 as follows:

(1) Costs in civil and criminal actions may be imposed as 14 provided in district court. All fees, costs, fines, forfeitures and 15 other money imposed by any municipal court for the violation of any 16 municipal or town ordinances shall be collected by the court clerk 17 and, together with any other noninterest revenues received by the 18 clerk, shall be deposited with the city or town treasurer as a part 19 20 of the general fund of the city or town, or deposited in such other fund of the city or town, or deposited in such other funds as may be 21 designated by the laws of the state of Washington. 22

(2) Except as provided in RCW 9A.88.120 and 10.99.080, the city 23 treasurer shall remit monthly thirty-two percent of the noninterest 24 money received under this section, other than for 25 parking infractions, and certain costs to the state treasurer. "Certain 26 27 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, 28 or those costs awarded against convicted defendants in criminal 29 30 actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs 31 by the court and are awarded for the specific reimbursement of costs 32 incurred by the state, county, city, or town in the prosecution of 33 34 the case, including the fees of defense counsel. Money remitted under 35 this subsection to the state treasurer shall be deposited in the 36 state general fund.

37 (3) The balance of the noninterest money received under this
 38 section shall be retained by the city and deposited as provided by
 39 law.

1 (4) Penalties, fines, bail forfeitures, fees, and costs may 2 accrue interest at the rate of ((twelve)) six percent per annum, upon 3 assignment to a collection agency. Interest may accrue only while the 4 case is in collection status.

5 (5) Interest retained by the court on penalties, fines, bail 6 forfeitures, fees, and costs shall be split twenty-five percent to 7 the state treasurer for deposit in the state general fund, twenty-8 five percent to the state treasurer for deposit in the judicial 9 information system account as provided in RCW 2.68.020, twenty-five 10 percent to the city general fund, and twenty-five percent to the city 11 general fund to fund local courts.

12 **Sec. 3.** RCW 3.62.020 and 2012 c 262 s 1, 2012 c 136 s 4, and 13 2012 c 134 s 6 are each reenacted and amended to read as follows:

(1) Except as provided in subsection (4) of this section, all 14 costs, fees, fines, forfeitures and penalties assessed and collected 15 in whole or in part by district courts, except costs, fines, 16 forfeitures and penalties assessed and collected, in whole or in 17 part, because of the violation of city ordinances, shall be remitted 18 by the clerk of the district court to the county treasurer at least 19 20 monthly, together with a financial statement as required by the state auditor, noting the information necessary for crediting of such funds 21 22 as required by law.

(2) Except as provided in RCW 9A.88.120, 10.99.080, 7.84.100(4), 23 24 and this section, the county treasurer shall remit thirty-two percent of the noninterest money received under subsection (1) of this 25 section except certain costs to the state treasurer. "Certain costs" 26 27 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 those 28 costs awarded against convicted defendants in criminal actions under 29 30 RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are 31 awarded for the specific reimbursement of costs incurred by the state 32 or county in the prosecution of the case, including the fees of 33 defense counsel. With the exception of funds to be transferred to the 34 judicial stabilization trust account under RCW 3.62.060(2), money 35 remitted under this subsection to the state treasurer shall be 36 deposited in the state general fund. 37

(3) The balance of the noninterest money received by the county
 treasurer under subsection (1) of this section shall be deposited in

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1 the county current expense fund. Funds deposited under this 2 subsection that are attributable to the county's portion of a 3 surcharge imposed under RCW 3.62.060(2) must be used to support local 4 trial court and court-related functions.

5 (4) Except as provided in RCW 7.84.100(4), all money collected 6 for county parking infractions shall be remitted by the clerk of the 7 district court at least monthly, with the information required under 8 subsection (1) of this section, to the county treasurer for deposit 9 in the county current expense fund.

10 (5) Penalties, fines, bail forfeitures, fees, and costs may 11 accrue interest at the rate of ((twelve)) six percent per annum, upon 12 assignment to a collection agency. Interest may accrue only while the 13 case is in collection status.

14 (6) Interest retained by the court on penalties, fines, bail 15 forfeitures, fees, and costs shall be split twenty-five percent to 16 the state treasurer for deposit in the state general fund, twenty-17 five percent to the state treasurer for deposit in the judicial 18 information system account as provided in RCW 2.68.020, twenty-five 19 percent to the county current expense fund, and twenty-five percent 20 to the county current expense fund to fund local courts.

21 **Sec. 4.** RCW 3.62.040 and 2012 c 136 s 5 are each amended to read 22 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.

(2) Except as provided in RCW 9A.88.120 and 10.99.080, the city 29 30 treasurer shall remit monthly thirty-two percent of the noninterest money received under this section, other than for parking infractions 31 and certain costs, to the state treasurer. "Certain costs" as used in 32 this subsection, means those costs awarded to prevailing parties in 33 civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded 34 against convicted defendants in criminal actions under RCW 10.01.160, 35 10.46.190, or 36.18.040, or other similar statutes if such costs are 36 specifically designated as costs by the court and are awarded for the 37 specific reimbursement of costs incurred by the state, county, city, 38 or town in the prosecution of the case, including the fees of defense 39

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counsel. Money remitted under this subsection to the state treasurer
 shall be deposited in the state general fund.

3 (3) The balance of the noninterest money received under this
4 section shall be retained by the city and deposited as provided by
5 law.

6 (4) All money collected for city parking infractions shall be 7 remitted by the clerk of the district court at least monthly to the 8 city treasurer for deposit in the city's general fund.

9 (5) Penalties, fines, bail forfeitures, fees, and costs may 10 accrue interest at the rate of ((twelve)) <u>six</u> percent per annum, upon 11 assignment to a collection agency. Interest may accrue only while the 12 case is in collection status.

13 (6) Interest retained by the court on penalties, fines, bail 14 forfeitures, fees, and costs shall be split twenty-five percent to 15 the state treasurer for deposit in the state general fund, twenty-16 five percent to the state treasurer for deposit in the judicial 17 information system account as provided in RCW 2.68.020, twenty-five 18 percent to the city general fund, and twenty-five percent to the city 19 general fund to fund local courts.

20 Sec. 5. RCW 35.20.220 and 2012 c 136 s 7 are each amended to 21 read as follows:

(1) The chief clerk, under the supervision and direction of the 22 court administrator of the municipal court, shall have the custody 23 and care of the books, papers and records of the court. The chief 24 25 clerk or a deputy shall be present during the session of the court and has the power to swear all witnesses and jurors, administer oaths 26 27 and affidavits, and take acknowledgments. The chief clerk shall keep the records of the court and shall issue all process under his or her 28 hand and the seal of the court. The chief clerk shall do and perform 29 30 all things and have the same powers pertaining to the office as the clerks of the superior courts have in their office. He or she shall 31 receive all fines, penalties, and fees of every kind and keep a full, 32 accurate, and detailed account of the same. The chief clerk shall on 33 each day pay into the city treasury all money received for the city 34 during the day previous, with a detailed account of the same, and 35 taking the treasurer's receipt therefor. 36

37 (2) Except as provided in RCW 9A.88.120 and 10.99.080, the city
 38 treasurer shall remit monthly thirty-two percent of the noninterest
 39 money received under this section, other than for parking infractions

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1 and certain costs to the state treasurer. "Certain costs" as used in 2 this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded 3 against convicted defendants in criminal actions under RCW 10.01.160, 4 10.46.190, or 36.18.040, or other similar statutes if such costs are 5 6 specifically designated as costs by the court and are awarded for the 7 specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the fees of defense 8 counsel. Money remitted under this subsection to the state treasurer 9 shall be deposited in the state general fund. 10

11 (3) The balance of the noninterest money received under this 12 section shall be retained by the city and deposited as provided by 13 law.

14 (4) Penalties, fines, bail forfeitures, fees, and costs may 15 accrue interest at the rate of ((twelve)) six percent per annum, upon 16 assignment to a collection agency. Interest may accrue only while the 17 case is in collection status.

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

25 **Sec. 6.** RCW 43.43.7541 and 2011 c 125 s 1 are each amended to 26 read as follows:

27 Every sentence imposed for a crime specified in RCW 43.43.754 must include a fee of one hundred dollars unless the state has 28 previously collected the offender's DNA as a result of a prior 29 30 conviction. The fee is a court-ordered legal financial obligation as defined in RCW 9.94A.030 and other applicable law. For a sentence 31 imposed under chapter 9.94A RCW, the fee is payable by the offender 32 after payment of all other legal financial obligations included in 33 the sentence has been completed. For all other sentences, the fee is 34 35 payable by the offender in the same manner as other assessments imposed. The clerk of the court shall transmit eighty percent of the 36 37 fee collected to the state treasurer for deposit in the state DNA database account created under RCW 43.43.7532, and shall transmit 38 twenty percent of the fee collected to the agency responsible for 39 Official Print - 6 1390-S2.E AMS WM S2990.1 collection of a biological sample from the offender as required under
 RCW 43.43.754.

3 **Sec. 7.** RCW 10.01.160 and 2010 c 54 s 1 are each amended to read 4 as follows:

5 (1) The court may require a defendant to pay costs. Costs may be 6 imposed only upon a convicted defendant, except for costs imposed 7 upon a defendant's entry into a deferred prosecution program, costs 8 imposed upon a defendant for pretrial supervision, or costs imposed 9 upon a defendant for preparing and serving a warrant for failure to 10 appear.

11 (2) Costs shall be limited to expenses specially incurred by the state in prosecuting the defendant or in administering the deferred 12 prosecution program under chapter 10.05 RCW or pretrial supervision. 13 They cannot include expenses inherent in providing a constitutionally 14 15 guaranteed jury trial or expenditures in connection with the 16 maintenance and operation of government agencies that must be made by 17 the public irrespective of specific violations of law. Expenses incurred for serving of warrants for failure to appear and jury fees 18 under RCW 10.46.190 may be included in costs the court may require a 19 20 defendant to pay. Costs for administering a deferred prosecution may not exceed two hundred fifty dollars. Costs for administering a 21 pretrial supervision may not exceed one hundred fifty dollars. Costs 22 for preparing and serving a warrant for failure to appear may not 23 24 exceed one hundred dollars. Costs of incarceration imposed on a 25 defendant convicted of a misdemeanor or a gross misdemeanor may not exceed the actual cost of incarceration. In no case may the court 26 27 require the offender to pay more than one hundred dollars per day for the cost of incarceration. Payment of other court-ordered financial 28 obligations, including all legal financial obligations and costs of 29 30 supervision take precedence over the payment of the cost of 31 incarceration ordered by the court. All funds received from defendants for the cost of incarceration in the county or city jail 32 must be remitted for criminal justice purposes to the county or city 33 that is responsible for the defendant's jail costs. Costs imposed 34 constitute a judgment against a defendant and survive a dismissal of 35 underlying action against the defendant. However, 36 the if the defendant is acquitted on the underlying action, the costs for 37 38 preparing and serving a warrant for failure to appear do not survive

the acquittal, and the judgment that such costs would otherwise
 constitute shall be vacated.

(3) The court shall not order a defendant to pay costs unless the 3 defendant is or will be able to pay them. In determining the amount 4 and method of payment of costs, the court shall take account of the 5 6 financial resources of the defendant and the nature of the burden that payment of costs will impose. However, this subsection does not 7 create a statutory obligation for the trial court to make an 8 individualized inquiry into a defendant's current and future ability 9 to pay before the court imposes costs. A trial court shall not be 10 required to conduct a case by case analysis and evaluate an 11 12 individual defendant's circumstances but may use standard language in a judgment and sentence that makes the findings required under this 13 subsection. A defendant may seek modification of the judgment and 14 sentence order in the event the defendant is unable to pay as allowed 15 by law and court rule. This provision is intended to clarify the 16 17 obligations of a trial court under this subsection and cure any ambiguity that might have led to the Washington supreme court's 18 decision in State v. Blazina, Cause No. 89028-5 (March 12, 2015) and 19 shall be applied retroactively. 20

(4) A defendant who has been ordered to pay costs and who is not 21 in contumacious default in the payment thereof may at any time 22 petition the sentencing court for remission of the payment of costs 23 or of any unpaid portion thereof. If it appears to the satisfaction 24 25 of the court that payment of the amount due will impose manifest hardship on the defendant or the defendant's immediate family, the 26 court may remit all or part of the amount due in costs, or modify the 27 method of payment under RCW 10.01.170. 28

(5) Except for direct costs relating to evaluating and reporting 29 to the court, prosecutor, or defense counsel regarding a defendant's 30 31 competency to stand trial as provided in RCW 10.77.060, this section 32 shall not apply to costs related to medical or mental health treatment or services a defendant receives while in custody of the 33 secretary of the department of social and health services or other 34 governmental units. This section shall not prevent the secretary of 35 the department of social and health services or other governmental 36 units from imposing liability and seeking reimbursement from a 37 defendant committed to an appropriate facility as provided in RCW 38 39 10.77.084 while criminal proceedings are stayed. This section shall 40 also not prevent governmental units from imposing liability on Official Print - 8 1390-S2.E AMS WM S2990.1 defendants for costs related to providing medical or mental health treatment while the defendant is in the governmental unit's custody. Medical or mental health treatment and services a defendant receives at a state hospital or other facility are not a cost of prosecution and shall be recoverable under RCW 10.77.250 and 70.48.130, chapter 43.20B RCW, and any other applicable statute.

<u>NEW SECTION.</u> Sec. 8. Nothing in this act requires the courts to
 refund or reimburse amounts previously paid towards legal financial
 obligations or interest on legal financial obligations."

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10 On page 1, line 1 of the title, after "obligations;" strike the 11 remainder of the title and insert "amending RCW 10.82.090, 3.50.100, 12 3.62.040, 35.20.220, 43.43.7541, and 10.01.160; reenacting and 13 amending RCW 3.62.020; and creating a new section."

<u>EFFECT:</u> As of the effective date of the act, legal financial obligations bear a six percent interest rate. The new provisions dealing with imposing costs at the time of sentencing for indigent defendants are removed. The new provisions regarding sanctioning proceedings and standards for finding an unwillful failure to pay legal financial obligations are removed. The trial court is not required to make an individualized inquiry into the defendant's current or future ability to pay before the court imposes costs, and this provision is a clarification and applies retroactively. The defendant may seek a modification in the event that he or she is unable to pay as allowed by statute or court rule.

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