

SSB 5222 - S AMD TO S AMD (S-4202.3/16) 655

By Senator Nelson

1 On page 1, line 8 of the amendment, after "(1)" insert "Account
2 level documentation" means all records generated by the original
3 creditor or received by the original creditor from the debtor related
4 to a claim in collection including, but not limited to: The original
5 contract and terms and conditions of the account, periodic statements
6 of accounts due, and records of payments, letters, and other account
7 notices.

8 (2)"

9 Renumber the remaining subsections consecutively and correct any
10 internal references accordingly.

11 On page 5, line 30 of the amendment, after "provided;" strike
12 "and" and insert "~~(and)~~"

13 On page 5, line 35 of the amendment, after "provided" insert "i
14 (iii) Certification that the itemization of the claim was made
15 based on a personal review of account level documentation provided by
16 the original creditor; and

17 (iv) A copy of the account level documentation reviewed by the
18 licensee pursuant to (e)(iii) of this subsection (8)"

19 On page 7, line 30 of the amendment, after "with" insert ", or
20 attempt to communicate with,"

21 On page 7, line 35 of the amendment, after "communication" insert
22 ", or attempted communication,"

23 On page 12, after line 7 of the amendment, insert the following:

24 "(26) Collect, or attempt to collect, on any account purchased
25 for collection by a licensee unless the licensee has completed a
26 meaningful investigation into the chain of ownership of the account
27 and has in its possession a copy of a written assignment or bill of
28 sale which identifies the debtor by name and account number for each
29 sale or assignment of the account beginning with the original

1 creditor. A copy of each assignment must be included with any initial
2 written communication to a debtor.

3 (27) File with any court an affidavit or declaration in support
4 of a judgment on a claim which fails to inform the court if the
5 original creditor, or any prior owner of the account, disclaimed the
6 accuracy or integrity of the account balance, account information,
7 account records, or other documentation of indebtedness transferred
8 at the time of sale.

9 (28) Serve the debtor with a summons and complaint unless the
10 pleadings have been filed with the court and the summons and
11 complaint contain a file number and sufficient information to allow
12 the debtor to file an answer with the court.

13 **Sec. 3.** RCW 19.16.270 and 2011 c 336 s 522 are each amended to
14 read as follows:

15 In any action brought by licensee to collect the claim of his,
16 her, or its customer, the assignment of the claim to licensee by his,
17 her, or its customer shall be conclusively presumed valid, if the
18 assignment is filed in court with the complaint, unless objection is
19 made thereto by the debtor in a written answer or in writing five
20 days or more prior to trial. The provisions of this section do not
21 apply to delinquent or charged off claims purchased for collection
22 purposes, whether the purchaser collects the claims itself, or hires
23 a third party for collection or an attorney for litigation in order
24 to collect such claims."

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25 On page 12, line 8 of the title amendment, after "line" strike
26 the remainder of the title amendment and insert "1 of the title,
27 after "Relating to" strike the remainder of the title and insert
28 "collection agency practices; and amending RCW 19.16.100, 19.16.250,
29 and 19.16.270."

EFFECT: (1) Revises the collection agency act.

(2) Addresses prohibited practices of collection agencies with regard to certification that an itemization of a claim was made based on a personal review of account level documentation provided by the original creditor.

(3) Prohibits a collection agency licensee, or an employee of a licensee, from serving a debtor with a summons and complaint unless the pleadings have been filed with the court and the summons and complaint contain a file number and sufficient information to allow the debtor to file an answer with the court.

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