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SENATE BILL 5058

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State of Washington

64th Legislature

2015 Regular Session

By Senators Fain, Dammeier, Hobbs, Lias, Pedersen, and Mullet; by request of Attorney General

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1 AN ACT Relating to reauthorizing and expanding the financial  
2 fraud and identity theft crimes investigation and prosecution  
3 program; amending RCW 43.330.300 and 62A.9A-525; amending 2009 c 565  
4 s 57 and 2008 c 290 s 4 (uncodified); providing an effective date;  
5 and declaring an emergency.

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

7 **Sec. 1.** RCW 43.330.300 and 2009 c 565 s 16 are each amended to  
8 read as follows:

9 (1) The financial fraud and identity theft crimes investigation  
10 and prosecution program is created in the department of commerce. The  
11 department shall:

12 (a) Appoint members of the financial fraud task forces created in  
13 subsection (2) of this section;

14 (b) Administer the account created in subsection (3) of this  
15 section; and

16 (c) By December 31st of each year submit a report to the  
17 appropriate committees of the legislature and the governor regarding  
18 the progress of the program and task forces. The report must include  
19 recommendations on changes to the program, including expansion.

20 (2)(a) The department shall establish two regional financial  
21 fraud and identity theft crime task forces that include a central

1 Puget Sound task force that includes King (~~and~~), Pierce, and  
2 Snohomish counties, and a Spokane county task force. Each task force  
3 must be comprised of local law enforcement, county prosecutors,  
4 representatives of the office of the attorney general, financial  
5 institutions, and other state and local law enforcement.

6 (b) The department shall appoint: (i) Representatives of local  
7 law enforcement from a list provided by the Washington association of  
8 sheriffs and police chiefs; (ii) representatives of county  
9 prosecutors from a list provided by the Washington association of  
10 prosecuting attorneys; and (iii) representatives of financial  
11 institutions.

12 (c) Each task force shall:

13 (i) Hold regular meetings to discuss emerging trends and threats  
14 of local financial fraud and identity theft crimes;

15 (ii) Set priorities for the activities for the task force;

16 (iii) Apply to the department for funding to (A) hire prosecutors  
17 and/or law enforcement personnel dedicated to investigating and  
18 prosecuting financial fraud and identity theft crimes; and (B)  
19 acquire other needed resources to conduct the work of the task force;

20 (iv) Establish outcome-based performance measures; and

21 (v) Twice annually report to the department regarding the  
22 activities and performance of the task force.

23 (3) The financial fraud and identity theft crimes investigation  
24 and prosecution account is created in the state treasury. Moneys in  
25 the account may be spent only after appropriation. Revenue to the  
26 account may include appropriations, revenues generated by the  
27 surcharge imposed in RCW 62A.9A-525, federal funds, and any other  
28 gifts or grants. Expenditures from the account may be used only to  
29 support the activities of the financial fraud and identity theft  
30 crime investigation and prosecution task forces and the program  
31 administrative expenses of the department, which may not exceed ten  
32 percent of the amount appropriated.

33 (4) For purposes of this section, "financial fraud and identity  
34 theft crimes" includes those that involve: Check fraud, chronic  
35 unlawful issuance of bank checks, embezzlement, credit/debit card  
36 fraud, identity theft, forgery, counterfeit instruments such as  
37 checks or documents, organized counterfeit check rings, and organized  
38 identification theft rings.

1       **Sec. 2.** RCW 62A.9A-525 and 2008 c 290 s 2 are each amended to  
2 read as follows:

3       (a) **Filing with department of licensing.** Except as otherwise  
4 provided in subsection (b) or (e) of this section, the fee for filing  
5 and indexing a record under this part is the fee set by department of  
6 licensing rule pursuant to subsection (f) of this section. Without  
7 limitation, different fees may be charged for:

8       (1) A record that is communicated in writing and consists of one  
9 or two pages;

10       (2) A record that is communicated in writing and consists of more  
11 than two pages, which fee may be a multiple of the fee described in  
12 (1) of this subsection; and

13       (3) A record that is communicated by another medium authorized by  
14 department of licensing rule, which fee may be a fraction of the fee  
15 described in (1) of this subsection.

16       (b) **Filing with other filing offices.** Except as otherwise  
17 provided in subsection (e) of this section, the fee for filing and  
18 indexing a record under this part that is filed in a filing office  
19 described in RCW 62A.9A-501(a)(1) is the fee that would otherwise be  
20 applicable to the recording of a mortgage in that filing office, as  
21 set forth in RCW 36.18.010.

22       (c) **Number of names.** The number of names required to be indexed  
23 does not affect the amount of the fee in subsections (a) and (b) of  
24 this section.

25       (d) **Response to information request.** The fee for responding to a  
26 request for information from a filing office, including for issuing a  
27 certificate showing, or otherwise communicating, whether there is on  
28 file any financing statement naming a particular debtor, is the fee  
29 set by department of licensing rule pursuant to subsection (f) of  
30 this section; provided however, if the request is to a filing office  
31 described in RCW 62A.9A-501(a)(1) and that office charges a different  
32 fee, then that different fee shall apply instead. Without limitation,  
33 different fees may be charged:

34       (1) If the request is communicated in writing;

35       (2) If the request is communicated by another medium authorized  
36 by filing-office rule; and

37       (3) If the request is for expedited service.

38       (e) **Record of mortgage.** This section does not require a fee with  
39 respect to a record of a mortgage which is effective as a financing  
40 statement filed as a fixture filing or as a financing statement

1 covering as-extracted collateral or timber to be cut under RCW  
2 62A.9A-502(c). However, the recording and satisfaction fees that  
3 otherwise would be applicable to the record of the mortgage apply.

4 (f) **Filing office rules.** (1) The department of licensing shall by  
5 rule set the fees called for in this section for filing with, and  
6 obtaining information from, the department of licensing. The director  
7 shall set fees at a sufficient level to defray the costs of  
8 administering the program. All receipts from fees collected under  
9 this title, except fees for services covered under RCW  
10 62A.9A-501(a)(1), shall be deposited to the uniform commercial code  
11 fund in the state treasury. Moneys in the fund may be spent only  
12 after appropriation and may be used only to administer the uniform  
13 commercial code program.

14 (2) In addition to fees on filings authorized under this section,  
15 the department of licensing shall impose a surcharge of (~~eight~~) ten  
16 dollars per filing for paper filings and a surcharge of (~~three~~) ten  
17 dollars per filing for electronic filings. The department shall  
18 deposit the proceeds from these surcharges in the financial fraud and  
19 identity theft crimes investigation and prosecution account created  
20 in RCW 43.330.300.

21 (g) **Transition.** This section continues the fee-setting authority  
22 conferred on the department of licensing by former RCW 62A.9-409 and  
23 nothing herein shall invalidate fees set by the department of  
24 licensing under the authority of former RCW 62A.9-409.

25 **Sec. 3.** 2009 c 565 s 57 (uncodified) is amended to read as  
26 follows:

27 (1) Section 16 of this act expires July 1, (~~2015~~) 2020.

28 (2) Section 41 of this act expires June 30, 2016.

29 **Sec. 4.** 2008 c 290 s 4 (uncodified) is amended to read as  
30 follows:

31 This act expires July 1, (~~2015~~) 2020.

32 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
33 preservation of the public peace, health, or safety, or support of  
34 the state government and its existing public institutions, and takes  
35 effect July 1, 2015.

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