

SENATE BILL REPORT

SHB 1070

As of March 28, 2017

Title: An act relating to filing fee surcharges for funding dispute resolution centers.

Brief Description: Concerning filing fee surcharges for funding dispute resolution centers.

Sponsors: House Committee on Judiciary (originally sponsored by Representatives Jinkins, Appleton, Robinson, Kirby, Doglio and Fey).

Brief History: Passed House: 3/06/17, 68-30.

Committee Activity: Law & Justice: 3/21/17.

Brief Summary of Bill

- Allows a county legislative authority to impose a new surcharge up to \$20 in addition to civil filing fees in superior court for the purpose of funding Dispute Resolution Centers (DRCs).
- Allows a county legislative authority to raise the existing surcharge fee in district court and small claims court from a maximum of \$10 and \$15, respectively, to a maximum of \$20 to fund DRCs.
- Exempts persons paying an annual assessment for the manufactured/mobile home dispute resolution program from paying the surcharge on superior court civil filings fees for DRCs.

SENATE COMMITTEE ON LAW & JUSTICE

Staff: Tim Ford (786-7423)

Background: The creation of DRCs was first authorized by the state Legislature in the 1984 Court Improvement Act for the purpose of providing forums in which persons could voluntarily resolve disputes in an atmosphere that was less costly, less complex, less formal, and less adversarial than the courtroom setting. A DRC may be created and operated by a city or county, or by a nonprofit corporation.

Services offered by a DRC must be provided without charge to a participant or for a fee that is based on a participant's ability to pay.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Typical cases handled by DRCs involve:

- landlords and tenants;
- consumers and merchants;
- neighbors;
- citizens and agencies;
- employees and employers;
- families; and
- divorcing and divorced couples.

For the purpose of funding DRCs, a county legislative authority may impose a surcharge of up to \$10 on each civil filing fee in district court and a surcharge of up to \$15 on each filing fee for small claims actions. Surcharges are collected by the clerk of the court and remitted to the county treasurer for deposit in a separate account used solely for DRCs.

Summary of Bill: For the purpose of increasing funding for DRCs, a county legislative authority may impose additional surcharges on civil filing fees as follows:

- the existing surcharge up to \$10 that may be imposed in district court is raised up to a maximum of \$20;
- the existing surcharge up to \$15 that may be imposed for small claims actions is raised up to a maximum of \$20; and
- a new surcharge may be imposed on civil filings in superior court up to a maximum of \$20.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: In 1984, the Legislature created a dispute resolution process to resolve disputes in a less adversarial and less formal setting with community participation. In 1990, a surcharge was added for filings in small claims and district courts to fund the dispute resolution center. It can be waived for indigent participants. There is a huge savings to the court by using the dispute resolution center. Pierce County mediates around 600 cases a year. It is used for a variety of disputes including domestic and parenting concerns.

CON: The problem with the bill and increasing the surcharge is that currently the surcharge is 95 percent of the underlying filing fee. If you increase it then it will be 119 percent of the underlying filing fee. This is an access to justice issue. There are many people who cannot afford all the combined fees, and increasing these surcharges makes access to the courts more difficult. The dispute resolution centers do great work, but I would feel differently if it was funded through the budget instead of through user fees.

Persons Testifying: PRO: Representative Jenkins, Prime Sponsor; Maralise Hood Quom, Resolution WA Center Dialog and Resolution; LaDessa Croucher, Volunteers of America Dispute Resolution Center; Tom Parker, Superior Court Judges Association.

CON: Chester Baldwin.

Persons Signed In To Testify But Not Testifying: No one.