HOUSE BILL 1048

State of Washington 66th Legislature 2019 Regular Session

By Representatives Goodman, Stokesbary, Jinkins, Macri, Appleton, Wylie, and Chambers

Prefiled 12/14/18. Read first time 01/14/19. Referred to Committee on Civil Rights & Judiciary.

AN ACT Relating to modifying the process for prevailing parties to recover judgments in small claims court; amending RCW 12.40.020, 12.40.030, 12.40.040, 12.40.050, 12.40.105, 12.40.120, 4.56.200, and 43.79.505; adding a new section to chapter 12.40 RCW; and repealing RCW 12.40.110.

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

7 Sec. 1. RCW 12.40.020 and 2011 1st sp.s. c 44 s 2 are each 8 amended to read as follows:

((-(1))) A small claims action shall be commenced by the plaintiff 9 filing a claim, in the form prescribed by RCW 12.40.050, in the small 10 11 claims department. A filing fee of ((fourteen)) thirty-four dollars plus any surcharge authorized by RCW 7.75.035 shall be paid when the 12 13 claim is filed. Any party filing a counterclaim, cross-claim, or 14 third-party claim in such action shall pay to the court a filing fee 15 of ((fourteen)) thirty-four dollars plus any surcharge authorized by 16 RCW 7.75.035.

17 (((2) Until July 1, 2013, in addition to the fees required by 18 this section, an additional surcharge of ten dollars shall be charged 19 on the filing fees required by this section, of which seventy-five 20 percent must be remitted to the state treasurer for deposit in the 1 judicial stabilization trust account and twenty-five percent must be

2 retained by the county.))

3 Sec. 2. RCW 12.40.030 and 1997 c 352 s 1 are each amended to 4 read as follows:

5 Upon filing of a claim, the court shall set a time for hearing on the matter. The court shall issue a notice of the claim which shall 6 be served upon the defendant to notify the defendant of the hearing 7 date. A trial need not be held ((on this)) at the first 8 ((appearance)) hearing, if dispute resolution services are offered 9 10 instead of trial, or local practice rules provide ((that trials will be held on different days)) for a pretrial hearing. 11

12 Sec. 3. RCW 12.40.040 and 1997 c 352 s 2 are each amended to 13 read as follows:

14 The notice of claim ((can)) may be served either as provided for 15 the service of summons or complaint and notice in civil actions as described in RCW 4.28.080 or by registered or certified mail if a 16 return receipt with the signature of the party being served is filed 17 with the court. No other legal document or process is to be served 18 with the notice of claim. Information from the court regarding the 19 small claims department, local small claims procedure, dispute 20 resolution services, or other matters related to litigation in the 21 22 small claims department may be included with the notice of claim when 23 served.

The notice of claim shall be served promptly after filing the claim. Service must be complete at least ten <u>calendar</u> days prior to the first hearing.

The person serving the notice of claim shall be entitled to receive from the plaintiff, besides mileage, the fee specified in RCW 36.18.040 for such service; which sum, together with the filing fee set forth in RCW 12.40.020, shall be added to any judgment given for plaintiff.

32 Sec. 4. RCW 12.40.050 and 1984 c 258 s 62 are each amended to 33 read as follows:

A claim filed in the small claims department shall contain: (1) The name and address of the plaintiff; (2) a <u>sworn</u> statement, in brief and concise form, of the nature and amount of the claim and when the claim accrued; and (3) the name and residence of the 1 defendant, if known to the plaintiff, for the purpose of serving the 2 notice of claim on the defendant.

3 Sec. 5. RCW 12.40.105 and 2004 c 70 s 1 are each amended to read 4 as follows:

5 ((If the losing party fails to pay the judgment within thirty days or within the period otherwise ordered by the court, the 6 7 judgment shall be increased by: (1) An amount sufficient to cover costs of certification of the judgment under RCW 12.40.110; (2) the 8 9 amount specified in RCW 36.18.012(2))) (1) Upon the judge's entry of judgment in a small claims action, the judgment is certified as a 10 district court civil judgment and shall be increased by: (a) The 11 amount specified in RCW 36.18.012(2); (b) any post judgment interest 12 provided for in RCW 4.56.110 and 19.52.020; and (((3))) (c) any other 13 14 costs incurred by the prevailing party to enforce the judgment, 15 including but not limited to reasonable attorneys' fees, without 16 regard to the jurisdictional limits on the small claims department.

17 (2) The clerk of the small claims department shall enter the 18 civil judgment on the judgment docket of the district court; and, as 19 in other judgments of district courts, once the judgment is entered 20 on the district court's docket garnishment, execution, and other 21 process on execution provided by law may issue thereon.

22 <u>(3) A certified copy of the district court judgment shall be</u> 23 provided to the prevailing party for no additional fee.

24 <u>(4) The prevailing party may file a transcript of the district</u> 25 <u>court civil judgment or a certified copy of the district court</u> 26 <u>judgment with superior courts for entry in the superior courts' lien</u> 27 <u>dockets with like effect as in other cases.</u>

28 Sec. 6. RCW 12.40.120 and 1997 c 352 s 4 are each amended to 29 read as follows:

30 No appeal shall be permitted from a judgment of the small claims department of the district court where the amount claimed was less 31 than two hundred fifty dollars. No appeal shall be permitted by a 32 party who requested the exercise of jurisdiction by the small claims 33 department where the amount claimed by that party was less than one 34 thousand dollars. A party in default may seek to have the default 35 judgment set aside according to the civil court rules applicable to 36 37 setting aside judgments in district court.

p. 3

<u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 12.40
 RCW to read as follows:

If the prevailing party receives payment of the judgment, the prevailing party shall file a satisfaction of such judgment with the district court. If the prevailing party fails to file proof of satisfaction of the judgment, the party paying the judgment may file such notice with the district court.

8 Sec. 8. RCW 4.56.200 and 2012 c 133 s 1 are each amended to read 9 as follows:

10 The lien of judgments upon the real estate of the judgment debtor 11 shall commence as follows:

(1) Judgments of the district court of the United States rendered
or filed in the county in which the real estate of the judgment
debtor is situated, from the time of the entry or filing thereof;

15 (2) Judgments of the superior court for the county in which the 16 real estate of the judgment debtor is situated, from the time of the 17 filing by the county clerk upon the execution docket in accordance 18 with RCW 4.64.030;

(3) Judgments of the district court of the United States rendered 19 in any county in this state other than that in which the real estate 20 of the judgment debtor to be affected is situated, judgments of the 21 supreme court of this state, judgments of the court of appeals of 22 this state, and judgments of the superior court for any county other 23 24 than that in which the real estate of the judgment debtor to be affected is situated, from the time of the filing of a duly certified 25 abstract of such judgment with the county clerk of the county in 26 27 which the real estate of the judgment debtor to be affected is situated, as provided in this act; 28

(4) Judgments of a district court of this state rendered or filed 29 30 as a foreign judgment in a superior court in the county in which the real estate of the judgment debtor is situated, from the time of the 31 filing of a <u>duly certified district court judgment or</u> duly certified 32 transcript of the docket of the district court with the county clerk 33 of the county in which such judgment was rendered or filed, and upon 34 35 such filing said judgment shall become to all intents and purposes a judgment of the superior court for said county; and 36

37 (5) Judgments of a district court of this state rendered or filed 38 in a superior court in any other county in this state than that in 39 which the real estate of the judgment debtor to be affected is

p. 4

situated, a transcript of the docket of which has been filed with the 1 2 county clerk of the county where such judgment was rendered or filed, from the time of filing, with the county clerk of the county in which 3 the real estate of the judgment debtor to be affected is situated, of 4 a duly certified abstract of the record of said judgment in the 5 office of the county clerk of the county in which the certified 6 7 transcript of the docket of said judgment of said district court was originally filed. 8

9 Sec. 9. RCW 43.79.505 and 2011 1st sp.s. c 44 s 6 are each 10 amended to read as follows:

11 The judicial stabilization trust account is created within the 12 state treasury, subject to appropriation. All receipts from the 13 surcharges authorized by RCW 3.62.060(2), ((12.40.020(2),)) 14 36.18.018(4), and 36.18.020(5) shall be deposited in this account. 15 Moneys in the account may be spent only after appropriation.

Expenditures from the account may be used only for the support of judicial branch agencies.

NEW SECTION. Sec. 10. RCW 12.40.110 (Procedure on nonpayment) and 2016 c 202 s 19, 1998 c 52 s 6, 1995 c 292 s 6, 1984 c 258 s 68, 1983 c 254 s 3, 1975 1st ex.s. c 40 s 1, 1973 c 128 s 2, & 1919 c 187 s 11 are each repealed.

--- END ---