

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1252**

Chapter 211, Laws of 2019

66th Legislature  
2019 Regular Session

CRIMES COMMITTED BY BUSINESS ENTITIES--PENALTIES

EFFECTIVE DATE: July 28, 2019

Passed by the House April 18, 2019  
Yeas 94 Nays 0

FRANK CHOPP

**Speaker of the House of Representatives**

Passed by the Senate April 8, 2019  
Yeas 47 Nays 0

CYRUS HABIB

**President of the Senate**

Approved April 30, 2019 2:24 PM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1252** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

**Chief Clerk**

FILED

May 1, 2019

**Secretary of State  
State of Washington**

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HOUSE BILL 1252

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AS AMENDED BY THE SENATE

Passed Legislature - 2019 Regular Session

State of Washington

66th Legislature

2019 Regular Session

By Representatives Pellicciotti, Klippert, Dolan, Valdez, Orwall, Pollet, Riccelli, Goodman, Kilduff, Bergquist, Robinson, Doglio, Macri, Appleton, Hudgins, Peterson, Fitzgibbon, Stonier, Lovick, Jinkins, Tharinger, Stanford, Senn, Leavitt, Slatter, Chapman, Frame, Fey, and Wylie

Read first time 01/17/19. Referred to Committee on Public Safety.

1 AN ACT Relating to crime committed by business entities; amending  
2 RCW 9A.08.030, 10.01.070, 10.01.090, and 10.01.100; creating a new  
3 section; and prescribing penalties.

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

5 NEW SECTION. **Sec. 1.** This act shall be known and cited as the  
6 corporate crime act.

7 **Sec. 2.** RCW 9A.08.030 and 2011 c 336 s 352 are each amended to  
8 read as follows:

9 (1) As used in this section:

10 (a) "Agent" means any director, officer, or employee of ((a  
11 ~~corporation~~)) an entity, or any other person who is authorized to act  
12 on behalf of the ((~~corporation~~)) entity;

13 (b) (("Corporation")) "Entity" includes ((~~a joint stock~~  
14 ~~association~~)) any domestic entity formed under or governed as to its  
15 internal affairs by Title 23, 23B, 24, or 25 RCW or any foreign  
16 business entity formed under or governed as to its internal affairs  
17 by the laws of a jurisdiction other than this state;

18 (c) "Governor" has the same meaning as provided in RCW 23.95.105.

19 (d) "High managerial agent" means ((~~an officer or director of a~~  
20 ~~corporation or any other agent~~)) a governor or person in a position

1 of comparable authority (~~with respect to the formulation of~~  
2 ~~corporate policy or the supervision in a managerial capacity of~~) in  
3 an entity not governed by chapter 23.95 RCW, and any other agent who  
4 manages subordinate employees.

5 (2) (~~A corporation~~) An entity is guilty of an offense when:

6 (a) The conduct constituting the offense consists of an omission  
7 to discharge a specific duty of performance imposed on  
8 (~~corporations~~) entities by law; or

9 (b) The conduct constituting the offense is engaged in,  
10 authorized, solicited, requested, commanded, or tolerated by (~~the~~  
11 ~~board of directors or by~~) a high managerial agent acting within the  
12 scope of his or her (~~employment~~) duties and on behalf of the  
13 (~~corporation~~) entity; or

14 (c) The conduct constituting the offense is engaged in by an  
15 agent of the (~~corporation~~) entity, other than a high managerial  
16 agent, while acting within the scope of his or her (~~employment~~)  
17 duties and (~~in~~) on behalf of the (~~corporation~~) entity and (i) the  
18 offense is a gross misdemeanor or misdemeanor, or (ii) the offense is  
19 one defined by a statute which clearly indicates a legislative intent  
20 to impose such criminal liability on (~~a corporation~~) an entity.

21 (3) A person is criminally liable for conduct constituting an  
22 offense which he or she performs or causes to be performed in the  
23 name of or on behalf of (~~a corporation~~) an entity to the same  
24 extent as if such conduct were performed in his or her own name or  
25 behalf.

26 (4) Whenever a duty to act is imposed by law upon (~~a~~  
27 ~~corporation~~) an entity, any agent of the (~~corporation~~) entity who  
28 knows he or she has or shares primary responsibility for the  
29 discharge of the duty is criminally liable for a reckless omission  
30 or, if a high managerial agent, criminally negligent omission to  
31 perform the required act to the same extent as if the duty were by  
32 law imposed directly upon such agent.

33 (5) Every (~~corporation~~) entity, whether foreign or domestic,  
34 which shall violate any provision of RCW 9A.28.040, shall forfeit  
35 every right and franchise to do business in this state. The attorney  
36 general shall begin and conduct all actions and proceedings necessary  
37 to enforce the provisions of this subsection.

38 **Sec. 3.** RCW 10.01.070 and 1987 c 202 s 147 are each amended to  
39 read as follows:

1       (1) Whenever an indictment or information shall be filed in any  
2 superior court against ~~((a corporation))~~ an entity charging it with  
3 the commission of a crime, a summons shall be issued by the clerk of  
4 such court, signed by one of the judges thereof, commanding the  
5 sheriff forthwith to notify the accused thereof, and commanding it to  
6 appear before such court at such time as shall be specified in said  
7 summons. Such summons and a copy of the indictment or information  
8 shall be at once delivered by such clerk to said sheriff and by the  
9 sheriff forthwith served and returned in the manner provided for  
10 service of summons upon such ~~((corporation))~~ entity in a civil  
11 action. Whenever a complaint against ~~((a corporation))~~ an entity,  
12 charging it with the commission of a crime, shall be made before any  
13 district or municipal judge, a like summons, signed by such judge,  
14 shall be issued, which, together with a copy of said complaint, shall  
15 be delivered to the sheriff at once and by the sheriff forthwith  
16 served as herein provided.

17       (2) For the purposes of this section, "entity" has the same  
18 meaning as provided in RCW 9A.08.030.

19       **Sec. 4.** RCW 10.01.090 and 1987 c 202 s 148 are each amended to  
20 read as follows:

21       ~~((If the corporation shall be found guilty and a fine imposed,~~  
22 ~~it))~~ (1) An entity convicted of an offense may be ordered to pay  
23 legal financial obligations, including restitution, crime victims'  
24 assessments, costs, fines, penalties, and other assessments  
25 authorized or required by law. Legal financial obligations imposed  
26 upon an entity shall be entered and docketed by the clerk, or  
27 district or municipal court as a judgment against the ~~((corporation))~~  
28 entity, and it shall be of the same force and effect and be enforced  
29 against such ~~((corporation))~~ entity in the same manner as a judgment  
30 in a civil action. Notwithstanding any other provisions pertaining to  
31 legal financial obligations, all legal financial obligations imposed  
32 in a judgment against an entity under this section bear interest from  
33 the date of the judgment until payment at the rate applicable to  
34 civil judgments under RCW 4.56.110. When an entity is ordered to pay  
35 restitution, payments to the clerk must be distributed to restitution  
36 prior to all other obligations.

37       (2) Except as otherwise provided under subsection (1) of this  
38 section, payments on legal financial obligations must be collected  
39 and distributed according to the requirements under RCW 3.50.100,

1 3.62.020, 3.62.040, 9.92.070, 9.94A.760, 10.01.160, 10.01.170,  
2 10.01.180, 10.46.190, 10.64.015, 10.73.160, 10.82.090, 35.20.220, and  
3 any other sections applicable to legal financial obligations imposed  
4 as a result of a criminal conviction.

5 (3) For the purposes of this section, "entity" has the same  
6 meaning as provided in RCW 9A.08.030.

7 **Sec. 5.** RCW 10.01.100 and 1925 ex.s. c 101 s 1 are each amended  
8 to read as follows:

9 ~~((Every corporation guilty of a violation of any law of the state  
10 of Washington, where the prescribed penalty is, for any reason,  
11 incapable of execution or enforcement against such corporation, shall  
12 be punished by a fine of not more than ten thousand dollars, if such  
13 offense is a felony; or, by a fine of not more than one thousand  
14 dollars if such offense is a gross misdemeanor; or, by a fine of not  
15 more than five hundred dollars if such offense is a misdemeanor.))~~

16 (1) When imposed on an entity for any criminal offense for which no  
17 special business fine is specified, a sentence to pay a fine may not  
18 exceed:

19 (a) One million dollars for a class A felony;

20 (b) Seven hundred fifty thousand dollars for a class B felony;

21 (c) Five hundred thousand dollars for a class C felony;

22 (d) Two hundred fifty thousand dollars for a gross misdemeanor;

23 and

24 (e) Fifty thousand dollars for a misdemeanor.

25 (2) If a special fine for entities is expressly specified in the  
26 statute that defines an offense, the fine fixed must be within the  
27 limits specified in the statute.

28 (3) For the purposes of this section, "entity" has the same  
29 meaning as provided in RCW 9A.08.030.

Passed by the House April 18, 2019.

Passed by the Senate April 8, 2019.

Approved by the Governor April 30, 2019.

Filed in Office of Secretary of State May 1, 2019.

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