

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 5355

Chapter 102, Laws of 2021

67th Legislature
2021 Regular Session

WAGE LIENS

EFFECTIVE DATE: January 1, 2022

Passed by the Senate March 9, 2021
Yeas 25 Nays 24

DENNY HECK

President of the Senate

Passed by the House April 6, 2021
Yeas 51 Nays 46

LURIE JINKINS

**Speaker of the House of
Representatives**

Approved April 16, 2021 10:57 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5355** as passed by the Senate and the House of Representatives on the dates hereon set forth.

BRAD HENDRICKSON

Secretary

FILED

April 16, 2021

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5355

Passed Legislature - 2021 Regular Session

State of Washington

67th Legislature

2021 Regular Session

By Senate Labor, Commerce & Tribal Affairs (originally sponsored by Senator Conway)

READ FIRST TIME 02/15/21.

1 AN ACT Relating to establishing wage liens; amending RCW
2 36.18.016 and 49.48.086; adding new sections to chapter 43.24 RCW;
3 adding a new chapter to Title 60 RCW; and providing an effective
4 date.

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

6 NEW SECTION. **Sec. 1.** This act may be known and cited as the
7 Washington wage recovery act.

8 NEW SECTION. **Sec. 2.** The definitions in this section apply
9 throughout this chapter unless the context clearly requires
10 otherwise.

11 (1) "Account" has the same meaning as defined in RCW 62A.9A-102.

12 (2) "Chattel paper" has the same meaning as defined in RCW
13 62A.9A-102.

14 (3) "Department" means the department of labor and industries.

15 (4) "Director" means the director of labor and industries.

16 (5) "Employ" includes permit to work.

17 (6) "Employee" includes any individual currently or formerly
18 employed by an employer.

19 (7) "Employer" includes any individual, partnership, association,
20 corporation, business trust, or any person or group of persons acting

1 directly or indirectly in the interest of an employer in relation to
2 an employee.

3 (8) "Goods" has the same meaning as defined in RCW 62A.9A-102.

4 (9) "Highly compensated employee" means any employee who was a
5 five percent owner of the business at which he or she is employed
6 during the current year or preceding year, or who received
7 compensation from the employer in the preceding year in excess of the
8 indexed compensation pursuant to 26 U.S.C. Sec. 414(q).

9 (10) "Instrument" has the same meaning as defined in RCW
10 62A.9A-102.

11 (11) "Maintain" includes to maintain, clean, manage, improve,
12 protect, repair, monitor, or restore real property at the instance of
13 the owner or tenant or of any person acting by the owner's or
14 tenant's authority.

15 (12) "Payment intangibles" has the same meaning as defined in RCW
16 62A.9A-102.

17 (13) "Signature" includes an electronic signature.

18 (14) "Wage claim" means a claim for any unpaid wages owed to the
19 claimant as an employee of an employer, as well as any other
20 compensation, interest, statutory damages, liquidated damages,
21 attorneys' fees and costs, or statutory penalties that may be owed
22 for violation of a local, state, or federal wage law, including but
23 not limited to chapters 39.12, 49.12, 49.46, 49.48, and 49.52 RCW,
24 and the fair labor standards act, 29 U.S.C. Sec. 201 et seq. A wage
25 claim does not include vacation or severance pay, contributions to an
26 employee benefit plan, or paid leave except paid leave that is
27 statutorily mandated.

28 NEW SECTION. **Sec. 3.** (1)(a) An employee, except a highly
29 compensated employee, who complies with section 4 of this act has a
30 wage lien for wage claims on:

31 (i) Any real property in the state of Washington that is owned or
32 subsequently acquired by the employee's employer;

33 (ii) Goods and tangible chattel paper in the state of Washington
34 that are owned or are subsequently acquired by the employee's
35 employer;

36 (iii) Accounts and payment intangibles that are owned or
37 subsequently acquired by the employee's employer; and

1 (iv) Any real property in the state of Washington that the wage
2 claimant has maintained, for all wage claims for maintenance of that
3 property.

4 (b) A person does not have a wage lien under this chapter for any
5 wage claim that is or would be subject to a lien by that person under
6 chapter 60.04 RCW.

7 (c) A wage lien is effective against the estate of the employer.

8 (2) This chapter does not affect the ownership or title in
9 personal or real property of the state or other public entity or
10 public ownership, nor does any lien attach to the fee simple title of
11 the state or other public ownership.

12 NEW SECTION. **Sec. 4.** (1) To establish a wage lien on real
13 property pursuant to section 3 of this act, the lien claimant must:

14 (a) File for recording a notice of claim of wage lien in the
15 county where the property is located that includes:

16 (i) The name, telephone number, and address of the lien claimant
17 and, if the wage lien has been assigned, the name of the person who
18 assigned the lien;

19 (ii) The name of the employer;

20 (iii) The street address, legal description, and parcel number of
21 the real property subject to the wage lien;

22 (iv) The name of the owner or reputed owner of the property, if
23 known, and if not known, a statement saying the name of the owner is
24 not known;

25 (v) The principal amount for which the wage lien is claimed;

26 (vi) The signature of the lien claimant or of a person authorized
27 to act on the claimant's behalf; and

28 (vii) An acknowledgment and certification as set forth in
29 subsection (4) of this section;

30 (b) Pay a filing fee to the county auditor as required by RCW
31 36.18.010; and

32 (c) Mail a copy of the notice filed under this subsection (1) to
33 the employer's registered agent, the employer's registered business
34 address, or the address where the employer resides, and to the
35 property owner if known and if the employer is not the property
36 owner, by certified mail with return receipt requested.

37 (2) Except as provided in subsection (3) of this section, to
38 establish a wage lien on personal property pursuant to section 3 of
39 this act, the lien claimant must:

1 (a) (i) (A) For an employer located in Washington, file with the
2 department of licensing a financing statement that satisfies the
3 requirements of Part 5 of chapter 62A.9A RCW; or

4 (B) For an employer located outside Washington, file a financing
5 statement with the office designated by section 9A-501(a)(2) of the
6 uniform commercial code of the state in which the employer is located
7 and pay the filing fees established by the office.

8 (ii) For purposes of the financing statement filings in (a)(i) of
9 this subsection:

10 (A) "Debtor" means the owner of the property encumbered by the
11 wage lien; and

12 (B) A description of the collateral covered by the wage lien that
13 states that the wage lien covers all goods and tangible chattel paper
14 located in Washington state, as well as all accounts and payment
15 intangibles is sufficient;

16 (b) If filing the financing statement with the department of
17 licensing, pay the filing fee established by the department of
18 licensing. All receipts from fees collected under this subsection
19 shall be deposited into the department of licensing wage lien account
20 created under section 20 of this act. Moneys in the fund may be spent
21 only after appropriation and may be used only to administer the wage
22 lien filings in this subsection; and

23 (c) Mail a copy of the financing statement filed under this
24 subsection and a notice of claim of wage lien to the employer's
25 registered agent, the employer's registered business address, or the
26 address where the employer resides, by certified mail with return
27 receipt requested. The notice of claim of wage lien must include:

28 (i) The name, telephone number, and address of the lien claimant
29 and, if the wage lien has been assigned, the name of the person who
30 assigned the lien;

31 (ii) The name of the employer;

32 (iii) A description of the personal property subject to the wage
33 lien or a statement that the wage lien covers all goods and tangible
34 chattel paper located in Washington state, as well as all accounts,
35 and payment intangibles;

36 (iv) The name of the owner or reputed owner of the property, if
37 known, and if not known, a statement saying the name of the owner is
38 not known;

39 (v) The principal amount for which the wage lien is claimed;

1 (vi) The signature of the lien claimant or of a person authorized
2 to act on the claimant's behalf; and

3 (vii) An acknowledgment and certification as set forth in
4 subsection (4) of this section.

5 (3) (a) Except as provided in (b) of this subsection, to establish
6 a wage lien on goods covered by a certificate of title issued
7 pursuant to chapter 46.12 or 88.02 RCW, the lien claimant must:

8 (i) File a notice of claim of wage lien with the department of
9 licensing that includes:

10 (A) The name, telephone number, and address of the lien claimant
11 and, if the wage lien has been assigned, the name of the person who
12 assigned the lien;

13 (B) The name of the employer;

14 (C) A description of the goods subject to the wage lien,
15 including the vehicle identification number or hull identification
16 number of the goods;

17 (D) The name of the registered or legal owner or reputed owner of
18 the property, if known, and if not known, a statement saying the name
19 of the owner is not known;

20 (E) The principal amount for which the wage lien is claimed;

21 (F) The signature of the lien claimant or of a person authorized
22 to act on his or her behalf; and

23 (G) An acknowledgment and certification as set forth in
24 subsection (4) of this section;

25 (ii) Pay a filing fee to the department of licensing; and

26 (iii) Mail a copy of the notice filed under this subsection to
27 the employer's registered agent, the employer's registered business
28 address, or the address where the employer resides, by certified mail
29 with return receipt requested.

30 (b) This subsection does not apply to:

31 (i) Goods held for sale or lease by a person, or leased by that
32 person as lessor, if that person is in the business of selling goods
33 of that kind; or

34 (ii) Vessels documented under Title 46 of the United States Code,
35 for which Washington state title is required to be surrendered under
36 Title 46 U.S.C. Sec. 12106.

37 (4) A notice of claim of wage lien, acknowledgment, and
38 certificate that is substantially in the following form is sufficient
39 to satisfy subsection (1)(a) of this section, provided it complies
40 with the formatting requirements of RCW 65.04.045 (1)(a) and (b),

1 (2), and (3). A notice of claim of wage lien, acknowledgment, and
2 certificate that is substantially in the following form is sufficient
3 to satisfy subsections (2)(c) and (3)(a)(i) of this section, provided
4 it also complies with any requirements created by the department
5 under section 19 of this act.

6 When Recorded Return to:

7 CLAIM OF WAGE LIEN

8, claimant, vs., name of person indebted to
9 claimant:

10 Notice is hereby given that the claimant named below asserts a
11 wage lien pursuant to chapter 60.--- RCW (the new chapter created in
12 section 22 of this act). In support of this wage lien the following
13 information is submitted:

14 1. NAME OF LIEN CLAIMANT:

15 TELEPHONE NUMBER:

16 ADDRESS:

17 2. NAME OF EMPLOYER:

18 3. DESCRIPTION OF THE PROPERTY AGAINST WHICH A WAGE LIEN IS
19 CLAIMED (If real property, state the street address, legal
20 description, and parcel number. If personal property, provide
21 information that will reasonably describe the property, or statement
22 that the wage lien covers all personal property. If a vehicle or
23 vessel, the vehicle identification number or hull identification
24 number of the vehicle or vessel):

25
26
27
28

29 4. NAME OF REGISTERED OR LEGAL OWNER OR REPUTED OWNER (If not
30 known, state "Unknown")
31

32 5. PRINCIPAL AMOUNT FOR WHICH THE WAGE LIEN IS CLAIMED IS:

1
2 6. IF THE CLAIMANT IS THE ASSIGNEE OF THIS CLAIM SO STATE HERE
3 AND STATE THE NAME OF THE ASSIGNOR:
4

5 7. IF THE PERSON SIGNING THIS CLAIM OF WAGE LIEN IS NOT THE
6 CLAIMANT, BUT IS AUTHORIZED TO ACT ON THE CLAIMANT'S BEHALF, STATE
7 THE PERSON'S NAME AND REPRESENTATIVE CAPACITY:

8 NAME:

9 REPRESENTATIVE CAPACITY (e.g., officer or employee of claimant;
10 attorney or agent; representative of lien filing service;
11 administrator, representative, or agent of trustees of employee
12 benefit plan):
13

14 ACKNOWLEDGMENT

15 FOR AN ACKNOWLEDGMENT IN AN INDIVIDUAL CAPACITY:

16 STATE OF WASHINGTON, COUNTY OF

17, ss.

18, being sworn, says: I,(name of
19 person)., am the claimant. I have read the foregoing claim of
20 wage lien, believe the claim of wage lien to be true and correct
21 under penalty of perjury, and believe the claim of wage lien is not
22 frivolous, is made with reasonable cause, and is not clearly
23 excessive. The foregoing claim of wage lien is my free and voluntary
24 act for the uses and purposes stated therein.

25Dated:

26

27

28

29 (Signature)

1 FOR AN ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY:

2 STATE OF WASHINGTON, COUNTY OF

3, ss.

4, being sworn, says: I, . . .(name of person). . ., am
5 authorized to act on behalf of the claimant. I have read the
6 foregoing claim of wage lien, believe the claim of wage lien to be
7 true and correct under penalty of perjury, and believe the claim of
8 wage lien is not frivolous, is made with reasonable cause, and is not
9 clearly excessive. The foregoing claim of wage lien is the free and
10 voluntary act of the claimant for the uses and purposes stated
11 therein.

12Dated:.

13

14

15

16 (Signature)

17 CERTIFICATE

18 FOR A CERTIFICATE OF ACKNOWLEDGMENT IN AN INDIVIDUAL CAPACITY:

19 I certify that I know or have satisfactory evidence that . . .
20 (name of person) . . . is the person who appeared before me, and said
21 person acknowledged that he/she signed this instrument and
22 acknowledged it to be his/her free and voluntary act for the uses and
23 purposes mentioned in the instrument.

24Dated:.

25

26

27

28 (Signature)

29 (Seal or stamp)

1 Title.
2 My appointment.
3 Expires.

4 FOR A CERTIFICATE OF ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY:

5 I certify that I know or have satisfactory evidence that . . .
6 (name of person) . . . is the person who appeared before me, and said
7 person acknowledged that he/she signed this instrument, on oath
8 stated that he/she was authorized to execute the instrument and
9 acknowledged it as the . . . (type of authority, e.g., officer or
10 employee, etc.) . . . of . . . (name of party on behalf of whom
11 instrument was executed) . . . to be the free and voluntary act of
12 such party for the uses and purposes mentioned in the instrument.

13 Dated:

14

15

16 (Signature)

17 (Seal or Stamp)

18 Title.

19 My appointment.

20 Expires.

21 (5) (a) For a notice of claim of wage lien on real property filed
22 under this section, the notice must comply with the recording
23 standards in chapter 65.04 RCW and the county auditor shall record
24 the notice in the same manner as deeds and other instruments of title
25 are recorded under chapter 65.08 RCW. Notices of claim of wage lien
26 for registered land need not be recorded in the Torrens register.

27 (b) For a notice of claim of wage lien on vehicles and vessels
28 filed under this section, the department of licensing shall record
29 the notice.

30 (6) The notice of claim of wage lien must be filed within a
31 period of two years from when the wages were first due.

1 (7) Mistakes or errors in the claimed amount owed do not
2 invalidate the wage lien unless made with the intent to defraud.

3 (8) A wage lien under this chapter attaches to all identifiable
4 proceeds of the property subject to the wage lien except instruments
5 and chattel paper.

6 NEW SECTION. **Sec. 5.** The department of licensing shall file and
7 index the financial statement filings under section 4(2) of this act
8 in the same systems as those filings made under RCW 62A.9A-519.

9 NEW SECTION. **Sec. 6.** Any wage lien or right of wage lien
10 created by this chapter and the right of action to recover the wage
11 lien is assignable so as to vest in the assignee all rights and
12 remedies of the assignor, subject to all defenses thereto that might
13 be made.

14 NEW SECTION. **Sec. 7.** (1) After a wage claim for which a wage
15 lien has been recorded as to real property has been commenced in any
16 court, but no later than eight months after the recording of the wage
17 lien, the wage claimant or the claimant's assignee must file with the
18 auditor of each county in which the property is situated a notice of
19 the pendency of the wage claim, containing:

20 (a) The names of the parties and assignees, if any;

21 (b) The object of the action;

22 (c) The abbreviated legal description and assessor parcel number
23 of the real property located within that county; and

24 (d) The name of the court where the action was filed and the
25 cause number for the action.

26 (2) The county auditor must index the notice in a manner similar
27 to the auditor practice for indexing a notice of lis pendens filed
28 under RCW 4.28.320 or 4.28.325.

29 (3) The filing of the notice under subsection (1) of this section
30 is constructive notice to every subsequent purchaser or encumbrancer,
31 and such purchaser or encumbrancer is bound by all proceedings taken
32 after the filing of the notice to the same extent as if he or she
33 were a party to the action.

34 (4) The court in which the action was commenced may, at its
35 discretion, at any time after the action is settled, discontinued, or
36 abated, with notice and on a showing of good cause, order the notice

1 canceled, and such cancellation shall be evidenced by the recording
2 of the court order with the county auditor.

3 (5) If a wage claim is filed with an administrative agency of a
4 local government, that agency must file a notice under the provisions
5 of this section, using a substantially similar form.

6 (6) If a wage claim is filed with the department, the department
7 must file a notice under the provisions of this section, using a
8 substantially similar form.

9 NEW SECTION. **Sec. 8.** (1) A wage lien may be judicially
10 foreclosed by an action in:

11 (a) For real property, a superior court in any county in this
12 state, or in United States district court for any district in the
13 state of Washington when the action is brought by the United States
14 department of labor;

15 (b) For personal property, a district court of this state if the
16 amount of the claim does not exceed the jurisdictional limit of the
17 district court provided in RCW 3.66.020; or

18 (c) For personal property, a superior court of this state if the
19 amount of the claim exceeds the jurisdictional limit of the district
20 court provided in RCW 3.66.020.

21 (2) Except as provided in subsection (4) of this section, an
22 action to foreclose a wage lien may not be commenced more than eight
23 months after the date the wage lien was recorded.

24 (3) If the claimant has instituted an action in a court of this
25 state for the wage claim that is the subject of the wage lien, and
26 that court is the court authorized by subsection (1) of this section
27 to foreclose on the lien, that action shall be deemed an action to
28 foreclose on the property subject to the lien.

29 (4) (a) If the claimant receives a judgment on a wage claim from a
30 federal, state, or municipal court, the judgment, in addition to any
31 applicable postjudgment interest, establishes the amount owed for the
32 purposes of foreclosure under this chapter.

33 (b) If the claimant receives a judgment on a wage claim from a
34 federal, state, or municipal court, that is not authorized to
35 adjudicate the foreclosure of the claimant's wage lien, a separate
36 action to foreclose the wage lien must be filed within 90 days of the
37 date of that court's judgment. The entry of such a judgment shall not
38 revive a wage lien that has been extinguished pursuant to section 10
39 of this act.

1 (5) (a) A final and binding assessment of wages owed by the
2 department or by any local agency with authority to adjudicate wage
3 claims, in addition to any applicable postjudgment interest,
4 establishes the amount owed for the purposes of foreclosure under
5 this chapter.

6 (b) A wage lien may also be foreclosed by:

7 (i) The department using the department's collection procedures
8 under RCW 49.48.086 when the claimant has pursued a wage claim in an
9 administrative proceeding and a final and binding citation and notice
10 of assessment has been issued;

11 (ii) The claimant if a final and binding citation and notice of
12 assessment has been issued by the department and the claimant has
13 timely notified the department that the claimant will pursue
14 foreclosure action on his or her own, without the department's
15 assistance; or

16 (iii) An administrative agency of a local government.

17 (c) The foreclosure pursuant to this subsection by the claimant
18 of a wage lien affecting real property must be commenced by the
19 filing of an action in superior court in the county where the real
20 property is located within 90 days of the date the department's
21 citation and notice of assessment becomes final and binding.

22 (d) The extinguishment of a wage lien pursuant to section 10 of
23 this act does not preclude the department from using the collection
24 procedures under RCW 49.48.086.

25 (6) A foreclosure action may be brought by the employee
26 individually, the department, an administrative agency of a local
27 government, the United States department of labor, the office of the
28 attorney general, or a representative of the employee, including a
29 collective bargaining representative or class representative.
30 Multiple wage claims against the same employer may be joined in a
31 single proceeding, but the court may order separate trials or
32 hearings.

33 (7) In the judgment resulting from an action to foreclose on the
34 wage lien, the court may order the sale at sheriff's auction or the
35 transfer to the lien claimant of title or possession of any property
36 subject to the wage lien. Whether or not the court makes such an
37 order as part of the judgment, a writ of sale may be issued for any
38 property subject to the wage lien for 10 years after a judgment for a
39 wage claim is issued. A wage lien based on an underlying judgment

1 continues in force for an additional 10-year period if the period of
2 execution for the underlying judgment is extended under RCW 6.17.020.

3 (8) In an action to foreclose on a wage lien on titled goods, the
4 lien claimant must comply with the requirements of subsection (1) of
5 this section and any other requirements of the department of
6 licensing regarding transferring title and taking ownership of the
7 vehicle or vessel.

8 (9) A lien claimant who prevails in a foreclosure action is
9 entitled to costs, including the cost of recording or filing the lien
10 and costs of title reports, and reasonable attorneys' fees.

11 NEW SECTION. **Sec. 9.** (1) A lien under this chapter may be
12 foreclosed and enforced as provided under section 8 of this act. The
13 court shall have the power to order the sale of the property. In any
14 action brought to foreclose a lien, the owner shall be joined as a
15 party. The interest in the property of any person who, prior to the
16 commencement of the action, has a recorded interest in the property,
17 or any part thereof, shall not be foreclosed or affected unless they
18 are joined as a party.

19 (2) A person shall not begin an action to foreclose a lien upon
20 any property while a prior action begun to foreclose another lien on
21 the same property is pending, but if not made a party plaintiff or
22 defendant to the prior action, he or she may apply to the court to be
23 joined as a party thereto, and his or her lien may be foreclosed in
24 the same action. The filing of such application shall toll the
25 running of the period of limitation until disposition of the
26 application or other time set by the court.

27 (3) The court shall grant the application for joinder unless to
28 do so would create an undue delay or cause hardship which cannot be
29 cured by the imposition of costs or other conditions as the court
30 deems just.

31 (4) If a lien foreclosure action is filed during the pendency of
32 another such action, the court may, on its own motion or the motion
33 of any party, consolidate actions upon such terms and conditions as
34 the court deems just, unless to do so would create an undue delay or
35 cause hardship which cannot be cured by the imposition of costs or
36 other conditions. If consolidation of actions is not permissible
37 under this chapter, the lien foreclosure action filed during the
38 pendency of another such action shall not be dismissed if the filing
39 was the result of mistake, inadvertence, surprise, excusable neglect,

1 or irregularity. An action to foreclose a lien shall not be dismissed
2 at the instance of a plaintiff therein to the prejudice of another
3 party to the suit who claims a lien.

4 NEW SECTION. **Sec. 10.** (1) A wage lien is extinguished:

5 (a) If an action for the underlying wage claim is not brought
6 within eight months of the date the wage lien was recorded or if the
7 notice required by section 7 of this act was not recorded within
8 eight months of the date the wage lien was recorded;

9 (b) If the action for the underlying wage claim is dismissed with
10 prejudice and no appeal is filed within the applicable appeals
11 period. If an appeal is filed, the wage lien continues in force until
12 final judgment is rendered;

13 (c) Upon payment and acceptance of payment for the employee's
14 wage claim; or

15 (d) Upon proper recording or notice of a bond meeting the
16 requirements of section 15 of this act and, if applicable,
17 notification of the lien claimant as required under section 15 of
18 this act.

19 (2)(a) When the wage lien has been extinguished, the lien
20 claimant shall release the lien in writing within 15 days. For liens
21 on real property and titled goods, the lien claimant shall file a
22 release of the wage lien at the place where the wage lien was
23 recorded and pay a filing fee established by the agency where the
24 notice is filed. For liens on personal property filed pursuant to
25 section 4(2) of this act, the lien claimant shall file a termination
26 statement of the type used pursuant to chapter 62A.9A RCW with the
27 department of licensing and pay a filing fee established by the
28 department.

29 (b) If a lien claimant fails to release the wage lien, upon
30 demand and 15 days' notice by the employer or any affected party,
31 mailed to the lien claimant's address as indicated on the notice of
32 the wage lien by certified mail with return receipt requested, the
33 employer or affected party may petition the court in which
34 foreclosure is authorized under section 8 of this act, for an order
35 releasing the wage lien. If no action to foreclose the lien claim has
36 been filed, the clerk of the court shall assign a cause number to the
37 application and obtain from the applicant a filing fee pursuant to
38 RCW 36.18.016(18). If an action has been filed to foreclose the lien
39 claim, the application shall be made a part of that action.

1 (c) If the lien claimant acted unreasonably and in bad faith in
2 refusing to file a release of the wage lien, the employer or affected
3 party shall be entitled to recover its attorneys' fees and costs
4 incurred in the action, and the court in its discretion may also
5 issue a fine not to exceed \$1,000.

6 (d) For liens on real property and titled goods, the release must
7 include:

8 (i) The name, telephone number, address, and relationship to the
9 wage lien of the person filing the notice;

10 (ii) The name, telephone number, and address of the lien
11 claimant;

12 (iii) The name of the employer;

13 (iv) A description of the property subject to the wage lien;

14 (v) The amount for which the wage lien was claimed;

15 (vi) The signature of the lien claimant, the lien claimant's
16 assignor, or a person authorized to act on the lien claimant's
17 behalf;

18 (vii) A certified acknowledgment as set forth in subsection (4)
19 of this section; and

20 (viii) The reference number of the original or amended wage lien.

21 (3) The person filing the release or termination statement shall
22 mail a copy of the release or termination statement to the person
23 against whom the lien claim was made by first-class mail within 10
24 days of filing the notice of release or termination.

25 (4)(a) A release of wage lien on real property must comply with
26 the recording standards established in RCW 65.04.045 and the county
27 auditor shall record the release in the same manner as deeds and
28 other instruments of title are recorded under chapter 65.08 RCW.

29 (b) For liens on real property and titled goods, a release of
30 wage lien substantially in the following form is sufficient, provided
31 it complies with the formatting requirements of RCW 65.04.045 (1)(a)
32 and (b), (2), and (3):

33 When Recorded Return to:

34 RELEASE OF WAGE LIEN

35, claimant, vs., name of person indebted to
36 claimant:

1 Notice is hereby given that the wage lien described below is
2 released.

3 1. NAME OF PERSON FILING RELEASE:

4 RECORDED LIEN NUMBER IF THE LIEN WAS RECORDED AGAINST REAL
5 PROPERTY:

6 TELEPHONE NUMBER:

7 ADDRESS:

8 RELATIONSHIP TO WAGE LIEN (lien claimant, representative of lien
9 claimant, assignee of lien claimant):

10 IF THE PERSON SIGNING THIS NOTICE IS NOT THE CLAIMANT, BUT IS
11 AUTHORIZED TO ACT ON BEHALF OF THE CLAIMANT, STATE THE PERSON'S NAME
12 AND REPRESENTATIVE CAPACITY (e.g., officer or employee of claimant;
13 attorney or agent; representative of lien filing service;
14 administrator, representative, or agent of trustees of employee
15 benefit plan):
16

17 2. NAME OF LIEN CLAIMANT:

18 TELEPHONE NUMBER:

19 ADDRESS:

20 3. NAME OF EMPLOYER:

21 4. DESCRIPTION OF THE PERSONAL PROPERTY AGAINST WHICH THE LIEN IS
22 CLAIMED OR FOR A LIEN ON REAL PROPERTY: (1) THE REFERENCE NUMBER OF
23 PREVIOUSLY FILED LIEN, (2) AN ABBREVIATED LEGAL DESCRIPTION OF THE
24 PROPERTY AS DESCRIBED IN RCW 65.04.045, AND (3) THE PARCEL NUMBER OF
25 THE REAL PROPERTY:
26
27
28
29

30 5. NAME OF REGISTERED OR LEGAL OWNER OR REPUTED OWNER (If not
31 known, state "Unknown").

1
2
3

4 6. AMOUNT OF WAGE LIEN CLAIM:

5 ACKNOWLEDGMENT

6 FOR AN ACKNOWLEDGMENT IN AN INDIVIDUAL CAPACITY:

7 STATE OF WASHINGTON, COUNTY OF

8, ss.

9, being sworn, says: I, . . . (name of person) . . ., am
10 the (claimant/assignee of the claimant). I have read the foregoing
11 release of wage lien and believe the notice to be true and correct
12 under penalty of perjury.

13 Dated:

14

15

16 (Signature)

17 FOR AN ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY:

18 STATE OF WASHINGTON, COUNTY OF

19, ss.

20, being sworn, says: I, . . . (name of person) . . ., am
21 authorized to act on behalf of (claimant/assignee of the claimant). I
22 have read the foregoing release of wage lien and believe the notice
23 to be true and correct under penalty of perjury.

24 Dated:

25

26

27 (Signature)

28 CERTIFICATE

1 FOR A CERTIFICATE OF ACKNOWLEDGMENT IN AN INDIVIDUAL CAPACITY:

2 I certify that I know or have satisfactory evidence that . . .
3 (name of person) . . . is the person who appeared before me, and said
4 person acknowledged that he/she signed this instrument and
5 acknowledged it to be his/her free and voluntary act for the uses and
6 purposes mentioned in the instrument.

7Dated:
8
9

10 (Signature)

11 (Seal or stamp)

12 Title.
13 My appointment.
14 Expires.

15 FOR A CERTIFICATE OF ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY:

16 I certify that I know or have satisfactory evidence that . . .
17 (name of person) . . . is the person who appeared before me, and said
18 person acknowledged that he/she signed this instrument, on oath
19 stated that he/she was authorized to execute the instrument and
20 acknowledged it as the . . . (type of authority, e.g., officer or
21 employee, etc.) . . . of . . . (name of party on behalf of whom
22 instrument was executed) . . . to be the free and voluntary act of
23 such party for the uses and purposes mentioned in the instrument.

24 Dated:
25
26

27 (Signature)

28 (Seal or stamp)

1 Title.
2 My appointment.
3 Expires.

4 NEW SECTION. **Sec. 11.** (1) Priority among wage liens recorded
5 pursuant to this chapter is determined by date of recording. The
6 first to be recorded has priority.

7 (2) A wage lien as to real property recorded pursuant to this
8 chapter shall be prior to any security interest, lien, mortgage, deed
9 of trust, or other encumbrance that attached to the real property
10 after, or was unrecorded at the time, such wage lien was recorded. A
11 wage lien as to real property recorded pursuant to this chapter shall
12 be subject and subordinate to any prior perfected security interest,
13 lien, mortgage, deed of trust, or other encumbrance.

14 (3) With respect to personal property:

15 (a) A security interest perfected pursuant to Title 62A RCW has
16 priority over a wage lien recorded pursuant to this chapter if the
17 security interest was perfected or a financing statement covering the
18 collateral was filed before the wage lien was recorded, provided
19 there is no period thereafter when there is neither filing nor
20 perfection. For the purposes of this subsection, the time of filing
21 or perfection as to a security interest in collateral is also the
22 time of filing or perfection as to a security interest in proceeds of
23 the collateral.

24 (b)(i) A buyer of goods subject to a certificate of title that
25 does not contain a statement that the goods are or may be subject to
26 a wage lien takes free of a wage lien on such goods if the buyer
27 gives value and receives delivery of the goods without knowledge of
28 the wage lien.

29 (ii) A perfected security interest in goods subject to a
30 certificate of title that does not contain a statement that the goods
31 are or may be subject to a wage lien has priority over a wage lien on
32 such goods.

33 (4)(a) A wage lien is not effective against:

34 (i) With respect to goods:

35 (A) A buyer in ordinary course of business, as defined in RCW
36 62A.1-201(b)(9); or

1 (B) A buyer of goods from a person who used or bought the goods
2 for use primarily for personal, family, or household purposes takes
3 free of a security interest, even if perfected, if the buyer buys
4 without knowledge of the security interest, for value, primarily for
5 the buyer's personal, family, or household purposes; and before the
6 filing of the wage lien covering the goods;

7 (ii) Third persons who, prior to the filing of the wage lien
8 notice required under this chapter, acquired title in good faith, for
9 value and without actual notice of the wage lien, to property other
10 than goods; or

11 (iii) The interest in real property of any person, who, prior to
12 the filing of the wage lien notice required under this chapter, was a
13 grantee under a recorded instrument conveying such interest, provided
14 such person acquired the interest in good faith, for value, and
15 without actual notice of the wage lien.

16 (b) A wage lien that is not effective against any person pursuant
17 to this subsection is ineffective against the heirs, successors, or
18 assigns of such person.

19 NEW SECTION. **Sec. 12.** A contract between an employer and
20 employee may not waive or require an employee to waive the right to a
21 wage lien under this chapter. A provision of a contract made in
22 violation of this section is void as against the public policy of
23 this state.

24 NEW SECTION. **Sec. 13.** The claim of wage lien, when filed as
25 required by this chapter, constitutes notice to the spouse or the
26 domestic partner of the person who appears on record to be the owner
27 of the property sought to be charged with the wage lien, and subjects
28 all the community interest of both spouses or both domestic partners
29 to the wage lien.

30 NEW SECTION. **Sec. 14.** (1) Any owner of real or personal
31 property subject to a recorded claim of lien under this chapter, or
32 lender or another lien claimant who believes the claim of lien to be
33 frivolous and made without reasonable cause or clearly excessive, may
34 apply by motion to the appropriate court, as specified under section
35 8 of this act, for the county where the property or some part thereof
36 is located, for an order directing the lien claimant to appear before
37 the court at a time no earlier than six nor later than 15 days

1 following the date of service of the application and order on the
2 lien claimant, and show cause, if any he or she has, why the relief
3 requested should not be granted. The motion shall state the grounds
4 upon which relief is asked and shall be supported by the affidavit of
5 the applicant or his or her attorney setting forth a concise
6 statement of the facts upon which the motion is based.

7 (2) The order shall clearly state that if the lien claimant fails
8 to appear at the time and place noted the lien shall be released,
9 with prejudice, and that the lien claimant shall be ordered to pay
10 the costs requested by the applicant including reasonable attorneys'
11 fees.

12 (3) If no action to foreclose the lien claim has been filed, the
13 clerk of the court shall assign a cause number to the application and
14 obtain from the applicant a filing fee pursuant to RCW 36.18.016(18).
15 If an action has been filed to foreclose the lien claim, the
16 application shall be made a part of that action.

17 (4) If, following a hearing on the matter, the court determines
18 that the lien is frivolous and made without reasonable cause, or
19 clearly excessive, the court shall issue an order releasing the lien
20 if frivolous and made without reasonable cause, or reducing the lien
21 if clearly excessive, and awarding costs and reasonable attorneys'
22 fees to the applicant to be paid by the lien claimant. If the court
23 determines that the lien is not frivolous and was made with
24 reasonable cause, and is not clearly excessive, the court shall issue
25 an order so stating and awarding costs and reasonable attorneys' fees
26 to the lien claimant to be paid by the applicant.

27 (5) Proceedings under this section shall not affect other rights
28 and remedies available to the parties.

29 NEW SECTION. **Sec. 15.** (1) Any owner of property subject to a
30 recorded claim of lien under this chapter, or lender or another lien
31 claimant, who disputes the correctness or validity of the claim of
32 lien, may either before or after the commencement of an action on the
33 wage claim underlying the lien, furnish a bond issued by a surety
34 company authorized to issue surety bonds in the state. The surety
35 company must be listed in the latest federal department of the
36 treasury list of surety companies acceptable on federal bonds,
37 published in the federal register, as authorized to issue bonds on
38 United States government projects with an underwriting limitation,

1 including applicable reinsurance, equal to or greater than the amount
2 of the bond to be recorded.

3 (2) (a) The bond shall contain a description of the claim of lien
4 and property involved, and must be in an amount equal to the greater
5 of \$5,000 or two times the amount of the lien claimed if the lien
6 claimed is \$10,000 or less, and in an amount equal to or greater than
7 one and one-half times the amount of the lien if the lien claimed is
8 in excess of \$10,000.

9 (b) If the bond relates to a claim of lien affecting more than
10 one parcel of real property and the claim of lien is segregated to
11 each parcel, the bond may be segregated the same as in the claim of
12 lien.

13 (c) A separate bond shall be required for each claim of lien made
14 by separate claimants. However, a single bond may be used to
15 guarantee payment of amounts claimed by more than one claim of lien
16 by a single claimant so long as the amount of the bond meets the
17 requirements of this section as applied to the aggregate sum of all
18 claims by such claimant.

19 (d) The condition of the bond shall be to guarantee payment of
20 any judgment or binding administrative assessment upon the lien in
21 favor of the lien claimant entered in any action to recover the
22 amount claimed in a claim of lien, or on the claim asserted in the
23 claim of lien.

24 (3) For a lien on real property, the bond must be recorded in the
25 office of the county recorder or auditor in the county where the
26 claim of lien was recorded. Recording a bond that meets the
27 requirements of this section releases the real property described in
28 the notice of claim of lien from the lien and any action brought to
29 recover the amount claimed.

30 (4) (a) For a lien on personal property, within five days of
31 furnishing a bond, the person furnishing the bond shall send notice
32 to the lien claimant, by certified mail return receipt requested,
33 notifying the lien claimant that a bond meeting the requirements of
34 this section has been furnished. The notification must include
35 sufficient documentation or other evidence showing that a bond
36 meeting the requirements of this section has been furnished.

37 (b) Within 15 days of receiving notice that a bond has been
38 purchased, the lien claimant shall release the lien pursuant to
39 section 10 of this act. If a lien claimant fails to release the wage
40 lien as required, upon demand and 15 days' notice by the employer or

1 any affected party, mailed to the lien claimant's address as
2 indicated on the notice of the wage lien by certified mail with
3 return receipt requested, the employer or affected party may petition
4 the court in which foreclosure is authorized under section 8 of this
5 act, for an order releasing the wage lien. If the lien claimant acted
6 unreasonably and in bad faith in refusing to file a release of the
7 wage lien, the employer or affected party shall be entitled to
8 recover its attorneys' fees and costs incurred in the action, and the
9 court in its discretion may also issue a fine not to exceed \$1,000.

10 (5) (a) Unless otherwise prohibited by law, if no action is
11 commenced to recover on a lien within the time specified in section
12 10 of this act, the surety shall be discharged from liability under
13 the bond.

14 (b) If an action to enforce the lien is timely commenced, then on
15 payment of any judgment or administrative assessment entered in the
16 action or on payment of the full amount of the bond to the holder of
17 the judgment or administrative assessment, whichever is less, the
18 surety shall be discharged from liability under the bond.

19 (6) Nothing in this section shall in any way prohibit or limit
20 the use of other methods, devised by the affected parties to secure
21 the obligation underlying a claim of lien and to obtain a release of
22 real property from a claim of lien.

23 NEW SECTION. **Sec. 16.** This chapter is to be liberally construed
24 to provide security for all persons intended to be protected by its
25 provisions.

26 **Sec. 17.** RCW 36.18.016 and 2018 c 36 s 7 are each amended to
27 read as follows:

28 (1) Revenue collected under this section is not subject to
29 division under RCW 36.18.025 or 27.24.070.

30 (2) (a) For the filing of a petition for modification of a decree
31 of dissolution or paternity, within the same case as the original
32 action, and any party filing a counterclaim, cross-claim, or third-
33 party claim in any such action, a fee of thirty-six dollars must be
34 paid.

35 (b) The party filing the first or initial petition for
36 dissolution, legal separation, or declaration concerning the validity
37 of marriage shall pay, at the time and in addition to the filing fee
38 required under RCW 36.18.020, a fee of fifty-four dollars. The clerk

1 of the superior court shall transmit monthly forty-eight dollars of
2 the fifty-four dollar fee collected under this subsection to the
3 state treasury for deposit in the domestic violence prevention
4 account. The remaining six dollars shall be retained by the county
5 for the purpose of supporting community-based domestic violence
6 services within the county, except for five percent of the six
7 dollars, which may be retained by the court for administrative
8 purposes. On or before December 15th of each year, the county shall
9 report to the department of social and health services revenues
10 associated with this section and community-based domestic violence
11 services expenditures. The department of social and health services
12 shall develop a reporting form to be utilized by counties for uniform
13 reporting purposes.

14 (3) (a) The party making a demand for a jury of six in a civil
15 action shall pay, at the time, a fee of one hundred twenty-five
16 dollars; if the demand is for a jury of twelve, a fee of two hundred
17 fifty dollars. If, after the party demands a jury of six and pays the
18 required fee, any other party to the action requests a jury of
19 twelve, an additional one hundred twenty-five dollar fee will be
20 required of the party demanding the increased number of jurors.

21 (b) Upon conviction in criminal cases a jury demand charge of one
22 hundred twenty-five dollars for a jury of six, or two hundred fifty
23 dollars for a jury of twelve may be imposed as costs under RCW
24 10.46.190.

25 (4) For preparing a certified copy of an instrument on file or of
26 record in the clerk's office, for the first page or portion of the
27 first page, a fee of five dollars, and for each additional page or
28 portion of a page, a fee of one dollar must be charged. For
29 authenticating or exemplifying an instrument, a fee of two dollars
30 for each additional seal affixed must be charged. For preparing a
31 copy of an instrument on file or of record in the clerk's office
32 without a seal, a fee of fifty cents per page must be charged. When
33 copying a document without a seal or file that is in an electronic
34 format, a fee of twenty-five cents per page must be charged. For
35 copies made on a compact disc, an additional fee of twenty dollars
36 for each compact disc must be charged.

37 (5) For executing a certificate, with or without a seal, a fee of
38 two dollars must be charged.

1 (6) For a garnishee defendant named in an affidavit for
2 garnishment and for a writ of attachment, a fee of twenty dollars
3 must be charged.

4 (7) For filing a supplemental proceeding, a fee of twenty dollars
5 must be charged.

6 (8) For approving a bond, including justification on the bond, in
7 other than civil actions and probate proceedings, a fee of two
8 dollars must be charged.

9 (9) For the issuance of a certificate of qualification and a
10 certified copy of letters of administration, letters testamentary, or
11 letters of guardianship, there must be a fee of five dollars.

12 (10) For the preparation of a passport application, the clerk may
13 collect an execution fee as authorized by the federal government.

14 (11) For clerk's services such as performing historical searches,
15 compiling statistical reports, and conducting exceptional record
16 searches, the clerk may collect a fee not to exceed thirty dollars
17 per hour.

18 (12) For processing ex parte orders, the clerk may collect a fee
19 of thirty dollars.

20 (13) For duplicated recordings of court's proceedings there must
21 be a fee of ten dollars for each audiotape and twenty-five dollars
22 for each video or other electronic storage medium.

23 (14) For registration of land titles, Torrens Act, under RCW
24 65.12.780, a fee of twenty dollars must be charged.

25 (15) For the issuance of extension of judgment under RCW 6.17.020
26 and chapter 9.94A RCW, a fee of two hundred dollars must be charged.
27 When the extension of judgment is at the request of the clerk, the
28 two hundred dollar charge may be imposed as court costs under RCW
29 10.46.190.

30 (16) A facilitator surcharge of up to twenty dollars must be
31 charged as authorized under RCW 26.12.240.

32 (17) For filing an adjudication claim under RCW 90.03.180, a fee
33 of twenty-five dollars must be charged.

34 (18) For filing a claim of frivolous lien under RCW 60.04.081 or
35 section 14 of this act or filing an action to release a lien under
36 sections 10 and 15 of this act, a fee of thirty-five dollars must be
37 charged.

38 (19) For preparation of a change of venue, a fee of twenty
39 dollars must be charged by the originating court in addition to the
40 per page charges in subsection (4) of this section.

1 (20) A service fee of five dollars for the first page and one
2 dollar for each additional page must be charged for receiving faxed
3 documents, pursuant to Washington state rules of court, general rule
4 17.

5 (21) For preparation of clerk's papers under RAP 9.7, a fee of
6 fifty cents per page must be charged.

7 (22) For copies and reports produced at the local level as
8 permitted by RCW 2.68.020 and supreme court policy, a variable fee
9 must be charged.

10 (23) Investment service charge and earnings under RCW 36.48.090
11 must be charged.

12 (24) Costs for nonstatutory services rendered by clerk by
13 authority of local ordinance or policy must be charged.

14 (25) For filing a request for civil arbitration, a filing fee may
15 be assessed against the party filing a statement of arbitrability not
16 to exceed two hundred fifty dollars as established by authority of
17 local ordinance. Two hundred twenty dollars of this charge shall be
18 used to offset the cost of the civil arbitration program. Thirty
19 dollars of each fee collected under this subsection must be used for
20 indigent defense services.

21 (26) For filing a request for trial de novo of a civil
22 arbitration award, a fee not to exceed four hundred dollars as
23 established by authority of local ordinance must be charged.

24 (27) A public agency may not charge a fee to a law enforcement
25 agency, for preparation, copying, or mailing of certified copies of
26 the judgment and sentence, information, affidavit of probable cause,
27 and/or the notice of requirement to register, of a sex offender
28 convicted in a Washington court, when such records are necessary for
29 risk assessment, preparation of a case for failure to register, or
30 maintenance of a sex offender's registration file.

31 (28) For the filing of a will or codicil under the provisions of
32 chapter 11.12 RCW, a fee of twenty dollars must be charged.

33 (29) For the collection of an adult offender's unpaid legal
34 financial obligations, the clerk may impose an annual fee of up to
35 one hundred dollars, pursuant to RCW 9.94A.780.

36 (30) A surcharge of up to twenty dollars may be charged in
37 dissolution and legal separation actions as authorized by RCW
38 26.12.260.

39 The revenue to counties from the fees established in this section
40 shall be deemed to be complete reimbursement from the state for the

1 state's share of benefits paid to the superior court judges of the
2 state prior to July 24, 2005, and no claim shall lie against the
3 state for such benefits.

4 **Sec. 18.** RCW 49.48.086 and 2014 c 210 s 1 are each amended to
5 read as follows:

6 (1) After a final order is issued under RCW 49.48.084, if an
7 employer defaults in the payment of: (a) Any wages determined by the
8 department to be owed to an employee, including interest; or (b) any
9 civil penalty ordered by the department under RCW 49.48.083, the
10 director may file with the clerk of any county within the state a
11 warrant in the amount of the payment plus any filing fees. The clerk
12 of the county in which the warrant is filed shall immediately
13 designate a superior court cause number for the warrant, and the
14 clerk shall cause to be entered in the judgment docket under the
15 superior court cause number assigned to the warrant, the name of the
16 employer mentioned in the warrant, the amount of payment due on it
17 plus any filing fees, and the date when the warrant was filed. The
18 aggregate amount of the warrant as docketed becomes a lien upon the
19 title to, and interest in, all real and personal property of the
20 employer against whom the warrant is issued, the same as a judgment
21 in a civil case docketed in the office of the clerk. The sheriff
22 shall proceed upon the warrant in all respects and with like effect
23 as prescribed by law with respect to execution or other process
24 issued against rights or property upon judgment in a court of
25 competent jurisdiction. The warrant so docketed is sufficient to
26 support the issuance of writs of garnishment in favor of the state in
27 a manner provided by law in case of judgment, wholly or partially
28 unsatisfied. The clerk of the court is entitled to a filing fee which
29 will be added to the amount of the warrant. A copy of the warrant
30 shall be mailed to the employer within three days of filing with the
31 clerk.

32 (2)(a) The director may issue to any person, firm, corporation,
33 other entity, municipal corporation, political subdivision of the
34 state, a public corporation, or any agency of the state, a notice and
35 order to withhold and deliver property of any kind when he or she has
36 reason to believe that there is in the possession of the person,
37 firm, corporation, other entity, municipal corporation, political
38 subdivision of the state, public corporation, or agency of the state,
39 property that is or will become due, owing, or belonging to an

1 employer upon whom a notice of assessment has been served by the
2 department for payments or civil penalties due to the department. The
3 effect of a notice and order is continuous from the date the notice
4 and order is first made until the liability out of which the notice
5 and order arose is satisfied or becomes unenforceable because of
6 lapse of time. The department shall release the notice and order when
7 the liability out of which the notice and order arose is satisfied or
8 becomes unenforceable by reason of lapse of time and shall notify the
9 person against whom the notice and order was made that the notice and
10 order has been released.

11 (b) The notice and order to withhold and deliver must be served
12 by the sheriff of the county or by the sheriff's deputy, by certified
13 mail, return receipt requested, or by the director. A person, firm,
14 corporation, other entity, municipal corporation, political
15 subdivision of the state, public corporation, or agency of the state
16 upon whom service has been made shall answer the notice within twenty
17 days exclusive of the day of service, under oath and in writing, and
18 shall make true answers to the matters inquired of in the notice and
19 order. Upon service of the notice and order, if the party served
20 possesses any property that may be subject to the claim of the
21 department, the party shall promptly deliver the property to the
22 director. The director shall hold the property in trust for
23 application on the employer's indebtedness to the department, or for
24 return without interest, in accordance with a final determination of
25 a petition for review. In the alternative, the party shall furnish a
26 good and sufficient surety bond satisfactory to the director
27 conditioned upon final determination of liability. If a party served
28 and named in the notice fails to answer the notice within the time
29 prescribed in this section, the court may render judgment by default
30 against the party for the full amount claimed by the director in the
31 notice, together with costs. If a notice is served upon an employer
32 and the property subject to it is wages, the employer may assert in
33 the answer all exemptions provided for by chapter 6.27 RCW to which
34 the wage earner is entitled.

35 (c) As an alternative to the methods of service described in this
36 section, the department may electronically serve a financial
37 institution with a notice and order to withhold and deliver by
38 providing a list of its outstanding warrants, except those for which
39 a payment agreement is in good standing, to the department of
40 revenue. The department of revenue may include the warrants provided

1 by the department in a notice and order to withhold and deliver
2 served under RCW 82.32.235(3). A financial institution that is served
3 with a notice and order to withhold and deliver under this subsection
4 (2)(c) must answer the notice within the time period applicable to
5 service under RCW 82.32.235(3). The department and the department of
6 revenue may adopt rules to implement this subsection (2)(c).

7 (3)(a) In addition to the procedure for collection of wages owed,
8 including interest, and civil penalties as set forth in this section,
9 the department may recover wages owed, including interest, and civil
10 penalties assessed under RCW 49.48.083 in a civil action brought in a
11 court of competent jurisdiction of the county where the violation is
12 alleged to have occurred.

13 (b) The department may use the procedures under this section to
14 foreclose wage liens established under chapter 60.--- RCW (the new
15 chapter created in section 22 of this act). When the department is
16 foreclosing on a wage lien, the date the wage lien was originally
17 filed shall be the date by which priority is determined, regardless
18 of the date the warrant is filed under this section. If a claimant
19 has timely notified the department that the claimant will pursue
20 foreclosure on their own, without the department's assistance, the
21 department is not required to file a warrant under this section and
22 is relieved from any liability related to foreclosing on the
23 claimant's wage lien.

24 (4) Whenever any employer quits business, sells out, exchanges,
25 or otherwise disposes of the employer's business or stock of goods,
26 any person who becomes a successor to the business becomes liable for
27 the full amount of any outstanding citation and notice of assessment
28 or penalty against the employer's business under this chapter if, at
29 the time of the conveyance of the business, the successor has: (a)
30 Actual knowledge of the fact and amount of the outstanding citation
31 and notice of assessment or (b) a prompt, reasonable, and effective
32 means of accessing and verifying the fact and amount of the
33 outstanding citation and notice of assessment from the department. If
34 the citation and notice of assessment or penalty is not paid in full
35 by the employer within ten days of the date of the sale, exchange, or
36 disposal, the successor is liable for the payment of the full amount
37 of the citation and notice of assessment or penalty, and payment
38 thereof by the successor must, to the extent thereof, be deemed a
39 payment upon the purchase price. If the payment is greater in amount

1 than the purchase price, the amount of the difference becomes a debt
2 due the successor from the employer.

3 (5) This section does not affect other collection remedies that
4 are otherwise provided by law.

5 NEW SECTION. **Sec. 19.** A new section is added to chapter 43.24
6 RCW to read as follows:

7 For the purposes of implementing the notice and filing provisions
8 under sections 4(2)(a) and 10 of this act that are applicable to the
9 department of licensing, the department of licensing may, by rule,
10 create wage lien forms specific to the department of licensing, so
11 long as the forms include the information described in those
12 sections.

13 NEW SECTION. **Sec. 20.** A new section is added to chapter 43.24
14 RCW to read as follows:

15 The department of licensing wage lien account is created in the
16 state treasury. All receipts from wage lien filing fees collected by
17 the department of licensing must be deposited in the account. Moneys
18 in the account may be spent only after appropriation. Expenditures
19 from the account may be used only to administer wage lien filings in
20 section 4 of this act.

21 NEW SECTION. **Sec. 21.** This act takes effect January 1, 2022.

22 NEW SECTION. **Sec. 22.** Sections 1 through 16 and 21 of this act
23 constitute a new chapter in Title 60 RCW.

Passed by the Senate March 9, 2021.
Passed by the House April 6, 2021.
Approved by the Governor April 16, 2021.
Filed in Office of Secretary of State April 16, 2021.

--- END ---