10

11

12

13

14

15 16

SENATE BILL 6154

State of Washington 68th Legislature 2024 Regular Session

By Senators Torres and Mullet; by request of Secretary of State Read first time 01/11/24. Referred to Committee on Law & Justice.

- AN ACT Relating to updating process service requirements for 1 2 corporations in Washington state; amending RCW 4.28.080, 4.28.100,
- 3 and 46.64.040; and repealing RCW 4.28.090.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 4
- RCW 4.28.080 and 2015 c 51 s 2 are each amended to read 5 Sec. 1. 6 as follows:
- 7 Service made in the modes provided in this section is personal service. The summons shall be served by delivering a copy thereof, as 8 9 follows:
 - (1) If the action is against any county in this state, to the county auditor or, during normal office hours, to the deputy auditor, or in the case of a charter county, summons may be served upon the agent, if any, designated by the legislative authority.
 - (2) If against any town or incorporated city in the state, to the mayor, city manager, or, during normal office hours, to the mayor's or city manager's designated agent or the city clerk thereof.
- 17 (3) If against a school or fire district, to the superintendent or commissioner thereof or by leaving the same in his or her office 18 19 with an assistant superintendent, deputy commissioner, or business 20 manager during normal business hours.

SB 6154 p. 1

- 1 (4) If against a railroad corporation, to any station, freight, 2 ticket or other agent thereof within this state.
- 3 (5) If against a corporation owning or operating sleeping cars, 4 or hotel cars, to any person having charge of any of its cars or any 5 agent found within the state.
- 6 (6) If against a domestic insurance company, to any agent 7 authorized by such company to solicit insurance within this state.
- 8 (7)(a) If against an authorized foreign or alien insurance 9 company, as provided in RCW 48.05.200.
- 10 (b) If against an unauthorized insurer, as provided in RCW 48.05.215 and 48.15.150.
- 12 (c) If against a reciprocal insurer, as provided in RCW 13 48.10.170.
- 14 (d) If against a nonresident surplus line broker, as provided in 15 RCW 48.15.073.
- 16 (e) If against a nonresident insurance producer or title 17 insurance agent, as provided in RCW 48.17.173.
- 18 (f) If against a nonresident adjuster, as provided in RCW 19 48.17.380.
- 20 (g) If against a fraternal benefit society, as provided in RCW 21 48.36A.350.
- 22 (h) If against a nonresident reinsurance intermediary, as 23 provided in RCW 48.94.010.
- 24 (i) If against a nonresident life settlement provider, as 25 provided in RCW 48.102.011.
- 26 (j) If against a nonresident life settlement broker, as provided 27 in RCW 48.102.021.
- 28 (k) If against a service contract provider, as provided in RCW 29 48.110.030.
- 30 (1) If against a protection product guarantee provider, as 31 provided in RCW 48.110.055.
- 32 (m) If against a discount plan organization, as provided in RCW 33 48.155.020.
- 34 (8) If against a ((company or corporation doing any express business, to any agent authorized by said company or corporation to receive and deliver express matters and collect pay therefor within 37 this state)) represented entity as defined by RCW 23.95.400, service of process, notice, or demand required or permitted by law to be served on the corporation may be made in accordance with RCW

40 <u>23.95.450</u>.

p. 2 SB 6154

(9) ((If against a company or corporation other than those designated in subsections (1) through (8) of this section, to the president or other head of the company or corporation, the registered agent, secretary, cashier or managing agent thereof or to the secretary, stenographer or office assistant of the president or other head of the company or corporation, registered agent, secretary, cashier or managing agent.

- (10) If against a foreign corporation or nonresident joint stock company, partnership or association doing business within this state, to any agent, cashier or secretary thereof.
- (11))) If against a minor under the age of fourteen years, to such minor personally, and also to his or her father, mother, guardian, or if there be none within this state, then to any person having the care or control of such minor, or with whom he or she resides, or in whose service he or she is employed, if such there be.
- $((\frac{12}{12}))$ If against any person for whom a guardian has been appointed for any cause, then to such guardian.
 - (((13))) (11) If against a foreign or alien steamship company or steamship charterer, to any agent authorized by such company or charterer to solicit cargo or passengers for transportation to or from ports in the state of Washington.
- (((14))) If against a self-insurance program regulated by chapter 48.62 RCW, as provided in chapter 48.62 RCW.
- $((\frac{15}{15}))$ (13) If against a party to a real estate purchase and sale agreement under RCW 64.04.220, by mailing a copy by first-class mail, postage prepaid, to the party to be served at his or her usual mailing address or the address identified for that party in the real estate purchase and sale agreement.
- (((16))) <u>(14)</u> In all other cases, to the defendant personally, or by leaving a copy of the summons at the house of his or her usual abode with some person of suitable age and discretion then resident therein.
- (((17))) (15) In lieu of service under subsection (((16))) (14) of this section, where the person cannot with reasonable diligence be served as described, the summons may be served as provided in this subsection, and shall be deemed complete on the tenth day after the required mailing: By leaving a copy at his or her usual mailing address with a person of suitable age and discretion who is a resident, proprietor, or agent thereof, and by thereafter mailing a copy by first-class mail, postage prepaid, to the person to be served

p. 3 SB 6154

- 1 at his or her usual mailing address. For the purposes of this
- 2 subsection, "usual mailing address" does not include a United States
- 3 postal service post office box or the person's place of employment.
- 4 <u>NEW SECTION.</u> **Sec. 2.** RCW 4.28.090 (Service on corporation
- 5 without officer in state upon whom process can be served) and 1985 c
- 6 469 s 1 & 1893 c 127 s 8 are each repealed.

24

25

2627

2829

30

31

3233

34

- 7 **Sec. 3.** RCW 4.28.100 and 2011 c 336 s 97 are each amended to 8 read as follows:
- 9 When the defendant cannot be found within the state, and upon the filing of an affidavit of the plaintiff, his or her agent, or 10 attorney, with the clerk of the court, stating that he or she 11 12 believes that the defendant is not a resident of the state, or cannot be found therein, and that he or she has deposited a copy of the 13 14 summons (substantially in the form prescribed in RCW 4.28.110) and 15 complaint in the post office, directed to the defendant at his or her 16 place of residence, unless it is stated in the affidavit that such residence is not known to the affiant, and stating the existence of 17 one of the cases hereinafter specified, the service may be made by 18 19 publication of the summons, by the plaintiff or his or her attorney in any of the following cases: 20
- 21 (1) When the defendant is a <u>nonregistered</u> foreign ((corporation))
 22 <u>entity as defined by RCW 23.95.105</u>, and has property within the
 23 state;
 - (2) When the defendant, being a resident of this state, has departed therefrom with intent to defraud his or her creditors, or to avoid the service of a summons, or keeps himself or herself concealed therein with like intent;
 - (3) When the defendant is not a resident of the state, but has property therein and the court has jurisdiction of the subject of the action;
 - (4) When the action is for (a) establishment or modification of a parenting plan or residential schedule; or (b) dissolution of marriage, legal separation, or declaration of invalidity, in the cases prescribed by law;
- 35 (5) When the action is for nonparental custody under chapter 36 26.10 RCW and the child is in the physical custody of the petitioner;
- 37 (6) When the subject of the action is real or personal property 38 in this state, and the defendant has or claims a lien or interest,

p. 4 SB 6154

- actual or contingent, therein, or the relief demanded consists wholly, or partly, in excluding the defendant from any interest or lien therein;
 - (7) When the action is to foreclose, satisfy, or redeem from a mortgage, or to enforce a lien of any kind on real estate in the county where the action is brought, or satisfy or redeem from the same;
 - (8) When the action is against any corporation, whether private or municipal, organized under the laws of the state, and the proper officers on whom to make service do not exist or cannot be found;
- 11 (9) When the action is brought under RCW 4.08.160 and 4.08.170 to determine conflicting claims to property in this state.
- **Sec. 4.** RCW 46.64.040 and 2003 c 223 s 1 are each amended to 14 read as follows:
 - (1) The acceptance by a nonresident of the rights and privileges conferred by law in the use of the public highways of this state, as evidenced by ((his or her operation)):
 - (a) Operation of a vehicle thereon((τ)); or ((the))

- (b) The operation thereon of ((his or her)) the nonresident's vehicle with ((his or her)) the nonresident's consent, express or implied, shall be deemed equivalent to and construed to be an appointment by such nonresident of the secretary of state of the state of Washington to be ((his or her)) the nonresident's true and lawful attorney upon whom may be served all lawful summons and processes against ((him or her)) the nonresident growing out of any accident, collision, or liability in which such nonresident may be involved while operating a vehicle upon the public highways, or while ((his or her)) the nonresident's vehicle is being operated thereon with ((his or her)) the nonresident's consent, express or implied((rand such)).
- (2) Such operation and acceptance shall be a signification of the nonresident's agreement that any summons or process against ((him or her)) the nonresident which is so served shall be of the same legal force and validity as if served on the nonresident personally within the state of Washington.
- 36 <u>(3)</u> Likewise each resident of this state who, while operating a motor vehicle on the public highways of this state((, is)):
- 38 <u>(a) Is</u> involved in any accident, collision, or liability; and 39 ((thereafter))

p. 5 SB 6154

(b) Thereafter at any time within the following three years cannot, after a due and diligent search, be found in this state appoints the secretary of state of the state of Washington as ((his or her)) the person's lawful attorney for service of summons or process as provided in this section for nonresidents.

1

2

3

4

5

7

8

1314

1516

19

2021

22

2324

25

26

27

2829

30

3132

33

3435

36

- (4) Service of such summons or process shall be made by leaving two copies thereof with a fee established by the secretary of state by rule with the secretary of state of the state of Washington, or at the secretary of state's office(($\frac{1}{2}$ and such)).
- 10 <u>(5) Such</u> service shall be sufficient and valid personal service 11 upon said resident or nonresident((: PROVIDED, That notice)), 12 provided that:
 - (a) Notice of such service and a copy of the summons or process is forthwith sent by registered mail with return receipt requested, by plaintiff to the defendant at the last known address of the said defendant $((\tau))$; and ((the))
- 17 <u>(b) The</u> plaintiff's affidavit of compliance herewith are appended to the process, together with ((the)):
 - (i) The affidavit of the <u>plaintiff or plaintiff's attorney</u> that the <u>plaintiff or attorney</u> has with due diligence attempted to serve personal process upon the defendant at all addresses of the defendant known to ((him or her of defendant)) the plaintiff or attorney; and
 - (ii) A further listing in ((his or her)) the plaintiff or plaintiff's attorney's affidavit the addresses at which ((he or she)) the plaintiff or attorney attempted to have process served. ((However, if))
 - (6) If process is forwarded by registered mail and defendant's endorsed receipt is received and entered as a part of the return of process then the ((foregoing)) affidavit ((of plaintiff's attorney)) required in subsection (5) of this section need only show that the defendant received personal delivery by mail((: PROVIDED FURTHER, That)). However, personal service outside of this state in accordance with the provisions of law relating to personal service of summons outside of this state shall relieve the plaintiff from mailing a copy of the summons or process by registered mail as ((hereinbefore)) provided in this section.
- 37 <u>(7)</u> The secretary of state shall ((forthwith)) within eight 38 <u>business days</u>, send one of such copies by mail, postage prepaid, 39 addressed to the defendant at the defendant's address, if known to 40 the secretary of state.

p. 6 SB 6154

(8) The court in which the action is brought may order such continuances as may be necessary to afford the defendant reasonable opportunity to defend the action.

1

2

3

4

5

7

8

- (9) The fee paid by the plaintiff to the secretary of state shall be taxed as part of ((his or her)) the plaintiff's costs if ((he or she)) the plaintiff prevails in the action.
- (10) The secretary of state shall keep a record of all such summons and processes, which shall show the day of service.

--- END ---

p. 7 SB 6154