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**SUBSTITUTE SENATE BILL 5480**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senate Law & Justice (originally sponsored by Senators Riccelli, Bateman, Alvarado, Chapman, Hasegawa, Lovelett, Nobles, Orwall, Ramos, Robinson, Slatter, Stanford, Trudeau, Valdez, and C. Wilson)

READ FIRST TIME 02/07/25.

1 AN ACT Relating to protecting consumers by removing barriers  
2 created by medical debt; amending RCW 19.16.100, 19.182.040,  
3 70.41.400, and 70.54.005; reenacting and amending RCW 19.16.250; and  
4 adding a new section to chapter 70.54 RCW.

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

6 **Sec. 1.** RCW 19.16.100 and 2020 c 30 s 1 are each amended to read  
7 as follows:

8 Unless a different meaning is plainly required by the context,  
9 the following words and phrases as hereinafter used in this chapter  
10 shall have the following meanings:

- 11 (1) "Board" means the Washington state collection agency board.  
12 (2) "Claim" means any obligation for the payment of money or  
13 thing of value arising out of any agreement or contract, express or  
14 implied.  
15 (3) "Client" or "customer" means any person authorizing or  
16 employing a collection agency to collect a claim.  
17 (4) "Collection agency" means and includes:  
18 (a) Any person directly or indirectly engaged in soliciting  
19 claims for collection, or collecting or attempting to collect claims  
20 owed or due or asserted to be owed or due another person;

1 (b) Any person who directly or indirectly furnishes or attempts  
2 to furnish, sells, or offers to sell forms represented to be a  
3 collection system or scheme intended or calculated to be used to  
4 collect claims even though the forms direct the debtor to make  
5 payment to the creditor and even though the forms may be or are  
6 actually used by the creditor himself or herself in his or her own  
7 name;

8 (c) Any person who in attempting to collect or in collecting his  
9 or her own claim uses a fictitious name or any name other than his or  
10 her own which would indicate to the debtor that a third person is  
11 collecting or attempting to collect such claim;

12 (d) A debt buyer as defined in this section;

13 (e) Any person or entity attempting to enforce a lien under  
14 chapter 60.44 RCW, other than the person or entity originally  
15 entitled to the lien.

16 (5) "Collection agency" does not mean and does not include:

17 (a) Any individual engaged in soliciting claims for collection,  
18 or collecting or attempting to collect claims on behalf of a licensee  
19 under this chapter, if said individual is an employee of the  
20 licensee;

21 (b) Any individual collecting or attempting to collect claims for  
22 not more than one employer, if all the collection efforts are carried  
23 on in the name of the employer and if the individual is an employee  
24 of the employer;

25 (c) Any person whose collection activities are carried on in his,  
26 her, or its true name and are confined and are directly related to  
27 the operation of a business other than that of a collection agency,  
28 such as but not limited to: Trust companies; savings and loan  
29 associations; building and loan associations; abstract companies  
30 doing an escrow business; real estate brokers; property management  
31 companies collecting assessments, charges, or fines on behalf of  
32 condominium unit owners associations, associations of apartment  
33 owners, or homeowners' associations; public officers acting in their  
34 official capacities; persons acting under court order; lawyers;  
35 insurance companies; credit unions; loan or finance companies;  
36 mortgage banks; and banks;

37 (d) Any person who on behalf of another person prepares or mails  
38 monthly or periodic statements of accounts due if all payments are  
39 made to that other person and no other collection efforts are made by  
40 the person preparing the statements of account;

1 (e) An "out-of-state collection agency" as defined in this  
2 chapter; or

3 (f) Any person while acting as a debt collector for another  
4 person, both of whom are related by common ownership or affiliated by  
5 corporate control, if the person acting as a debt collector does so  
6 only for persons to whom it is so related or affiliated and if the  
7 principal business of the person is not the collection of debts.

8 (6) "Commercial claim" means any obligation for payment of money  
9 or thing of value arising out of any agreement or contract, express  
10 or implied, where the transaction which is the subject of the  
11 agreement or contract is not primarily for personal, family, or  
12 household purposes.

13 (7) "Debt buyer" means any person or entity that is engaged in  
14 the business of purchasing delinquent or charged off claims for  
15 collection purposes, whether it collects the claims itself or hires a  
16 third party for collection or an attorney for litigation in order to  
17 collect such claims.

18 (8) "Debtor" means any person owing or alleged to owe a claim.

19 (9) "Director" means the director of licensing.

20 (10) "Licensee" means any person licensed under this chapter.

21 (11) "Medical debt" means any ~~((obligation for the payment of~~  
22 ~~money arising out of any agreement or contract, express or implied,~~  
23 ~~for the provision of health care services as defined in RCW~~  
24 ~~48.44.010. In the context of "medical debt," "charity care" has the~~  
25 ~~same meaning as provided in RCW 70.170.020.)) debt owed by a consumer  
26 to a person whose primary business is providing medical services,  
27 products, or devices, or to the person's agent or assignee, for the  
28 provision of medical services, products, or devices. Medical debt  
29 includes, but is not limited to, medical bills that are not past due  
30 or that have been paid. For the purposes of this subsection, "medical  
31 service, product, or device" includes, but is not limited to, any  
32 service, drug, medication, product, or device sold, offered, or  
33 provided to a patient by a health care provider or health care  
34 facility, as defined in RCW 48.43.005, except that it does not  
35 include cosmetic surgery. "Cosmetic surgery" shall not include  
36 reconstructive surgery when such service is incidental to or follows  
37 surgery resulting from trauma, infection, or other diseases of the  
38 involved party.~~

39 (12) "Out-of-state collection agency" means a person whose  
40 activities within this state are limited to collecting debts from

1 debtors located in this state by means of interstate communications,  
2 including telephone, mail, or facsimile transmission, from the  
3 person's location in another state on behalf of clients located  
4 outside of this state, but does not include any person who is  
5 excluded from the definition of the term "debt collector" under the  
6 federal fair debt collection practices act (15 U.S.C. Sec. 1692a(6)).

7 (13) "Person" includes individual, firm, partnership, trust,  
8 joint venture, association, or corporation.

9 (14) "Statement of account" means a report setting forth only  
10 amounts billed, invoices, credits allowed, or aged balance due.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 70.54  
12 RCW to read as follows:

13 (1) A medical debt is void and unenforceable if a person, health  
14 care provider, health care facility, or licensed collection agency  
15 violates this section by furnishing information regarding the medical  
16 debt to a consumer credit reporting agency.

17 (2) Any contract creating a medical debt entered into on or after  
18 the effective date of this section that does not include the term  
19 described in subsection (2) of this section is void and  
20 unenforceable.

21 (3) The legislature finds that the practices covered by this  
22 section are matters vitally affecting the public interest for the  
23 purpose of applying the consumer protection act, chapter 19.86 RCW. A  
24 violation of this section is not reasonable in relation to the  
25 development and preservation of business and is an unfair or  
26 deceptive act in trade or commerce and an unfair method of  
27 competition for the purpose of applying the consumer protection act,  
28 chapter 19.86 RCW.

29 **Sec. 3.** RCW 19.16.250 and 2019 c 227 s 4 and 2019 c 201 s 2 are  
30 each reenacted and amended to read as follows:

31 No licensee or employee of a licensee shall:

32 (1) Directly or indirectly aid or abet any unlicensed person to  
33 engage in business as a collection agency in this state or receive  
34 compensation from such unlicensed person: PROVIDED, That nothing in  
35 this chapter shall prevent a licensee from accepting, as forwarder,  
36 claims for collection from a collection agency or attorney whose  
37 place of business is outside the state.

1 (2) Collect or attempt to collect a claim by the use of any means  
2 contrary to the postal laws and regulations of the United States  
3 postal department.

4 (3) Publish or post or cause to be published or posted, any list  
5 of debtors commonly known as "bad debt lists" or threaten to do so.  
6 For purposes of this chapter, a "bad debt list" means any list of  
7 natural persons alleged to fail to honor their lawful debts. However,  
8 nothing herein shall be construed to prohibit a licensee from  
9 communicating to its customers or clients by means of a coded list,  
10 the existence of a check dishonored because of insufficient funds,  
11 not sufficient funds or closed account by the financial institution  
12 servicing the debtor's checking account: PROVIDED, That the debtor's  
13 identity is not readily apparent: PROVIDED FURTHER, That the licensee  
14 complies with the requirements of subsection (10)(e) of this section.

15 (4) Have in his or her possession or make use of any badge, use a  
16 uniform of any law enforcement agency or any simulation thereof, or  
17 make any statements which might be construed as indicating an  
18 official connection with any federal, state, county, or city law  
19 enforcement agency, or any other governmental agency, while engaged  
20 in collection agency business.

21 (5) Perform any act or acts, either directly or indirectly,  
22 constituting the unauthorized practice of law.

23 (6) Advertise for sale or threaten to advertise for sale any  
24 claim as a means of endeavoring to enforce payment thereof or  
25 agreeing to do so for the purpose of soliciting claims, except where  
26 the licensee has acquired claims as an assignee for the benefit of  
27 creditors or where the licensee is acting under court order.

28 (7) Use any name while engaged in the making of a demand for any  
29 claim other than the name set forth on his or her or its current  
30 license issued hereunder.

31 (8) Give or send to any debtor or cause to be given or sent to  
32 any debtor, any notice, letter, message, or form, other than through  
33 proper legal action, process, or proceedings, which represents or  
34 implies that a claim exists unless it shall indicate in clear and  
35 legible type:

36 (a) The name of the licensee and the city, street, and number at  
37 which he or she is licensed to do business;

38 (b) The name of the original creditor to whom the debtor owed the  
39 claim if such name is known to the licensee or employee: PROVIDED,  
40 That upon written request of the debtor, the licensee shall provide

1 this name to the debtor or cease efforts to collect on the debt until  
2 this information is provided;

3 (c) If the notice, letter, message, or form is the first notice  
4 to the debtor or if the licensee is attempting to collect a different  
5 amount than indicated in his or her or its first notice to the  
6 debtor, an itemization of the claim asserted must be made including:

7 (i) Amount owing on the original obligation at the time it was  
8 received by the licensee for collection or by assignment;

9 (ii) Interest or service charge, collection costs, or late  
10 payment charges, if any, added to the original obligation by the  
11 original creditor, customer or assignor before it was received by the  
12 licensee for collection, if such information is known by the licensee  
13 or employee: PROVIDED, That upon written request of the debtor, the  
14 licensee shall make a reasonable effort to obtain information on such  
15 items and provide this information to the debtor;

16 (iii) Interest or service charge, if any, added by the licensee  
17 or customer or assignor after the obligation was received by the  
18 licensee for collection;

19 (iv) Collection costs, if any, that the licensee is attempting to  
20 collect;

21 (v) Attorneys' fees, if any, that the licensee is attempting to  
22 collect on his or her or its behalf or on the behalf of a customer or  
23 assignor; and

24 (vi) Any other charge or fee that the licensee is attempting to  
25 collect on his or her or its own behalf or on the behalf of a  
26 customer or assignor;

27 (d) If the notice, letter, message, or form concerns a judgment  
28 obtained against the debtor, no itemization of the amounts contained  
29 in the judgment is required, except postjudgment interest, if  
30 claimed, and the current account balance;

31 (e) If the notice, letter, message, or form is the first notice  
32 to the debtor, an itemization of the claim asserted must be made  
33 including the following information:

34 (i) The original account number or redacted original account  
35 number assigned to the debt, if known to the licensee or employee:  
36 PROVIDED, That upon written request of the debtor, the licensee must  
37 make a reasonable effort to obtain this information or cease efforts  
38 to collect on the debt until this information is provided; and

39 (ii) The date of the last payment to the creditor on the subject  
40 debt by the debtor, if known to the licensee or employee: PROVIDED,

1 That upon written request of the debtor, the licensee must make a  
2 reasonable effort to obtain this information or cease efforts to  
3 collect on the debt until this information is provided.

4 (9) Communicate in writing with a debtor concerning a claim  
5 through a proper legal action, process, or proceeding, where such  
6 communication is the first written communication with the debtor,  
7 without providing the information set forth in subsection (8)(c) of  
8 this section in the written communication.

9 (10) Communicate or threaten to communicate, the existence of a  
10 claim to a person other than one who might be reasonably expected to  
11 be liable on the claim in any manner other than through proper legal  
12 action, process, or proceedings except under the following  
13 conditions:

14 (a) Except as provided in subsection (28) (~~(e)~~) (a)(iii) of this  
15 section, a licensee or employee of a licensee may inform a credit  
16 reporting bureau of the existence of a claim. If the licensee or  
17 employee of a licensee reports a claim to a credit reporting bureau,  
18 the licensee shall, upon receipt of written notice from the debtor  
19 that any part of the claim is disputed, notify the credit reporting  
20 bureau of the dispute by written or electronic means and create a  
21 record of the fact of the notification and when the notification was  
22 provided;

23 (b) A licensee or employee in collecting or attempting to collect  
24 a claim may communicate the existence of a claim to a debtor's  
25 employer if the claim has been reduced to a judgment;

26 (c) A licensee or employee in collecting or attempting to collect  
27 a claim that has not been reduced to judgment, may communicate the  
28 existence of a claim to a debtor's employer if:

29 (i) The licensee or employee has notified or attempted to notify  
30 the debtor in writing at his or her last known address or place of  
31 employment concerning the claim and the debtor after a reasonable  
32 time has failed to pay the claim or has failed to agree to make  
33 payments on the claim in a manner acceptable to the licensee, and

34 (ii) The debtor has not in writing to the licensee disputed any  
35 part of the claim: PROVIDED, That the licensee or employee may only  
36 communicate the existence of a claim which has not been reduced to  
37 judgment to the debtor's employer once unless the debtor's employer  
38 has agreed to additional communications.

39 (d) A licensee may for the purpose of locating the debtor or  
40 locating assets of the debtor communicate the existence of a claim to

1 any person who might reasonably be expected to have knowledge of the  
2 whereabouts of a debtor or the location of assets of the debtor if  
3 the claim is reduced to judgment, or if not reduced to judgment,  
4 when:

5 (i) The licensee or employee has notified or attempted to notify  
6 the debtor in writing at his or her last known address or last known  
7 place of employment concerning the claim and the debtor after a  
8 reasonable time has failed to pay the claim or has failed to agree to  
9 make payments on the claim in a manner acceptable to the licensee,  
10 and

11 (ii) The debtor has not in writing disputed any part of the  
12 claim.

13 (e) A licensee may communicate the existence of a claim to its  
14 customers or clients if the claim is reduced to judgment, or if not  
15 reduced to judgment, when:

16 (i) The licensee has notified or attempted to notify the debtor  
17 in writing at his or her last known address or last known place of  
18 employment concerning the claim and the debtor after a reasonable  
19 time has failed to pay the claim or has failed to agree to make  
20 payments on the claim in a manner acceptable to the licensee, and

21 (ii) The debtor has not in writing disputed any part of the  
22 claim.

23 (11) Threaten the debtor with impairment of his or her credit  
24 rating if a claim is not paid: PROVIDED, That advising a debtor that  
25 the licensee has reported or intends to report a claim to a credit  
26 reporting agency is not considered a threat if the licensee actually  
27 has reported or intends to report the claim to a credit reporting  
28 agency.

29 (12) Communicate with the debtor after notification in writing  
30 from an attorney representing such debtor that all further  
31 communications relative to a claim should be addressed to the  
32 attorney: PROVIDED, That if a licensee requests in writing  
33 information from an attorney regarding such claim and the attorney  
34 does not respond within a reasonable time, the licensee may  
35 communicate directly with the debtor until he or she or it again  
36 receives notification in writing that an attorney is representing the  
37 debtor.

38 (13) Communicate with a debtor or anyone else in such a manner as  
39 to harass, intimidate, threaten, or embarrass a debtor, including but  
40 not limited to communication at an unreasonable hour, with



1 unreasonable frequency, by threats of force or violence, by threats  
2 of criminal prosecution, and by use of offensive language. A  
3 communication shall be presumed to have been made for the purposes of  
4 harassment if:

5 (a) It is made with a debtor or spouse in any form, manner, or  
6 place, more than three times in a single week, unless the licensee is  
7 responding to a communication from the debtor or spouse;

8 (b) It is made with a debtor at his or her place of employment  
9 more than one time in a single week, unless the licensee is  
10 responding to a communication from the debtor;

11 (c) It is made with the debtor or spouse at his or her place of  
12 residence between the hours of 9:00 p.m. and 7:30 a.m. A call to a  
13 telephone is presumed to be received in the local time zone to which  
14 the area code of the number called is assigned for landline numbers,  
15 unless the licensee reasonably believes the telephone is located in a  
16 different time zone. If the area code is not assigned to landlines in  
17 any specific geographic area, such as with toll-free telephone  
18 numbers, a call to a telephone is presumed to be received in the  
19 local time zone of the debtor's last known place of residence, unless  
20 the licensee reasonably believes the telephone is located in a  
21 different time zone.

22 (14) Communicate with the debtor through use of forms or  
23 instruments that simulate the form or appearance of judicial process,  
24 the form or appearance of government documents, or the simulation of  
25 a form or appearance of a telegraphic or emergency message.

26 (15) Communicate with the debtor and represent or imply that the  
27 existing obligation of the debtor may be or has been increased by the  
28 addition of attorney fees, investigation fees, service fees, or any  
29 other fees or charges when in fact such fees or charges may not  
30 legally be added to the existing obligation of such debtor.

31 (16) Threaten to take any action against the debtor which the  
32 licensee cannot legally take at the time the threat is made.

33 (17) Send any telegram or make any telephone calls to a debtor or  
34 concerning a debt or for the purpose of demanding payment of a claim  
35 or seeking information about a debtor, for which the charges are  
36 payable by the addressee or by the person to whom the call is made:  
37 PROVIDED, That:

38 (a) This subsection does not prohibit a licensee from attempting  
39 to communicate by way of a cellular telephone or other wireless  
40 device: PROVIDED, That a licensee cannot cause charges to be incurred

1 to the recipient of the attempted communication more than three times  
2 in any calendar week when the licensee knows or reasonably should  
3 know that the number belongs to a cellular telephone or other  
4 wireless device, unless the licensee is responding to a communication  
5 from the debtor or the person to whom the call is made.

6 (b) The licensee is not in violation of (a) of this subsection if  
7 the licensee at least monthly updates its records with information  
8 provided by a commercial provider of cellular telephone lists that  
9 the licensee in good faith believes provides reasonably current and  
10 comprehensive data identifying cellular telephone numbers, calls a  
11 number not appearing in the most recent list provided by the  
12 commercial provider, and does not otherwise know or reasonably should  
13 know that the number belongs to a cellular telephone.

14 (c) This subsection may not be construed to increase the number  
15 of communications permitted pursuant to subsection (13)(a) of this  
16 section.

17 (18) Call, or send a text message or other electronic  
18 communication to, a cellular telephone or other wireless device more  
19 than twice in any day when the licensee knows or reasonably should  
20 know that the number belongs to a cellular telephone or other  
21 wireless device, unless the licensee is responding to a communication  
22 from the debtor or the person to whom the call, text message, or  
23 other electronic communication is made. The licensee is not in  
24 violation of this subsection if the licensee at least monthly updates  
25 its records with information provided by a commercial provider of  
26 cellular telephone lists that the licensee in good faith believes  
27 provides reasonably current and comprehensive data identifying  
28 cellular telephone numbers, calls a number not appearing in the most  
29 recent list provided by the commercial provider, and does not  
30 otherwise know or reasonably should know that the number belongs to a  
31 cellular telephone. Nothing in this subsection may be construed to  
32 increase the number of communications permitted pursuant to  
33 subsection (13)(a) of this section.

34 (19) Intentionally block its telephone number from displaying on  
35 a debtor's telephone.

36 (20) In any manner convey the impression that the licensee is  
37 vouched for, bonded to or by, or is an instrumentality of the state  
38 of Washington or any agency or department thereof.

39 (21) Collect or attempt to collect in addition to the principal  
40 amount of a claim any sum other than allowable interest, collection

1 costs or handling fees expressly authorized by statute, and, in the  
2 case of suit, attorney's fees and taxable court costs. A licensee may  
3 collect or attempt to collect collection costs and fees, including  
4 contingent collection fees, as authorized by a written agreement or  
5 contract, between the licensee's client and the debtor, in the  
6 collection of a commercial claim. The amount charged to the debtor  
7 for collection services shall not exceed thirty-five percent of the  
8 commercial claim.

9 (22) Procure from a debtor or collect or attempt to collect on  
10 any written note, contract, stipulation, promise or acknowledgment  
11 under which a debtor may be required to pay any sum other than  
12 principal, allowable interest, except as noted in subsection (21) of  
13 this section, and, in the case of suit, attorney's fees and taxable  
14 court costs.

15 (23) Bring an action or initiate an arbitration proceeding on a  
16 claim when the licensee knows, or reasonably should know, that such  
17 suit or arbitration is barred by the applicable statute of  
18 limitations.

19 (24) Upon notification by a debtor that the debtor disputes all  
20 debts arising from a series of dishonored checks, automated  
21 clearinghouse transactions on a demand deposit account, or other  
22 preprinted written instruments, initiate oral contact with a debtor  
23 more than one time in an attempt to collect from the debtor debts  
24 arising from the identified series of dishonored checks, automated  
25 clearinghouse transactions on a demand deposit account, or other  
26 preprinted written instruments when: (a) Within the previous one  
27 hundred eighty days, in response to the licensee's attempt to collect  
28 the initial debt assigned to the licensee and arising from the  
29 identified series of dishonored checks, automated clearinghouse  
30 transactions on a demand deposit account, or other preprinted written  
31 instruments, the debtor in writing notified the licensee that the  
32 debtor's checkbook or other series of preprinted written instruments  
33 was stolen or fraudulently created; (b) the licensee has received  
34 from the debtor a certified copy of a police report referencing the  
35 theft or fraudulent creation of the checkbook, automated  
36 clearinghouse transactions on a demand deposit account, or series of  
37 preprinted written instruments; (c) in the written notification to  
38 the licensee or in the police report, the debtor identified the  
39 financial institution where the account was maintained, the account  
40 number, the magnetic ink character recognition number, the full bank

1 routing and transit number, and the check numbers of the stolen  
2 checks, automated clearinghouse transactions on a demand deposit  
3 account, or other preprinted written instruments, which check numbers  
4 included the number of the check that is the subject of the  
5 licensee's collection efforts; (d) the debtor provides, or within the  
6 previous one hundred eighty days provided, to the licensee a legible  
7 copy of a government-issued photo identification, which contains the  
8 debtor's signature and which was issued prior to the date of the  
9 theft or fraud identified in the police report; and (e) the debtor  
10 advised the licensee that the subject debt is disputed because the  
11 identified check, automated clearinghouse transaction on a demand  
12 deposit account, or other preprinted written instrument underlying  
13 the debt is a stolen or fraudulently created check or instrument.

14 The licensee is not in violation of this subsection if the  
15 licensee initiates oral contact with the debtor more than one time in  
16 an attempt to collect debts arising from the identified series of  
17 dishonored checks, automated clearinghouse transactions on a demand  
18 deposit account, or other preprinted written instruments when: (i)  
19 The licensee acted in good faith and relied on their established  
20 practices and procedures for batching, recording, or packeting debtor  
21 accounts, and the licensee inadvertently initiates oral contact with  
22 the debtor in an attempt to collect debts in the identified series  
23 subsequent to the initial debt assigned to the licensee; (ii) the  
24 licensee is following up on collection of a debt assigned to the  
25 licensee, and the debtor has previously requested more information  
26 from the licensee regarding the subject debt; (iii) the debtor has  
27 notified the licensee that the debtor disputes only some, but not all  
28 the debts arising from the identified series of dishonored checks,  
29 automated clearinghouse transactions on a demand deposit account, or  
30 other preprinted written instruments, in which case the licensee  
31 shall be allowed to initiate oral contact with the debtor one time  
32 for each debt arising from the series of identified checks, automated  
33 clearinghouse transactions on a demand deposit account, or written  
34 instruments and initiate additional oral contact for those debts that  
35 the debtor acknowledges do not arise from stolen or fraudulently  
36 created checks or written instruments; (iv) the oral contact is in  
37 the context of a judicial, administrative, arbitration, mediation, or  
38 similar proceeding; or (v) the oral contact is made for the purpose  
39 of investigating, confirming, or authenticating the information  
40 received from the debtor, to provide additional information to the

1 debtor, or to request additional information from the debtor needed  
2 by the licensee to accurately record the debtor's information in the  
3 licensee's records.

4 (25) Bring an action or initiate an arbitration proceeding on a  
5 claim for any amounts related to a transfer of sale of a vehicle  
6 when:

7 (a) The licensee has been informed or reasonably should know that  
8 the department of licensing transfer of sale form was filed in  
9 accordance with RCW 46.12.650 (1) through (3);

10 (b) The licensee has been informed or reasonably should know that  
11 the transfer of the vehicle either (i) was not made pursuant to a  
12 legal transfer or (ii) was not voluntarily accepted by the person  
13 designated as the purchaser/transferee; and

14 (c) Prior to the commencement of the action or arbitration, the  
15 licensee has received from the putative transferee a copy of a police  
16 report referencing that the transfer of sale of the vehicle either  
17 (i) was not made pursuant to a legal transfer or (ii) was not  
18 voluntarily accepted by the person designated as the purchaser/  
19 transferee.

20 (26) Submit an affidavit or other request pursuant to chapter  
21 6.32 RCW asking a superior or district court to transfer a bond  
22 posted by a debtor subject to a money judgment to the licensee, when  
23 the debtor has appeared as required.

24 (27) Serve a debtor with a summons and complaint unless the  
25 summons and complaint have been filed with the court and bear the  
26 case number assigned by the court.

27 (28) (a) If the claim involves medical debt:

28 (~~(a)~~) (i) Fail to include, with the first written notice to the  
29 debtor, a statement that informs the debtor of the debtor's right to  
30 request the original account number or redacted original account  
31 number assigned to the debt, the date of the last payment, and an  
32 itemized statement as provided in (~~(b)~~) (a)(ii) of this subsection  
33 (28);

34 (~~(b)(i)~~) (ii)(A) Fail to provide to the debtor, upon written or  
35 oral request by the debtor for more information than is contained in  
36 a general balance due letter, an itemized statement free of charge.  
37 Unless and until the licensee provides the itemized statement, the  
38 licensee must cease all collection efforts. The itemized statement  
39 must include:

40 (~~(A)~~) (I) The name and address of the medical creditor;

1       ~~((B))~~ (II) The date, dates, or date range of service;

2       ~~((C))~~ (III) The health care services provided to the patient as

3 indicated by the health care provider in a statement provided to the

4 licensee;

5       ~~((D))~~ (IV) The amount of principal for any medical debt or

6 debts incurred;

7       ~~((E))~~ (V) Any adjustment to the bill, such as negotiated

8 insurance rates or other discounts;

9       ~~((F))~~ (VI) The amount of any payments received, whether from

10 the patient or any other party;

11       ~~((G))~~ (VII) Any interest or fees; and

12       ~~((H))~~ (VIII) Whether the patient was found eligible for charity

13 care or other reductions and, if so, the amount due after all charity

14 care and other reductions have been applied to the itemized

15 statement;

16       ~~((ii))~~ (B) In the event the debtor has entered into a voluntary

17 payment agreement, the debtor shall give notice if he or she wants

18 the payment plan discontinued. If no notice is given, the payment

19 arrangement may continue.

20       ~~((iii))~~ (C) Properly executed postjudgment writs, including

21 writs of garnishment and execution, are not required to be ceased and

22 second or subsequent requests for information already provided do not

23 require the cessation of collection efforts;

24       ~~((e))~~ (iii) Report adverse information to consumer credit

25 reporting agencies or credit bureaus (~~until at least one hundred~~

26 ~~eighty days after the original obligation was received by the~~

27 ~~licensee for collection or by assignment~~).

28       (b) The legislature finds that the practices covered by this

29 subsection are matters vitally affecting the public interest for the

30 purpose of applying the consumer protection act, chapter 19.86 RCW. A

31 violation of this subsection is not reasonable in relation to the

32 development and preservation of business and is an unfair or

33 deceptive act in trade or commerce and an unfair method of

34 competition for the purpose of applying the consumer protection act,

35 chapter 19.86 RCW.

36       (29) If the claim involves hospital debt:

37       (a) Fail to include, with the first written notice to the debtor,

38 a notice that the debtor may be eligible for charity care from the

39 hospital, together with the contact information for the hospital;

1 (b) Collect or attempt to collect a claim related to hospital  
2 debt during the pendency of an application for charity care  
3 sponsorship or an appeal from a final determination of charity care  
4 sponsorship status. However, this prohibition is only applicable if  
5 the licensee has received notice of the pendency of the application  
6 or appeal.

7 **Sec. 4.** RCW 19.182.040 and 2011 c 333 s 2 are each amended to  
8 read as follows:

9 (1) Except as authorized under subsection (2) of this section, no  
10 consumer reporting agency may make a consumer report containing any  
11 of the following items of information:

12 (a) Bankruptcies that, from date of adjudication of the most  
13 recent bankruptcy, antedate the report by more than ten years;

14 (b) Suits and judgments that, from date of entry, antedate the  
15 report by more than seven years or until the governing statute of  
16 limitations has expired, whichever is the longer period;

17 (c) Paid tax liens that, from date of payment, antedate the  
18 report by more than seven years;

19 (d) Accounts placed for collection or charged to profit and loss  
20 that antedate the report by more than seven years;

21 (e) Records of arrest, indictment, or conviction of an adult for  
22 a crime that, from date of disposition, release, or parole, antedate  
23 the report by more than seven years;

24 (f) Juvenile records, as defined in RCW 13.50.010(1)(~~(e)~~) (f),  
25 when the subject of the records is twenty-one years of age or older  
26 at the time of the report; (~~and~~)

27 (g) Medical debt, as defined in RCW 19.16.100; and

28 (h) Any other adverse item of information that antedates the  
29 report by more than seven years.

30 (2) Subsection (1)(a) through (e) and (~~(g)~~) (h) of this section  
31 is not applicable in the case of a consumer report to be used in  
32 connection with:

33 (a) A credit transaction involving, or that may reasonably be  
34 expected to involve, a principal amount of fifty thousand dollars or  
35 more;

36 (b) The underwriting of life insurance involving, or that may  
37 reasonably be expected to involve, a face amount of fifty thousand  
38 dollars or more; or

1 (c) The employment of an individual at an annual salary that  
2 equals, or that may reasonably be expected to equal, twenty thousand  
3 dollars or more.

4 **Sec. 5.** RCW 70.41.400 and 2006 c 60 s 2 are each amended to read  
5 as follows:

6 (1) Prior to or upon discharge, a hospital must furnish each  
7 patient receiving inpatient services a written statement providing a  
8 list of physician groups and other professional partners that  
9 commonly provide care for patients at the hospital and from whom the  
10 patient may receive a bill, along with contact phone numbers for  
11 those groups. The statement must prominently display a phone number  
12 that a patient can call for assistance if the patient has any  
13 questions about any of the bills they receive after discharge that  
14 relate to their hospital stay.

15 (2)(a) Hospitals, physician groups, and other professional  
16 partners may not furnish information relating to a medical debt as  
17 defined in RCW 19.16.100 to a consumer credit reporting agency. A  
18 medical debt is void and unenforceable if a hospital, physician  
19 group, or professional partner violates this subsection (2)(a).

20 (b) A violation of (a) of this subsection is deemed a violation  
21 of the law governing the license of the hospital, physician group, or  
22 professional partner.

23 (3) The legislature finds that the practices covered by this  
24 section are matters vitally affecting the public interest for the  
25 purpose of applying the consumer protection act, chapter 19.86 RCW. A  
26 violation of this section is not reasonable in relation to the  
27 development and preservation of business and is an unfair or  
28 deceptive act in trade or commerce and an unfair method of  
29 competition for the purpose of applying the consumer protection act,  
30 chapter 19.86 RCW.

31 (4) This section does not apply to any hospital owned or operated  
32 by a health maintenance organization under chapter 48.46 RCW when  
33 providing prepaid health care services to enrollees of the health  
34 maintenance organization or any of its wholly owned subsidiary  
35 carriers.

36 **Sec. 6.** RCW 70.54.005 and 1989 1st ex.s. c 9 s 250 are each  
37 amended to read as follows:



1       The powers and duties of the secretary of social and health  
2 services under this chapter shall be performed by the secretary of  
3 health, except where specified in this chapter.

--- **END** ---