

2 **SSB 5827 - H COMM AMD ADOPTED 4-10-97**
3 By Committee on Government Administration

4

5 Strike everything after the enacting clause and insert the
6 following:

7 "Sec. 1. RCW 19.16.500 and 1982 c 65 s 1 are each amended to read
8 as follows:

9 (1)(a) Agencies, departments, taxing districts, political
10 subdivisions of the state, counties, and ~~((incorporated))~~ cities may
11 retain, by written contract, collection agencies licensed under this
12 chapter for the purpose of collecting public debts owed by any person,
13 including any restitution that is being collected on behalf of a crime
14 victim.

15 (b) Any governmental entity as described in (a) of this subsection
16 using a collection agency may add a reasonable fee, payable by the
17 debtor, to the outstanding debt for the collection agency fee incurred
18 or to be incurred. The amount to be paid for collection services shall
19 be left to the agreement of the governmental entity and its collection
20 agency or agencies, but a contingent fee of up to fifty percent of the
21 first one hundred thousand dollars of the unpaid debt per account and
22 up to thirty-five percent of the unpaid debt over one hundred thousand
23 dollars per account is reasonable, and a minimum fee of the full amount
24 of the debt up to one hundred dollars per account is reasonable. Any
25 fee agreement entered into by a governmental entity is presumptively
26 reasonable.

27 (2) No debt may be assigned to a collection agency unless (a) there
28 has been an attempt to advise the debtor (i) of the existence of the
29 debt and (ii) that the debt may be assigned to a collection agency for
30 collection if the debt is not paid, and (b) at least thirty days have
31 elapsed from the time ~~((the))~~ notice was ~~((sent))~~ attempted.

32 (3) Collection agencies assigned debts under this section shall
33 have only those remedies and powers which would be available to them as
34 assignees of private creditors.

1 (4) For purposes of this section, the term debt shall include fines
2 and other debts, including the fee required under subsection (1)(b) of
3 this section."

--- END ---