
SUBSTITUTE SENATE BILL 5827

State of Washington

55th Legislature

1997 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senators Roach, Haugen and Long)

Read first time 03/05/97.

1 AN ACT Relating to fees for judicial and nonjudicial collection of
2 governmental debt by collection agencies; and amending RCW 19.16.500.

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

4 **Sec. 1.** RCW 19.16.500 and 1982 c 65 s 1 are each amended to read
5 as follows:

6 (1)(a) Agencies, departments, taxing districts, political
7 subdivisions of the state, counties, and incorporated cities may
8 retain, by written contract, collection agencies licensed under this
9 chapter for the purpose of collecting public debts owed by any person
10 or restitution owed to victims of crime.

11 (b) Any governmental entity as described in (a) of this subsection
12 using a collection agency may add a reasonable fee, payable by the
13 debtor, to the outstanding debt for the collection agency fee incurred
14 or to be incurred. The amount to be paid for collection services is
15 left to the agreement of the governmental entity and its collection
16 agency or agencies, but a contingent fee of up to fifty percent of the
17 unpaid debt is reasonable, and a minimum fee of the full amount of the
18 debt up to one hundred dollars per account is reasonable. Any fee

1 agreement entered into by a governmental entity is presumptively
2 reasonable.

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

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

11 (4) For purposes of this section, the term debt shall include fines
12 and other debts, including the fee allowed under subsection (1)(b) of
13 this section.

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