

HOUSE BILL REPORT

SHB 2477

As Passed House:

February 15, 2002

Title: An act relating to satisfaction of judgments filed by the department of corrections.

Brief Description: Removing requirement for department of corrections to file satisfaction of judgments.

Sponsors: By House Committee on Judiciary (originally sponsored by Representatives O'Brien, Ballasiotes and Lovick; by request of Department of Corrections).

Brief History:

Committee Activity:

Judiciary: 1/29/02, 2/1/02 [DPS].

Floor Activity:

Passed House: 2/15/02, 98-0.

Brief Summary of Substitute Bill

- Eliminates the requirement that the Department of Corrections file a satisfaction of judgment with the court when a judgment for money only is not paid through the court clerk's office.

HOUSE COMMITTEE ON JUDICIARY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Lantz, Chair; Hurst, Vice Chair; Carrell, Ranking Minority Member; Boldt, Dickerson, Esser, Jarrett, Lovick and Lysen.

Staff: Ryan Jensen (786-5793); Edie Adams (786-7180).

Background:

Every county clerk must keep a record, called an execution docket, of all the judgments filed in the court, the amounts of the judgments, the parties to the actions, and other relevant information. The execution docket allows a record to be kept of the parties' compliance with the requirements of the judgment. Some judgments require the payment of money only, referred to technically as a legal financial obligation (LFO).

Under the Sentencing Reform Act, an LFO is a court-imposed obligation to pay money and may consist of any of the following: (1) restitution to the victim; (2) statutorily imposed crime victims' compensation fees; (3) court costs; (4) county or interlocal drug fund assessments; (5) court-appointed attorneys' fees and costs of defense; (6) fines; (7) reimbursement for emergency response expenses in the case of a DWI-related vehicular assault or vehicular homicide conviction; and (8) any other financial obligation assessed to the offender as a result of a felony conviction.

Historically, offenders have made payments toward their court ordered legal financial obligations by way of a variety of entities, the most common practice being for an offender to make a payment directly to the county clerk. However, some offenders have been directed by the court to pay restitution directly to the victim, and some offenders send their payments to a collection agency that is under contract with a particular county clerk.

The Department of Corrections (DOC) is responsible for supervising an offender's compliance with payment of the LFO for 10 years following conviction or 10 years after the offender is released from total confinement. During this period of supervision, the DOC may also collect payments from the offender. These collections must be remitted daily to the county clerk for disbursements.

When a judgment for payment of money only is paid through the court directly or where a judgment creditor files with the clerk a notice of satisfaction, the clerk is required to note upon the record that the judgment has been satisfied. Such a notation effects a release of any liens based on that judgment. A clerk may also note the satisfaction for criminal and juvenile LFOs when the clerk's record indicates payment in full or as directed by the court, but where the clerk's office has not directly received the payments.

When a judgment for payment of money only is not paid through a court clerk's office, but instead is received by either the Department of Social and Health Services (DSHS) (in cases of welfare fraud convictions) or the DOC, the respective agency must file a satisfaction of judgment with the court when the judgment debtor has paid in full or as directed by the court.

Summary of Substitute Bill:

When a judgment for payment of money only is not paid through a court clerk's office, the DOC is no longer required to file a satisfaction of judgment with the court clerk. The bill is effective as of July 1, 2002, and its provisions are retroactive.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: July 1, 2002.

Testimony For: This bill eliminates an unnecessary step in the process of recording the satisfaction of legal financial obligations. The court is recognized as maintaining the official payment record for an offender. It is not an efficient practice for the DOC to reopen a case sent to the clerk for collections in order to verify with the clerk that an offender has paid his or her obligations in full and then for the DOC to submit a satisfaction of judgment to the court.

Testimony Against: None.

Testified: Representative O'Brien, prime sponsor; and Melanie Smith, Department of Corrections.