

SENATE BILL REPORT

SHB 1961

As Reported by Senate Committee On:
Ways & Means, June 11, 2013

Title: An act relating to judicial stabilization trust account surcharges.

Brief Description: Extending the expiration date for judicial stabilization trust account surcharges.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Pedersen, Rodne, Hudgins, Hunter and Ryu; by request of Board For Judicial Administration).

Brief History: Passed House: 4/16/13, 91-5; 6/06/13, 87-6.

Committee Activity: Ways & Means: 6/10/13, 6/11/13 [DP, DNP, w/oRec].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Hill, Chair; Nelson, Assistant Ranking Member; Bailey, Braun, Conway, Dammeier, Fraser, Hasegawa, Hewitt, Keiser, Kohl-Welles, Parlette, Ranker, Schoesler and Tom.

Minority Report: Do not pass.

Signed by Senators Padden and Rivers.

Minority Report: That it be referred without recommendation.

Signed by Senator Becker.

Staff: Steve Jones (786-7440)

Background: Superior and district courts are authorized by statute to collect filing fees and other fees for court services. Revenue from superior court filing fees is split with 46 percent going to the state and the remainder going to the county and the county or regional law library. Revenue from district court filing fees is split with 32 percent going to the state and the remainder going to the county and the county or regional law library.

Legislation enacted in 2009 authorized temporary surcharges on filing fees in superior and district courts. Superior court filings were subject to a \$30 surcharge, except for filings of an appeal from a court of limited jurisdiction, where the surcharge was \$20. District court

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filings were subject to a \$20 surcharge, except small claims filings, which were subject to a \$10 surcharge. The state revenue from surcharges must be remitted to the State Treasurer for deposit into the Judicial Stabilization Trust Account (Account). Expenditures from the Account may only be used for the support of judicial branch agencies.

Legislation enacted in 2011 extended the surcharges until June 30, 2013, and split the revenue from the surcharges between the state and the county collecting the fee, with 75 percent going to the state and 25 percent going to the county. Local revenue going to the counties from the surcharges must be used to support local trial courts and court-related costs. Legislation enacted in 2012 generally increased the temporary surcharges on filing fees by \$10. The surcharges are set to expire on July 1, 2013.

Summary of Bill: The expiration date for surcharges on superior court and district court filings is extended to July 1, 2017.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect July 1, 2013.

Staff Summary of Public Testimony: PRO: These extensions of filing fee surcharges are needed to maintain funding for judicial agencies and legal aid programs. This revenue is assumed in both the Senate and House of Representatives budget proposals. This legislation represents a significant portion of public defense funding. Fee waivers are available for indigent persons.

CON: These surcharges were intended to be temporary only; they should not be extended again. The owners of small apartment buildings are opposed to the extension of these fee surcharges, which impose a substantial burden on the cost of doing business. The high cost of court filing fees represents a significant barrier to the civil justice system. Former state Supreme Court Chief Justice Gerry Alexander has previously expressed significant concerns about access to justice issues raised by these filing fee surcharges. More than 25,000 unlawful detainer actions are filed by landlords each year, and the fee surcharges make these cases very expensive.

Persons Testifying: PRO: Mellani McAleenan, Board of Judicial Administration; Sophia Byrd McSherry, Office of Public Defense.

CON: Bill Hinkle, John Woodring, WA State Rental Housing Assoc.; Mark Gjurasic, Washington Apartment Assoc.