

2SHB 1783 - H AMD 182

By Representative Klippert

NOT ADOPTED 03/02/2017

1 Beginning on page 1, line 9, strike all of subsections (1) and (2)
2 and insert the following:

3 "(1) Except as provided in subsection (2) of this section,
4 (~~financial obligations~~) restitution imposed in a judgment shall
5 bear interest from the date of the judgment until payment, at the
6 rate applicable to civil judgments. As of the effective date of this
7 section, nonrestitution legal financial obligations imposed in a
8 judgment shall bear interest from the date of the judgment until
9 payment at the rate of three and seventy-six hundredths percent.

10 All nonrestitution interest retained by the court shall be split
11 twenty-five percent to the state treasurer for deposit in the state
12 general fund, twenty-five percent to the state treasurer for deposit
13 in the judicial information system account as provided in RCW
14 2.68.020, twenty-five percent to the county current expense fund,
15 and twenty-five percent to the county current expense fund to fund
16 local courts.

17 (2) The court may, on motion by the offender, following the
18 offender's release from total confinement, reduce or waive the
19 interest on legal financial obligations levied as a result of a
20 criminal conviction as follows:

21 (a) The court shall waive all interest on the portions of the
22 legal financial obligations that are not restitution that accrued
23 during the term of total confinement for the conviction giving rise
24 to the financial obligations, provided the offender shows that the
25 interest creates a hardship for the offender or his or her immediate
26 family;

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1 (b) The court may reduce interest on the restitution portion of
2 the legal financial obligations only if the principal has been paid
3 in full;

4 (c) The court may otherwise reduce or waive the interest on the
5 portions of the legal financial obligations that are not restitution
6 if the offender shows that he or she has personally made a good
7 faith effort to pay and that the interest accrual is causing a
8 significant hardship. For purposes of this section, "good faith
9 effort" means that the offender has either (i) paid the principal
10 amount in full; or (ii) made at least fifteen monthly payments
11 within an eighteen-month period, excluding any payments mandatorily
12 deducted by the department of corrections;

13 (d) For purposes of (a) through (c) of this subsection, the court
14 may reduce or waive interest on legal financial obligations only as an
15 incentive for the offender to meet his or her legal financial
16 obligations. The court may grant the motion, establish a payment
17 schedule, and retain jurisdiction over the offender for purposes of
18 reviewing and revising the reduction or waiver of interest."

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20 On page 3, line 27, after "shall" strike "not accrue interest"
21 and insert "accrue interest at the rate of three and seventy-six
22 hundredths percent"

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24 On page 4, line 40, after "shall" strike "not accrue interest"
25 and insert "accrue interest at the rate of three and seventy-six
26 hundredths percent"

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28 On page 6, line 3, after "shall" strike "not accrue interest" and
29 insert "accrue interest at the rate of three and seventy-six
30 hundredths percent"

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32 On page 7, line 13, after "shall" strike "not accrue interest" and
33 insert "accrue interest at the rate of three and seventy-six
34 hundredths percent"

EFFECT: Imposes an interest rate of 3.76 percent on non-restitution legal financial obligations (LFOs) as of the effective date of the act.

Reinstates current law provisions governing the standards for a court to waive or reduce interest on legal financial obligations. These standards include: (1) requiring the court to waive interest on non-restitution LFOs that accrued during incarceration upon a showing of undue hardship; and (2) allowing the court to otherwise reduce or waive interest on non-restitution LFOs if the offender has made a good faith effort to pay and interest accrual is causing an undue hardship.

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