

HOUSE BILL REPORT

HB 1140

As Passed Legislature

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

Brief Description: Extending surcharges on court filing fees for deposit in the judicial stabilization trust account to July 1, 2021.

Sponsors: Representatives Jinkins, Rodne and Ormsby; by request of Board For Judicial Administration.

Brief History:

Committee Activity:

Judiciary: 1/18/17, 1/26/17 [DP];

Appropriations: 2/13/17, 2/22/17 [DP].

Floor Activity:

Passed House: 6/29/17, 79-15.

Passed Senate: 6/30/17, 40-9.

Passed Legislature.

Brief Summary of Bill

- Extends the expiration date for surcharges on court filing fees that are deposited into the Judicial Stabilization Trust Account until July 1, 2021.

HOUSE COMMITTEE ON JUDICIARY

Majority Report: Do pass. Signed by 12 members: Representatives Jinkins, Chair; Kilduff, Vice Chair; Rodne, Ranking Minority Member; Muri, Assistant Ranking Minority Member; Frame, Goodman, Graves, Haler, Hansen, Kirby, Klippert and Orwall.

Minority Report: Do not pass. Signed by 1 member: Representative Shea.

Staff: Audrey Frey (786-7289).

HOUSE COMMITTEE ON APPROPRIATIONS

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: Do pass. Signed by 26 members: Representatives Ormsby, Chair; Robinson, Vice Chair; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Bergquist, Caldier, Cody, Fitzgibbon, Hansen, Harris, Hudgins, Jinkins, Kagi, Lytton, Manweller, Nealey, Pettigrew, Pollet, Sawyer, Senn, Springer, Stanford, Sullivan, Tharinger, Vick and Wilcox.

Minority Report: Do not pass. Signed by 7 members: Representatives Chandler, Ranking Minority Member; Buys, Condotta, Haler, Schmick, Taylor and Volz.

Staff: Meghan Morris (786-7119).

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. Revenue from district court filing fees is split with 32 percent going to the state and the remainder going to the county.

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 filings of an appeal from a court of limited jurisdiction, where the surcharge was \$20. District court filings were subject to a \$20 surcharge, except small claims filings, which were subject to a \$10 surcharge.

Legislation enacted in 2011 extended the expiration date for the surcharges until July 1, 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 increased the temporary surcharges on filing fees by \$10.

Legislation enacted in 2013 extended the expiration date for the surcharges until July 1, 2017, except for the surcharges on small claims filings.

State revenue from the 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.

Summary of Bill:

The expiration date for surcharges on superior court and district court filings is extended until July 1, 2021.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2017.

Staff Summary of Public Testimony (Judiciary):

(In support) The surcharges that fund the court system are about to sunset; this bill will extend them. Even though it is only a temporary increase, this bill will provide \$10 million to \$11 million of funding for the court system.

This user fee is necessary for the court system to keep going.

(Opposed) None.

Staff Summary of Public Testimony (Appropriations):

(In support) House Bill 1140 extends the expiration date for the court filing surcharges by four years until 2021. The surcharges are an important piece of the judicial branch budget and provide funding for county court operations, the Administrative Office of the Courts, the Office of Public Defense, and the Office of Civil Legal Aid.

In 2009 when the state was at the bottom of a fiscal crisis, stakeholders agreed it was important to provide budget stabilization to the courts. The court filing surcharges were originally a temporary funding mechanism, but unfortunately, they are still necessary. The \$10 million is vital to keep the doors of courthouses open for Washington citizens.

(Opposed) None.

Persons Testifying (Judiciary): Representative Jenkins, prime sponsor; Brady Horenstein and Ramsay Radwan, Administrative Office of the Courts; and Stephen Warning, Superior Court Judges Association.

Persons Testifying (Appropriations): Brady Horenstein, Board for Judicial Administration; and Tom Parker, Superior Court Judges Association.

Persons Signed In To Testify But Not Testifying (Judiciary): None.

Persons Signed In To Testify But Not Testifying (Appropriations): None.