

# HOUSE BILL REPORT

## HB 1489

---

**As Reported by House Committee On:**  
Civil Rights & Judiciary

**Title:** An act relating to creating a program for the consolidation of traffic-based financial obligations to facilitate reinstatement of driving privileges that are suspended because of failure to pay.

**Brief Description:** Creating a program for the consolidation of traffic-based financial obligations to facilitate reinstatement of driving privileges that are suspended because of failure to pay.

**Sponsors:** Representatives Goodman, Frame, Appleton, Valdez, Walen and Jinkins; by request of Attorney General.

**Brief History:**

**Committee Activity:**

Civil Rights & Judiciary: 2/15/19, 2/20/19 [DPS].

**Brief Summary of Substitute Bill**

- Authorizes the Administrative Office of the Courts to establish a unified payment plan system for the consolidation of multiple traffic-based financial obligations.

---

### HOUSE COMMITTEE ON CIVIL RIGHTS & JUDICIARY

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Jinkins, Chair; Thai, Vice Chair; Irwin, Ranking Minority Member; Dufault, Assistant Ranking Minority Member; Goodman, Graham, Hansen, Kilduff, Kirby, Klippert, Orwall, Shea, Valdez, Walen and Ybarra.

**Staff:** Ingrid Lewis (786-7289).

**Background:**

A failure to follow the rules of the road, and equivalent local laws, is a traffic violation that falls into two general categories: traffic infractions and criminal offenses. Municipal and

---

*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.*

district courts have jurisdiction over civil traffic infractions, misdemeanors, and gross misdemeanors.

#### Traffic Infractions.

Traffic infractions are noncriminal offenses for which jail time cannot be imposed. A notice of traffic infraction represents a determination that an infraction has been committed; this determination is final unless the person requests a hearing to contest the infraction. The penalty for a traffic infraction is a fine; if a person either fails to pay the fine or appear at a requested hearing, the court must enter an order assessing the monetary penalty prescribed for the infraction. The penalties are immediately payable and are enforceable as civil judgments.

A person found to have committed a traffic infraction may be permitted to enter into a payment plan on the penalty assessed if the court determines that a person is unable to pay an obligation in full, and not more than one year has passed since the obligation was due. Exceptions are if the person was previously granted a payment plan on the obligation or the person is out of compliance with another payment plan.

The Department of Licensing will suspend all driving privileges of a person when the department receives notice from a court that the person has failed to respond to a notice of traffic infraction, failed to appear at a requested hearing, violated a written promise to appear in court, or has failed to comply with the terms of a notice of traffic infraction or citation.

Some local jurisdictions offer relicensing programs that enable drivers whose licenses are suspended for delinquent traffic fines to consolidate their fines into a payment plan and have their licenses reinstated.

#### Traffic Offenses.

Criminal traffic offenses can result in jail time as well as traffic-based financial obligations. Misdemeanor crimes have a maximum sentence of 90 days in jail and a maximum fine of \$1,000; gross misdemeanor crimes have a maximum sentence of 364 days in jail and a \$5,000 maximum fine. Failure to appear at a hearing on a criminal traffic offense or failure to pay following conviction can result in driver's license suspension.

#### Administrative Office of the Courts.

The Administrative Office of the Courts develops and implements uniform systems, policies, and administrative methods for the state's judicial system.

---

### **Summary of Substitute Bill:**

The Administrative Office of the Courts (AOC) is authorized to establish and oversee a program for the consolidation of traffic-based financial obligations to assist eligible participants in getting a driver's license reinstated after a suspension due to failure to comply with a traffic-based financial obligation.

The AOC is authorized to contract with a private agency or entity to act as program administrator for the purpose of administering the payment plan system. The AOC may adopt policies as necessary to administer the program and govern payment plans offered by the program. Contracted collection agencies and entities must be licensed to operate in Washington, with preference in contracting given to agencies and entities with experience working on behalf of one or more courts of limited jurisdiction.

A person is eligible to participate in the program if:

- the person has had or is at risk of having a driver's license suspended due to a failure to respond to a notice of a traffic infraction, appear at a hearing, or comply with the terms of a notice;
- the person is subject to multiple existing orders; and
- the person has not previously been granted a payment plan on the obligation or defaulted on another payment plan.

Program participants may be assessed an administrative fee to support administration of the program. The AOC must use the fee to support oversight of the program, except 5 percent of the fee must be transferred to the Department of Licensing (DOL) to support education about the program.

The AOC must notify relevant courts of a person's participation in the program. The relevant court must suspend collection efforts and notify the DOL of the adjudication of the infraction or case. Driving privileges may be reinstated provided that the participant successfully complies with the terms of the payment plan.

The AOC is authorized to retain 60 percent of unpaid collection fees assessed pursuant to statute, minus court or legal costs paid by a collection agency or entity.

Standard payment plan terms are established and are effective through December 31, 2024:

| <b>Outstanding Balance Amount</b> | <b>Monthly Payment</b> |
|-----------------------------------|------------------------|
| < \$500                           | \$25                   |
| \$500 - \$1,000                   | \$35                   |
| > \$1,000                         | \$50                   |

Participants with incomes at or below the federal poverty level, or participants receiving certain types of public assistance, pay a monthly payment of \$25, regardless of the outstanding balance.

**Substitute Bill Compared to Original Bill:**

The substitute bill makes the following changes:

- clarifies that the Administrative Office of the Courts (AOC) oversees the program, which is administered by a private agency or entity contracting with the AOC;

- requires collection agencies and entities that contract with the program administrator to be licensed to operate in Washington, with preference in contracting given to agencies and entities with experience working on behalf of one or more courts of limited jurisdiction. Contractors must provide a payment option for program participants that does not require or involve additional payment processing fees;
- transfers 5 percent of the program administration fee to the Department of Licensing to support education about the program;
- authorizes the AOC to adopt policies necessary to administer the program;
- provides that after a court of limited jurisdiction has received notice of a person's participation in the program from the AOC, the court's collection efforts must be suspended;
- authorizes the AOC to retain 60 percent of unpaid collection fees assessed pursuant to statute, minus court or legal costs paid by a collection agency or entity;
- allows program participants to pay more than the minimum payment amount on a consolidated payment plan; and
- establishes standard payment plan terms effective through December 31, 2024.

---

**Appropriation:** None.

**Fiscal Note:** Available. New fiscal note requested on February 21, 2019.

**Effective Date of Substitute Bill:** The bill takes effect on January 1, 2021.

**Staff Summary of Public Testimony:**

(In support) A person's driver's license may be suspended if the person has not paid a traffic infraction, is a habitual offender, or has a driving conviction. The most common reason for suspension is because a person cannot afford to pay a traffic ticket. A person needs a driver's license to drive to work or school, or take care of their children. This bill provides a new option for a person who has multiple traffic tickets, and allows the person to consolidate the tickets and establish a payment plan.

This bill is needed to prevent traffic fines from becoming a debt trap. A workable payment plan is critical for violations where nonpayment means suspension of a person's driver's license. This can make keeping or obtaining employment extremely difficult.

Currently, a person who has multiple fines in different jurisdictions does not have a way to consolidate the fines. Courts cannot adjudicate matters from other courts. Courts are also required to offer payment plans to individuals when it is determined that a person cannot pay a traffic fine all at once. Yet, courts cannot structurally offer a payment plan to a person that accommodates all of a person's obligations when the obligations are from other jurisdictions.

This consolidation plan would be permissive. The substitute bill clarifies that the Administrative Office of the Courts (AOC) oversees the program and has a private vendor manage the payment plans.

(Opposed) None.

(Other) The AOC is being asked to undertake an effort that is not currently resourced. The bill requires upfront information technology costs from the AOC, procurement contract management on an ongoing basis, as well as administrative work. Contract management would include eligibility determination monitoring. The AOC does not promulgate rules.

**Persons Testifying:** (In support) Representative Goodman, prime sponsor; Brittany Gregory and Travis Alley, Office of the Attorney General; Antonio Ginatta, Columbia Legal Services; and Kelsi Hamilton, Washington Collectors Association.

(Other) Dory Nicpon, Board for Judicial Administration.

**Persons Signed In To Testify But Not Testifying:** None.