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SECOND SUBSTITUTE HOUSE BILL 1048

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State of Washington

66th Legislature

2019 Regular Session

**By** House Appropriations (originally sponsored by Representatives Goodman, Stokesbary, Jinkins, Macri, Appleton, Wylie, and Chambers)

READ FIRST TIME 02/21/19.

1 AN ACT Relating to modifying the process for prevailing parties  
2 to recover judgments in small claims court; amending RCW 12.40.020,  
3 12.40.030, 12.40.040, 12.40.050, 12.40.105, 12.40.120, 4.56.200, and  
4 43.79.505; adding a new section to chapter 12.40 RCW; and repealing  
5 RCW 12.40.110.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 12.40.020 and 2011 1st sp.s. c 44 s 2 are each  
8 amended to read as follows:

9 ((~~1~~)) A small claims action shall be commenced by the plaintiff  
10 filing a claim, in the form prescribed by RCW 12.40.050, in the small  
11 claims department. A filing fee of ((~~fourteen~~)) thirty-five dollars  
12 plus any surcharge authorized by RCW 7.75.035 shall be paid when the  
13 claim is filed. Any party filing a counterclaim, cross-claim, or  
14 third-party claim in such action shall pay to the court a filing fee  
15 of ((~~fourteen~~)) thirty-five dollars plus any surcharge authorized by  
16 RCW 7.75.035. Fifty cents of every filing fee shall be deposited into  
17 the judicial stabilization trust account created in RCW 43.79.505 and  
18 used to fund indigent defense through the office of public defense.  
19 Fifty cents of every filing fee shall be deposited into the crime  
20 victims' compensation account created in RCW 7.68.045 and used to  
21 assist crime victims.

1        ~~((2) Until July 1, 2013, in addition to the fees required by~~  
2 ~~this section, an additional surcharge of ten dollars shall be charged~~  
3 ~~on the filing fees required by this section, of which seventy-five~~  
4 ~~percent must be remitted to the state treasurer for deposit in the~~  
5 ~~judicial stabilization trust account and twenty-five percent must be~~  
6 ~~retained by the county.))~~

7        **Sec. 2.** RCW 12.40.030 and 1997 c 352 s 1 are each amended to  
8 read as follows:

9        Upon filing of a claim, the court shall set a time for hearing on  
10 the matter. The court shall issue a notice of the claim which shall  
11 be served upon the defendant to notify the defendant of the hearing  
12 date. A trial need not be held ~~((on this))~~ at the first  
13 ~~((appearance))~~ hearing, if dispute resolution services are offered  
14 instead of trial, or local practice rules provide ~~((that trials will~~  
15 ~~be held on different days))~~ for a pretrial hearing.

16        **Sec. 3.** RCW 12.40.040 and 1997 c 352 s 2 are each amended to  
17 read as follows:

18        The notice of claim ~~((can))~~ may be served either as provided for  
19 the service of summons or complaint and notice in civil actions as  
20 described in RCW 4.28.080 or by registered or certified mail if a  
21 return receipt with the signature of the party being served is filed  
22 with the court. No other legal document or process is to be served  
23 with the notice of claim. Information from the court regarding the  
24 small claims department, local small claims procedure, dispute  
25 resolution services, or other matters related to litigation in the  
26 small claims department may be included with the notice of claim when  
27 served.

28        The notice of claim shall be served promptly after filing the  
29 claim. Service must be complete at least ten calendar days prior to  
30 the first hearing.

31        The person serving the notice of claim shall be entitled to  
32 receive from the plaintiff, besides mileage, the fee specified in RCW  
33 36.18.040 for such service; which sum, together with the filing fee  
34 set forth in RCW 12.40.020, shall be added to any judgment given for  
35 plaintiff.

36        **Sec. 4.** RCW 12.40.050 and 1984 c 258 s 62 are each amended to  
37 read as follows:

1 A claim filed in the small claims department shall contain: (1)  
2 The name and address of the plaintiff; (2) a sworn statement, in  
3 brief and concise form, of the nature and amount of the claim and  
4 when the claim accrued; and (3) the name and residence of the  
5 defendant, if known to the plaintiff, for the purpose of serving the  
6 notice of claim on the defendant.

7 **Sec. 5.** RCW 12.40.105 and 2004 c 70 s 1 are each amended to read  
8 as follows:

9 ~~((If the losing party fails to pay the judgment within thirty  
10 days or within the period otherwise ordered by the court, the  
11 judgment shall be increased by: (1) An amount sufficient to cover  
12 costs of certification of the judgment under RCW 12.40.110; (2) the  
13 amount specified in RCW 36.18.012(2))~~ (1) Upon the judge's entry of  
14 judgment in a small claims action, the judgment is certified as a  
15 district court civil judgment and shall be increased by: (a) The  
16 amount specified in RCW 36.18.012(2); (b) any post judgment interest  
17 provided for in RCW 4.56.110 and 19.52.020; and ((+3+)) (c) any other  
18 costs incurred by the prevailing party to enforce the judgment,  
19 including but not limited to reasonable attorneys' fees, without  
20 regard to the jurisdictional limits on the small claims department.

21 (2) The clerk of the small claims department shall enter the  
22 civil judgment on the judgment docket of the district court; and, as  
23 in other judgments of district courts, once the judgment is entered  
24 on the district court's docket garnishment, execution, and other  
25 process on execution provided by law may issue thereon.

26 (3) A certified copy of the district court judgment shall be  
27 provided to the prevailing party for no additional fee.

28 (4) The prevailing party may file a transcript of the district  
29 court civil judgment or a certified copy of the district court  
30 judgment with superior courts for entry in the superior courts' lien  
31 dockets with like effect as in other cases.

32 **Sec. 6.** RCW 12.40.120 and 1997 c 352 s 4 are each amended to  
33 read as follows:

34 No appeal shall be permitted from a judgment of the small claims  
35 department of the district court where the amount claimed was less  
36 than two hundred fifty dollars. No appeal shall be permitted by a  
37 party who requested the exercise of jurisdiction by the small claims  
38 department where the amount claimed by that party was less than one

1 thousand dollars. A party in default may seek to have the default  
2 judgment set aside according to the civil court rules applicable to  
3 setting aside judgments in district court.

4 NEW SECTION. **Sec. 7.** A new section is added to chapter 12.40  
5 RCW to read as follows:

6 If the prevailing party receives payment of the judgment, the  
7 prevailing party shall file a satisfaction of such judgment with all  
8 courts in which the judgment was filed. If the prevailing party fails  
9 to file proof of satisfaction of the judgment, the party paying the  
10 judgment may file such notice with all courts in which the judgment  
11 was filed.

12 **Sec. 8.** RCW 4.56.200 and 2012 c 133 s 1 are each amended to read  
13 as follows:

14 The lien of judgments upon the real estate of the judgment debtor  
15 shall commence as follows:

16 (1) Judgments of the district court of the United States rendered  
17 or filed in the county in which the real estate of the judgment  
18 debtor is situated, from the time of the entry or filing thereof;

19 (2) Judgments of the superior court for the county in which the  
20 real estate of the judgment debtor is situated, from the time of the  
21 filing by the county clerk upon the execution docket in accordance  
22 with RCW 4.64.030;

23 (3) Judgments of the district court of the United States rendered  
24 in any county in this state other than that in which the real estate  
25 of the judgment debtor to be affected is situated, judgments of the  
26 supreme court of this state, judgments of the court of appeals of  
27 this state, and judgments of the superior court for any county other  
28 than that in which the real estate of the judgment debtor to be  
29 affected is situated, from the time of the filing of a duly certified  
30 abstract of such judgment with the county clerk of the county in  
31 which the real estate of the judgment debtor to be affected is  
32 situated, as provided in this act;

33 (4) Judgments of a district court of this state rendered or filed  
34 as a foreign judgment in a superior court in the county in which the  
35 real estate of the judgment debtor is situated, from the time of the  
36 filing of a duly certified district court judgment or duly certified  
37 transcript of the docket of the district court with the county clerk  
38 of the county in which such judgment was rendered or filed, and upon

1 such filing said judgment shall become to all intents and purposes a  
2 judgment of the superior court for said county; and

3 (5) Judgments of a district court of this state rendered or filed  
4 in a superior court in any other county in this state than that in  
5 which the real estate of the judgment debtor to be affected is  
6 situated, a transcript of the docket of which has been filed with the  
7 county clerk of the county where such judgment was rendered or filed,  
8 from the time of filing, with the county clerk of the county in which  
9 the real estate of the judgment debtor to be affected is situated, of  
10 a duly certified abstract of the record of said judgment in the  
11 office of the county clerk of the county in which the certified  
12 transcript of the docket of said judgment of said district court was  
13 originally filed.

14 **Sec. 9.** RCW 43.79.505 and 2011 1st sp.s. c 44 s 6 are each  
15 amended to read as follows:

16 The judicial stabilization trust account is created within the  
17 state treasury, subject to appropriation. All receipts from the  
18 surcharges authorized by RCW 3.62.060(2), (~~(12.40.020(2),~~)  
19 12.40.020, 36.18.018(4), and 36.18.020(5) shall be deposited in this  
20 account. Moneys in the account may be spent only after appropriation.

21 Expenditures from the account may be used only for the support of  
22 judicial branch agencies.

23 NEW SECTION. **Sec. 10.** RCW 12.40.110 (Procedure on nonpayment)  
24 and 2016 c 202 s 19, 1998 c 52 s 6, 1995 c 292 s 6, 1984 c 258 s 68,  
25 1983 c 254 s 3, 1975 1st ex.s. c 40 s 1, 1973 c 128 s 2, & 1919 c 187  
26 s 11 are each repealed.

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