

HOUSE BILL REPORT

SB 5392

As Passed House:

April 12, 2023

Title: An act relating to overpayments for certain matters.

Brief Description: Concerning overpayments for certain matters.

Sponsors: Senators Schoesler and Pedersen.

Brief History:

Committee Activity:

Civil Rights & Judiciary: 3/21/23, 3/24/23 [DP].

Floor Activity:

Passed House: 4/12/23, 96-1.

Brief Summary of Bill

- Permits courts to retain overpayments in amounts of \$10 or less in connection with any litigation, including traffic, criminal, and noncriminal matters.

HOUSE COMMITTEE ON CIVIL RIGHTS & JUDICIARY

Majority Report: Do pass. Signed by 11 members: Representatives Hansen, Chair; Farivar, Vice Chair; Walsh, Ranking Minority Member; Graham, Assistant Ranking Minority Member; Cheney, Entenman, Goodman, Peterson, Rude, Thai and Walen.

Staff: Matt Sterling (786-7289).

Background:

Under the Revised Uniform Unclaimed Property Act, local governments that hold funds representing canceled warrants, uncashed checks, and property tax overpayments or refunds

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

may retain the funds until the owner notifies them and establishes ownership. Local governments must provide a report of the property the local government is holding to the Department of Revenue. The report must identify the property and owner and the Department of Revenue must publish the information. Most property that remains unclaimed after three years is presumed to be abandoned, but property held by a court is presumed abandoned one year after the property becomes distributable.

A local government that has abandoned intangible property is not required to maintain current records of the property for longer than five years after the property is presumed abandoned and may archive records of this intangible property and transfer the intangible property to its general fund. The local government remains liable to pay the intangible property to a person or entity that subsequently establishes ownership of this intangible property.

Prior to 2023, under the Uniform Unclaimed Property Act, courts were permitted to retain overpayments of up to \$10 that were made in connection with any litigation, including traffic, criminal, and noncriminal matters. These overpayments were remitted by the clerk of the court to the local treasurer for deposit in the Local Current Expense Fund. The Revised Uniform Unclaimed Property Act does not specifically address overpayments, which are treated like abandoned property.

Summary of Bill:

Courts are permitted to retain overpayments in amounts of \$10 or less in connection with any litigation, including traffic, criminal, and noncriminal matters. Overpayments must be remitted by the clerk of the court to the local treasurer for deposit in the Local Current Expense Fund.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The bill fixes an unintentional impact when bringing unrelated statutes together under the Uniform Unclaimed Property Act. Changes in the act eliminated language that gave courts the ability to waive refunds or court-related payments that were under \$10. This created an unforeseen issue where courts spend more money processing these refunds than the money that is returned. The bill fixes a system where courts lose money on each of these transactions for these small amounts. The bill passed out of the Senate unanimously.

(Opposed) None.

Persons Testifying: Lisa Henderson, Washington Association of County Clerks.

Persons Signed In To Testify But Not Testifying: None.