
HOUSE BILL 1632

State of Washington

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2025 Regular Session

By Representatives Timmons, Taylor, Macri, Fosse, Obras, Kloba, Bernbaum, Ramel, Doglio, Berg, Stonier, Berry, Leavitt, Peterson, Gregerson, Parshley, Reed, Thai, Ormsby, Hill, Mena, Simmons, Cortes, Zahn, Nance, Street, and Salahuddin

Read first time 01/27/25. Referred to Committee on Civil Rights & Judiciary.

1 AN ACT Relating to protecting consumers by removing barriers
2 created by medical debt; amending RCW 19.16.100, 19.182.040,
3 70.41.400, and 70.54.005; reenacting and amending RCW 19.16.250; and
4 adding a new section to chapter 70.54 RCW.

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

6 **Sec. 1.** RCW 19.16.100 and 2020 c 30 s 1 are each amended to read
7 as follows:

8 Unless a different meaning is plainly required by the context,
9 the following words and phrases as hereinafter used in this chapter
10 shall have the following meanings:

- 11 (1) "Board" means the Washington state collection agency board.
12 (2) "Claim" means any obligation for the payment of money or
13 thing of value arising out of any agreement or contract, express or
14 implied.
15 (3) "Client" or "customer" means any person authorizing or
16 employing a collection agency to collect a claim.
17 (4) "Collection agency" means and includes:
18 (a) Any person directly or indirectly engaged in soliciting
19 claims for collection, or collecting or attempting to collect claims
20 owed or due or asserted to be owed or due another person;

1 (b) Any person who directly or indirectly furnishes or attempts
2 to furnish, sells, or offers to sell forms represented to be a
3 collection system or scheme intended or calculated to be used to
4 collect claims even though the forms direct the debtor to make
5 payment to the creditor and even though the forms may be or are
6 actually used by the creditor himself or herself in his or her own
7 name;

8 (c) Any person who in attempting to collect or in collecting his
9 or her own claim uses a fictitious name or any name other than his or
10 her own which would indicate to the debtor that a third person is
11 collecting or attempting to collect such claim;

12 (d) A debt buyer as defined in this section;

13 (e) Any person or entity attempting to enforce a lien under
14 chapter 60.44 RCW, other than the person or entity originally
15 entitled to the lien.

16 (5) "Collection agency" does not mean and does not include:

17 (a) Any individual engaged in soliciting claims for collection,
18 or collecting or attempting to collect claims on behalf of a licensee
19 under this chapter, if said individual is an employee of the
20 licensee;

21 (b) Any individual collecting or attempting to collect claims for
22 not more than one employer, if all the collection efforts are carried
23 on in the name of the employer and if the individual is an employee
24 of the employer;

25 (c) Any person whose collection activities are carried on in his,
26 her, or its true name and are confined and are directly related to
27 the operation of a business other than that of a collection agency,
28 such as but not limited to: Trust companies; savings and loan
29 associations; building and loan associations; abstract companies
30 doing an escrow business; real estate brokers; property management
31 companies collecting assessments, charges, or fines on behalf of
32 condominium unit owners associations, associations of apartment
33 owners, or homeowners' associations; public officers acting in their
34 official capacities; persons acting under court order; lawyers;
35 insurance companies; credit unions; loan or finance companies;
36 mortgage banks; and banks;

37 (d) Any person who on behalf of another person prepares or mails
38 monthly or periodic statements of accounts due if all payments are
39 made to that other person and no other collection efforts are made by
40 the person preparing the statements of account;

1 (e) An "out-of-state collection agency" as defined in this
2 chapter; or

3 (f) Any person while acting as a debt collector for another
4 person, both of whom are related by common ownership or affiliated by
5 corporate control, if the person acting as a debt collector does so
6 only for persons to whom it is so related or affiliated and if the
7 principal business of the person is not the collection of debts.

8 (6) "Commercial claim" means any obligation for payment of money
9 or thing of value arising out of any agreement or contract, express
10 or implied, where the transaction which is the subject of the
11 agreement or contract is not primarily for personal, family, or
12 household purposes.

13 (7) "Debt buyer" means any person or entity that is engaged in
14 the business of purchasing delinquent or charged off claims for
15 collection purposes, whether it collects the claims itself or hires a
16 third party for collection or an attorney for litigation in order to
17 collect such claims.

18 (8) "Debtor" means any person owing or alleged to owe a claim.

19 (9) "Director" means the director of licensing.

20 (10) "Licensee" means any person licensed under this chapter.

21 (11) "Medical debt" means any obligation for the payment of money
22 arising out of any agreement or contract, express or implied, for the
23 provision of health care services as defined in RCW 48.44.010 and the
24 following health care products and devices: Manual and electric
25 wheelchairs, hospital beds for home use, mobility scooters,
26 adjustable recliner chairs, continuous positive airway pressure
27 machines, bi-level positive airway pressure machines, oxygen
28 concentrators, ventilators, artificial or prosthetic limbs, hearing
29 aids, cochlear implants, infusion pumps, insulin pumps, home dialysis
30 machines, pacemakers, insulin management devices, stair and platform
31 lifts, standing frames and walkers, heart rate monitors, blood
32 pressure monitoring systems, in-home fetal monitors, cardiac
33 monitors, defibrillators, custom-made or artificial eyes, advanced
34 orthopedic implants, ventricular assist devices, dental implants, and
35 voice amplifiers. Medical debt includes debt accrued using credit
36 cards issued by a financial institution for the specific purpose and
37 use of payment for health care services, products, and devices. In
38 the context of "medical debt," "charity care" has the same meaning as
39 provided in RCW 70.170.020.

1 (12) "Out-of-state collection agency" means a person whose
2 activities within this state are limited to collecting debts from
3 debtors located in this state by means of interstate communications,
4 including telephone, mail, or facsimile transmission, from the
5 person's location in another state on behalf of clients located
6 outside of this state, but does not include any person who is
7 excluded from the definition of the term "debt collector" under the
8 federal fair debt collection practices act (15 U.S.C. Sec. 1692a(6)).

9 (13) "Person" includes individual, firm, partnership, trust,
10 joint venture, association, or corporation.

11 (14) "Statement of account" means a report setting forth only
12 amounts billed, invoices, credits allowed, or aged balance due.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 70.54
14 RCW to read as follows:

15 (1) A medical debt is void and unenforceable if a person, health
16 care provider, health care facility, or licensed collection agency
17 violates this section by furnishing information regarding the medical
18 debt to a consumer credit reporting agency.

19 (2) It is unlawful to enter into a contract creating a medical
20 debt that does not include the following terms: "A holder of this
21 medical debt is prohibited from furnishing any information related to
22 this debt to a consumer credit reporting agency. In addition to any
23 other penalties allowed by law, if a person, health care provider, or
24 health care facility violates this section by furnishing information
25 regarding this debt to a consumer credit reporting agency, the debt
26 shall be void and unenforceable."

27 (3) Any contract creating a medical debt entered into on or after
28 the effective date of this section that does not include the term
29 described in subsection (2) of this section is void and
30 unenforceable.

31 (4) The legislature finds that the practices covered by this
32 section are matters vitally affecting the public interest for the
33 purpose of applying the consumer protection act, chapter 19.86 RCW. A
34 violation of this section is not reasonable in relation to the
35 development and preservation of business and is an unfair or
36 deceptive act in trade or commerce and an unfair method of
37 competition for the purpose of applying the consumer protection act,
38 chapter 19.86 RCW.

1 **Sec. 3.** RCW 19.16.250 and 2019 c 227 s 4 and 2019 c 201 s 2 are
2 each reenacted and amended to read as follows:

3 No licensee or employee of a licensee shall:

4 (1) Directly or indirectly aid or abet any unlicensed person to
5 engage in business as a collection agency in this state or receive
6 compensation from such unlicensed person: PROVIDED, That nothing in
7 this chapter shall prevent a licensee from accepting, as forwarder,
8 claims for collection from a collection agency or attorney whose
9 place of business is outside the state.

10 (2) Collect or attempt to collect a claim by the use of any means
11 contrary to the postal laws and regulations of the United States
12 postal department.

13 (3) Publish or post or cause to be published or posted, any list
14 of debtors commonly known as "bad debt lists" or threaten to do so.
15 For purposes of this chapter, a "bad debt list" means any list of
16 natural persons alleged to fail to honor their lawful debts. However,
17 nothing herein shall be construed to prohibit a licensee from
18 communicating to its customers or clients by means of a coded list,
19 the existence of a check dishonored because of insufficient funds,
20 not sufficient funds or closed account by the financial institution
21 servicing the debtor's checking account: PROVIDED, That the debtor's
22 identity is not readily apparent: PROVIDED FURTHER, That the licensee
23 complies with the requirements of subsection (10)(e) of this section.

24 (4) Have in his or her possession or make use of any badge, use a
25 uniform of any law enforcement agency or any simulation thereof, or
26 make any statements which might be construed as indicating an
27 official connection with any federal, state, county, or city law
28 enforcement agency, or any other governmental agency, while engaged
29 in collection agency business.

30 (5) Perform any act or acts, either directly or indirectly,
31 constituting the unauthorized practice of law.

32 (6) Advertise for sale or threaten to advertise for sale any
33 claim as a means of endeavoring to enforce payment thereof or
34 agreeing to do so for the purpose of soliciting claims, except where
35 the licensee has acquired claims as an assignee for the benefit of
36 creditors or where the licensee is acting under court order.

37 (7) Use any name while engaged in the making of a demand for any
38 claim other than the name set forth on his or her or its current
39 license issued hereunder.

1 (8) Give or send to any debtor or cause to be given or sent to
2 any debtor, any notice, letter, message, or form, other than through
3 proper legal action, process, or proceedings, which represents or
4 implies that a claim exists unless it shall indicate in clear and
5 legible type:

6 (a) The name of the licensee and the city, street, and number at
7 which he or she is licensed to do business;

8 (b) The name of the original creditor to whom the debtor owed the
9 claim if such name is known to the licensee or employee: PROVIDED,
10 That upon written request of the debtor, the licensee shall provide
11 this name to the debtor or cease efforts to collect on the debt until
12 this information is provided;

13 (c) If the notice, letter, message, or form is the first notice
14 to the debtor or if the licensee is attempting to collect a different
15 amount than indicated in his or her or its first notice to the
16 debtor, an itemization of the claim asserted must be made including:

17 (i) Amount owing on the original obligation at the time it was
18 received by the licensee for collection or by assignment;

19 (ii) Interest or service charge, collection costs, or late
20 payment charges, if any, added to the original obligation by the
21 original creditor, customer or assignor before it was received by the
22 licensee for collection, if such information is known by the licensee
23 or employee: PROVIDED, That upon written request of the debtor, the
24 licensee shall make a reasonable effort to obtain information on such
25 items and provide this information to the debtor;

26 (iii) Interest or service charge, if any, added by the licensee
27 or customer or assignor after the obligation was received by the
28 licensee for collection;

29 (iv) Collection costs, if any, that the licensee is attempting to
30 collect;

31 (v) Attorneys' fees, if any, that the licensee is attempting to
32 collect on his or her or its behalf or on the behalf of a customer or
33 assignor; and

34 (vi) Any other charge or fee that the licensee is attempting to
35 collect on his or her or its own behalf or on the behalf of a
36 customer or assignor;

37 (d) If the notice, letter, message, or form concerns a judgment
38 obtained against the debtor, no itemization of the amounts contained
39 in the judgment is required, except postjudgment interest, if
40 claimed, and the current account balance;

1 (e) If the notice, letter, message, or form is the first notice
2 to the debtor, an itemization of the claim asserted must be made
3 including the following information:

4 (i) The original account number or redacted original account
5 number assigned to the debt, if known to the licensee or employee:
6 PROVIDED, That upon written request of the debtor, the licensee must
7 make a reasonable effort to obtain this information or cease efforts
8 to collect on the debt until this information is provided; and

9 (ii) The date of the last payment to the creditor on the subject
10 debt by the debtor, if known to the licensee or employee: PROVIDED,
11 That upon written request of the debtor, the licensee must make a
12 reasonable effort to obtain this information or cease efforts to
13 collect on the debt until this information is provided.

14 (9) Communicate in writing with a debtor concerning a claim
15 through a proper legal action, process, or proceeding, where such
16 communication is the first written communication with the debtor,
17 without providing the information set forth in subsection (8)(c) of
18 this section in the written communication.

19 (10) Communicate or threaten to communicate, the existence of a
20 claim to a person other than one who might be reasonably expected to
21 be liable on the claim in any manner other than through proper legal
22 action, process, or proceedings except under the following
23 conditions:

24 (a) Except as provided in subsection (28) (~~(e)~~) (a)(iii) of this
25 section, a licensee or employee of a licensee may inform a credit
26 reporting bureau of the existence of a claim. If the licensee or
27 employee of a licensee reports a claim to a credit reporting bureau,
28 the licensee shall, upon receipt of written notice from the debtor
29 that any part of the claim is disputed, notify the credit reporting
30 bureau of the dispute by written or electronic means and create a
31 record of the fact of the notification and when the notification was
32 provided;

33 (b) A licensee or employee in collecting or attempting to collect
34 a claim may communicate the existence of a claim to a debtor's
35 employer if the claim has been reduced to a judgment;

36 (c) A licensee or employee in collecting or attempting to collect
37 a claim that has not been reduced to judgment, may communicate the
38 existence of a claim to a debtor's employer if:

39 (i) The licensee or employee has notified or attempted to notify
40 the debtor in writing at his or her last known address or place of

1 employment concerning the claim and the debtor after a reasonable
2 time has failed to pay the claim or has failed to agree to make
3 payments on the claim in a manner acceptable to the licensee, and

4 (ii) The debtor has not in writing to the licensee disputed any
5 part of the claim: PROVIDED, That the licensee or employee may only
6 communicate the existence of a claim which has not been reduced to
7 judgment to the debtor's employer once unless the debtor's employer
8 has agreed to additional communications.

9 (d) A licensee may for the purpose of locating the debtor or
10 locating assets of the debtor communicate the existence of a claim to
11 any person who might reasonably be expected to have knowledge of the
12 whereabouts of a debtor or the location of assets of the debtor if
13 the claim is reduced to judgment, or if not reduced to judgment,
14 when:

15 (i) The licensee or employee has notified or attempted to notify
16 the debtor in writing at his or her last known address or last known
17 place of employment concerning the claim and the debtor after a
18 reasonable time has failed to pay the claim or has failed to agree to
19 make payments on the claim in a manner acceptable to the licensee,
20 and

21 (ii) The debtor has not in writing disputed any part of the
22 claim.

23 (e) A licensee may communicate the existence of a claim to its
24 customers or clients if the claim is reduced to judgment, or if not
25 reduced to judgment, when:

26 (i) The licensee has notified or attempted to notify the debtor
27 in writing at his or her last known address or last known place of
28 employment concerning the claim and the debtor after a reasonable
29 time has failed to pay the claim or has failed to agree to make
30 payments on the claim in a manner acceptable to the licensee, and

31 (ii) The debtor has not in writing disputed any part of the
32 claim.

33 (11) Threaten the debtor with impairment of his or her credit
34 rating if a claim is not paid: PROVIDED, That advising a debtor that
35 the licensee has reported or intends to report a claim to a credit
36 reporting agency is not considered a threat if the licensee actually
37 has reported or intends to report the claim to a credit reporting
38 agency.

39 (12) Communicate with the debtor after notification in writing
40 from an attorney representing such debtor that all further

1 communications relative to a claim should be addressed to the
2 attorney: PROVIDED, That if a licensee requests in writing
3 information from an attorney regarding such claim and the attorney
4 does not respond within a reasonable time, the licensee may
5 communicate directly with the debtor until he or she or it again
6 receives notification in writing that an attorney is representing the
7 debtor.

8 (13) Communicate with a debtor or anyone else in such a manner as
9 to harass, intimidate, threaten, or embarrass a debtor, including but
10 not limited to communication at an unreasonable hour, with
11 unreasonable frequency, by threats of force or violence, by threats
12 of criminal prosecution, and by use of offensive language. A
13 communication shall be presumed to have been made for the purposes of
14 harassment if:

15 (a) It is made with a debtor or spouse in any form, manner, or
16 place, more than three times in a single week, unless the licensee is
17 responding to a communication from the debtor or spouse;

18 (b) It is made with a debtor at his or her place of employment
19 more than one time in a single week, unless the licensee is
20 responding to a communication from the debtor;

21 (c) It is made with the debtor or spouse at his or her place of
22 residence between the hours of 9:00 p.m. and 7:30 a.m. A call to a
23 telephone is presumed to be received in the local time zone to which
24 the area code of the number called is assigned for landline numbers,
25 unless the licensee reasonably believes the telephone is located in a
26 different time zone. If the area code is not assigned to landlines in
27 any specific geographic area, such as with toll-free telephone
28 numbers, a call to a telephone is presumed to be received in the
29 local time zone of the debtor's last known place of residence, unless
30 the licensee reasonably believes the telephone is located in a
31 different time zone.

32 (14) Communicate with the debtor through use of forms or
33 instruments that simulate the form or appearance of judicial process,
34 the form or appearance of government documents, or the simulation of
35 a form or appearance of a telegraphic or emergency message.

36 (15) Communicate with the debtor and represent or imply that the
37 existing obligation of the debtor may be or has been increased by the
38 addition of attorney fees, investigation fees, service fees, or any
39 other fees or charges when in fact such fees or charges may not
40 legally be added to the existing obligation of such debtor.

1 (16) Threaten to take any action against the debtor which the
2 licensee cannot legally take at the time the threat is made.

3 (17) Send any telegram or make any telephone calls to a debtor or
4 concerning a debt or for the purpose of demanding payment of a claim
5 or seeking information about a debtor, for which the charges are
6 payable by the addressee or by the person to whom the call is made:
7 PROVIDED, That:

8 (a) This subsection does not prohibit a licensee from attempting
9 to communicate by way of a cellular telephone or other wireless
10 device: PROVIDED, That a licensee cannot cause charges to be incurred
11 to the recipient of the attempted communication more than three times
12 in any calendar week when the licensee knows or reasonably should
13 know that the number belongs to a cellular telephone or other
14 wireless device, unless the licensee is responding to a communication
15 from the debtor or the person to whom the call is made.

16 (b) The licensee is not in violation of (a) of this subsection if
17 the licensee at least monthly updates its records with information
18 provided by a commercial provider of cellular telephone lists that
19 the licensee in good faith believes provides reasonably current and
20 comprehensive data identifying cellular telephone numbers, calls a
21 number not appearing in the most recent list provided by the
22 commercial provider, and does not otherwise know or reasonably should
23 know that the number belongs to a cellular telephone.

24 (c) This subsection may not be construed to increase the number
25 of communications permitted pursuant to subsection (13)(a) of this
26 section.

27 (18) Call, or send a text message or other electronic
28 communication to, a cellular telephone or other wireless device more
29 than twice in any day when the licensee knows or reasonably should
30 know that the number belongs to a cellular telephone or other
31 wireless device, unless the licensee is responding to a communication
32 from the debtor or the person to whom the call, text message, or
33 other electronic communication is made. The licensee is not in
34 violation of this subsection if the licensee at least monthly updates
35 its records with information provided by a commercial provider of
36 cellular telephone lists that the licensee in good faith believes
37 provides reasonably current and comprehensive data identifying
38 cellular telephone numbers, calls a number not appearing in the most
39 recent list provided by the commercial provider, and does not
40 otherwise know or reasonably should know that the number belongs to a

1 cellular telephone. Nothing in this subsection may be construed to
2 increase the number of communications permitted pursuant to
3 subsection (13)(a) of this section.

4 (19) Intentionally block its telephone number from displaying on
5 a debtor's telephone.

6 (20) In any manner convey the impression that the licensee is
7 vouched for, bonded to or by, or is an instrumentality of the state
8 of Washington or any agency or department thereof.

9 (21) Collect or attempt to collect in addition to the principal
10 amount of a claim any sum other than allowable interest, collection
11 costs or handling fees expressly authorized by statute, and, in the
12 case of suit, attorney's fees and taxable court costs. A licensee may
13 collect or attempt to collect collection costs and fees, including
14 contingent collection fees, as authorized by a written agreement or
15 contract, between the licensee's client and the debtor, in the
16 collection of a commercial claim. The amount charged to the debtor
17 for collection services shall not exceed thirty-five percent of the
18 commercial claim.

19 (22) Procure from a debtor or collect or attempt to collect on
20 any written note, contract, stipulation, promise or acknowledgment
21 under which a debtor may be required to pay any sum other than
22 principal, allowable interest, except as noted in subsection (21) of
23 this section, and, in the case of suit, attorney's fees and taxable
24 court costs.

25 (23) Bring an action or initiate an arbitration proceeding on a
26 claim when the licensee knows, or reasonably should know, that such
27 suit or arbitration is barred by the applicable statute of
28 limitations.

29 (24) Upon notification by a debtor that the debtor disputes all
30 debts arising from a series of dishonored checks, automated
31 clearinghouse transactions on a demand deposit account, or other
32 preprinted written instruments, initiate oral contact with a debtor
33 more than one time in an attempt to collect from the debtor debts
34 arising from the identified series of dishonored checks, automated
35 clearinghouse transactions on a demand deposit account, or other
36 preprinted written instruments when: (a) Within the previous one
37 hundred eighty days, in response to the licensee's attempt to collect
38 the initial debt assigned to the licensee and arising from the
39 identified series of dishonored checks, automated clearinghouse
40 transactions on a demand deposit account, or other preprinted written

1 instruments, the debtor in writing notified the licensee that the
2 debtor's checkbook or other series of preprinted written instruments
3 was stolen or fraudulently created; (b) the licensee has received
4 from the debtor a certified copy of a police report referencing the
5 theft or fraudulent creation of the checkbook, automated
6 clearinghouse transactions on a demand deposit account, or series of
7 preprinted written instruments; (c) in the written notification to
8 the licensee or in the police report, the debtor identified the
9 financial institution where the account was maintained, the account
10 number, the magnetic ink character recognition number, the full bank
11 routing and transit number, and the check numbers of the stolen
12 checks, automated clearinghouse transactions on a demand deposit
13 account, or other preprinted written instruments, which check numbers
14 included the number of the check that is the subject of the
15 licensee's collection efforts; (d) the debtor provides, or within the
16 previous one hundred eighty days provided, to the licensee a legible
17 copy of a government-issued photo identification, which contains the
18 debtor's signature and which was issued prior to the date of the
19 theft or fraud identified in the police report; and (e) the debtor
20 advised the licensee that the subject debt is disputed because the
21 identified check, automated clearinghouse transaction on a demand
22 deposit account, or other preprinted written instrument underlying
23 the debt is a stolen or fraudulently created check or instrument.

24 The licensee is not in violation of this subsection if the
25 licensee initiates oral contact with the debtor more than one time in
26 an attempt to collect debts arising from the identified series of
27 dishonored checks, automated clearinghouse transactions on a demand
28 deposit account, or other preprinted written instruments when: (i)
29 The licensee acted in good faith and relied on their established
30 practices and procedures for batching, recording, or packeting debtor
31 accounts, and the licensee inadvertently initiates oral contact with
32 the debtor in an attempt to collect debts in the identified series
33 subsequent to the initial debt assigned to the licensee; (ii) the
34 licensee is following up on collection of a debt assigned to the
35 licensee, and the debtor has previously requested more information
36 from the licensee regarding the subject debt; (iii) the debtor has
37 notified the licensee that the debtor disputes only some, but not all
38 the debts arising from the identified series of dishonored checks,
39 automated clearinghouse transactions on a demand deposit account, or
40 other preprinted written instruments, in which case the licensee

1 shall be allowed to initiate oral contact with the debtor one time
2 for each debt arising from the series of identified checks, automated
3 clearinghouse transactions on a demand deposit account, or written
4 instruments and initiate additional oral contact for those debts that
5 the debtor acknowledges do not arise from stolen or fraudulently
6 created checks or written instruments; (iv) the oral contact is in
7 the context of a judicial, administrative, arbitration, mediation, or
8 similar proceeding; or (v) the oral contact is made for the purpose
9 of investigating, confirming, or authenticating the information
10 received from the debtor, to provide additional information to the
11 debtor, or to request additional information from the debtor needed
12 by the licensee to accurately record the debtor's information in the
13 licensee's records.

14 (25) Bring an action or initiate an arbitration proceeding on a
15 claim for any amounts related to a transfer of sale of a vehicle
16 when:

17 (a) The licensee has been informed or reasonably should know that
18 the department of licensing transfer of sale form was filed in
19 accordance with RCW 46.12.650 (1) through (3);

20 (b) The licensee has been informed or reasonably should know that
21 the transfer of the vehicle either (i) was not made pursuant to a
22 legal transfer or (ii) was not voluntarily accepted by the person
23 designated as the purchaser/transferee; and

24 (c) Prior to the commencement of the action or arbitration, the
25 licensee has received from the putative transferee a copy of a police
26 report referencing that the transfer of sale of the vehicle either
27 (i) was not made pursuant to a legal transfer or (ii) was not
28 voluntarily accepted by the person designated as the purchaser/
29 transferee.

30 (26) Submit an affidavit or other request pursuant to chapter
31 6.32 RCW asking a superior or district court to transfer a bond
32 posted by a debtor subject to a money judgment to the licensee, when
33 the debtor has appeared as required.

34 (27) Serve a debtor with a summons and complaint unless the
35 summons and complaint have been filed with the court and bear the
36 case number assigned by the court.

37 (28) (a) If the claim involves medical debt:

38 ~~((a))~~ (i) Fail to include, with the first written notice to the
39 debtor, a statement that informs the debtor of the debtor's right to
40 request the original account number or redacted original account

1 number assigned to the debt, the date of the last payment, and an
2 itemized statement as provided in ~~((b))~~ (a)(ii) of this subsection
3 (28);

4 ~~((b)(i))~~ (ii)(A) Fail to provide to the debtor, upon written or
5 oral request by the debtor for more information than is contained in
6 a general balance due letter, an itemized statement free of charge.
7 Unless and until the licensee provides the itemized statement, the
8 licensee must cease all collection efforts. The itemized statement
9 must include:

10 ~~((A))~~ (I) The name and address of the medical creditor;

11 ~~((B))~~ (II) The date, dates, or date range of service;

12 ~~((C))~~ (III) The health care services provided to the patient as
13 indicated by the health care provider in a statement provided to the
14 licensee;

15 ~~((D))~~ (IV) The amount of principal for any medical debt or
16 debts incurred;

17 ~~((E))~~ (V) Any adjustment to the bill, such as negotiated
18 insurance rates or other discounts;

19 ~~((F))~~ (VI) The amount of any payments received, whether from
20 the patient or any other party;

21 ~~((G))~~ (VII) Any interest or fees; and

22 ~~((H))~~ (VIII) Whether the patient was found eligible for charity
23 care or other reductions and, if so, the amount due after all charity
24 care and other reductions have been applied to the itemized
25 statement;

26 ~~((iii))~~ (B) In the event the debtor has entered into a voluntary
27 payment agreement, the debtor shall give notice if he or she wants
28 the payment plan discontinued. If no notice is given, the payment
29 arrangement may continue.

30 ~~((iii))~~ (C) Properly executed postjudgment writs, including
31 writs of garnishment and execution, are not required to be ceased and
32 second or subsequent requests for information already provided do not
33 require the cessation of collection efforts;

34 ~~((e))~~ (iii) Report adverse information to consumer credit
35 reporting agencies or credit bureaus ~~((until at least one hundred
36 eighty days after the original obligation was received by the
37 licensee for collection or by assignment))~~.

38 (b) The legislature finds that the practices covered by this
39 subsection are matters vitally affecting the public interest for the
40 purpose of applying the consumer protection act, chapter 19.86 RCW. A

1 violation of this subsection is not reasonable in relation to the
2 development and preservation of business and is an unfair or
3 deceptive act in trade or commerce and an unfair method of
4 competition for the purpose of applying the consumer protection act,
5 chapter 19.86 RCW.

6 (29) If the claim involves hospital debt:

7 (a) Fail to include, with the first written notice to the debtor,
8 a notice that the debtor may be eligible for charity care from the
9 hospital, together with the contact information for the hospital;

10 (b) Collect or attempt to collect a claim related to hospital
11 debt during the pendency of an application for charity care
12 sponsorship or an appeal from a final determination of charity care
13 sponsorship status. However, this prohibition is only applicable if
14 the licensee has received notice of the pendency of the application
15 or appeal.

16 **Sec. 4.** RCW 19.182.040 and 2011 c 333 s 2 are each amended to
17 read as follows:

18 (1) Except as authorized under subsection (2) of this section, no
19 consumer reporting agency may make a consumer report containing any
20 of the following items of information:

21 (a) Bankruptcies that, from date of adjudication of the most
22 recent bankruptcy, antedate the report by more than ten years;

23 (b) Suits and judgments that, from date of entry, antedate the
24 report by more than seven years or until the governing statute of
25 limitations has expired, whichever is the longer period;

26 (c) Paid tax liens that, from date of payment, antedate the
27 report by more than seven years;

28 (d) Accounts placed for collection or charged to profit and loss
29 that antedate the report by more than seven years;

30 (e) Records of arrest, indictment, or conviction of an adult for
31 a crime that, from date of disposition, release, or parole, antedate
32 the report by more than seven years;

33 (f) Juvenile records, as defined in RCW 13.50.010(1) ~~((+e))~~ (f),
34 when the subject of the records is twenty-one years of age or older
35 at the time of the report; ~~((and))~~

36 (g) Medical debt, as defined in RCW 19.16.100; and

37 (h) Any other adverse item of information that antedates the
38 report by more than seven years.

1 (2) Subsection (1)(a) through (e) and (~~(g)~~) (h) of this section
2 is not applicable in the case of a consumer report to be used in
3 connection with:

4 (a) A credit transaction involving, or that may reasonably be
5 expected to involve, a principal amount of fifty thousand dollars or
6 more;

7 (b) The underwriting of life insurance involving, or that may
8 reasonably be expected to involve, a face amount of fifty thousand
9 dollars or more; or

10 (c) The employment of an individual at an annual salary that
11 equals, or that may reasonably be expected to equal, twenty thousand
12 dollars or more.

13 **Sec. 5.** RCW 70.41.400 and 2006 c 60 s 2 are each amended to read
14 as follows:

15 (1) Prior to or upon discharge, a hospital must furnish each
16 patient receiving inpatient services a written statement providing a
17 list of physician groups and other professional partners that
18 commonly provide care for patients at the hospital and from whom the
19 patient may receive a bill, along with contact phone numbers for
20 those groups. The statement must prominently display a phone number
21 that a patient can call for assistance if the patient has any
22 questions about any of the bills they receive after discharge that
23 relate to their hospital stay.

24 (2)(a) Hospitals, physician groups, and other professional
25 partners may not furnish information relating to a medical debt as
26 defined in RCW 19.16.100 to a consumer credit reporting agency. A
27 medical debt is void and unenforceable if a hospital, physician
28 group, or professional partner violates this subsection (2)(a).

29 (b) A hospital, physician group, or professional partner must
30 provide a statement to the patient which includes the following
31 terms: "The holder of this medical debt is prohibited from furnishing
32 any information related to this debt to a consumer credit reporting
33 agency. In addition to any other penalties allowed by law, if the
34 holder of this debt violates this provision, the debt is void and
35 unenforceable."

36 (c) A violation of (a) or (b) of this subsection is deemed a
37 violation of the law governing the license of the hospital, physician
38 group, or professional partner.

1 (3) The legislature finds that the practices covered by this
2 section are matters vitally affecting the public interest for the
3 purpose of applying the consumer protection act, chapter 19.86 RCW. A
4 violation of this section is not reasonable in relation to the
5 development and preservation of business and is an unfair or
6 deceptive act in trade or commerce and an unfair method of
7 competition for the purpose of applying the consumer protection act,
8 chapter 19.86 RCW.

9 (4) This section does not apply to any hospital owned or operated
10 by a health maintenance organization under chapter 48.46 RCW when
11 providing prepaid health care services to enrollees of the health
12 maintenance organization or any of its wholly owned subsidiary
13 carriers.

14 **Sec. 6.** RCW 70.54.005 and 1989 1st ex.s. c 9 s 250 are each
15 amended to read as follows:

16 The powers and duties of the secretary of social and health
17 services under this chapter shall be performed by the secretary of
18 health, except where specified in this chapter.

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