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## SENATE BILL 5175

State of Washington

65th Legislature

2017 Regular Session

By Senators Padden and Pedersen

- AN ACT Relating to modifying the process for prevailing parties to recover judgments in small claims court; amending RCW 12.40.020, 12.40.030, 12.40.040, 12.40.050, 12.40.105, 12.40.120, and 43.79.505; adding a new section to chapter 12.40 RCW; and repealing 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:
  - ((\(\frac{(1)}{1}\))) A small claims action shall be commenced by the plaintiff filing a claim, in the form prescribed by RCW 12.40.050, in the small claims department. A filing fee of ((\(\frac{fourteen}{1}\))) \(\frac{thirty-four}{1}\) dollars plus any surcharge authorized by RCW 7.75.035 shall be paid when the claim is filed. Any party filing a counterclaim, cross-claim, or third-party claim in such action shall pay to the court a filing fee of ((\(\frac{fourteen}{1}\))) \(\frac{thirty-four}{1}\) dollars plus any surcharge authorized by RCW 7.75.035.
- (((2) Until July 1, 2013, in addition to the fees required by this section, an additional surcharge of ten dollars shall be charged on the filing fees required by this section, of which seventy-five percent must be remitted to the state treasurer for deposit in the

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- 1 judicial stabilization trust account and twenty-five percent must be
- 2 retained by the county.))

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- 3 **Sec. 2.** RCW 12.40.030 and 1997 c 352 s 1 are each amended to 4 read as follows:
- 5 Upon filing of a claim, the court shall set a time for hearing on the matter. The court shall issue a notice of the claim which shall 6 be served upon the defendant to notify the defendant of the hearing 7 held ((<del>on this</del>)) A trial need not be at the 8 ((appearance)) hearing, if dispute resolution services are offered 9 10 instead of trial, or local practice rules provide ((that trials will be held on different days)) for a pretrial hearing. 11
- 12 **Sec. 3.** RCW 12.40.040 and 1997 c 352 s 2 are each amended to 13 read as follows:
  - The notice of claim ((ean)) may be served either as provided for the service of summons or complaint and notice in civil actions as described in RCW 4.28.080 or by registered or certified mail if a return receipt with the signature of the party being served is filed with the court. No other legal document or process is to be served with the notice of claim. Information from the court regarding the small claims department, local small claims procedure, dispute resolution services, or other matters related to litigation in the small claims department may be included with the notice of claim when served.
- 24 The notice of claim shall be served promptly after filing the 25 claim. Service must be complete at least ten <u>calendar</u> days prior to 26 the first hearing.
- The person serving the notice of claim shall be entitled to receive from the plaintiff, besides mileage, the fee specified in RCW 36.18.040 for such service; which sum, together with the filing fee set forth in RCW 12.40.020, shall be added to any judgment given for plaintiff.
- 32 **Sec. 4.** RCW 12.40.050 and 1984 c 258 s 62 are each amended to 33 read as follows:
- A claim filed in the small claims department shall contain: (1)
  The name and address of the plaintiff; (2) a <u>sworn</u> statement, in
  brief and concise form, of the nature and amount of the claim and
  when the claim accrued; and (3) the name and residence of the

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- defendant, if known to the plaintiff, for the purpose of serving the notice of claim on the defendant.
- **Sec. 5.** RCW 12.40.105 and 2004 c 70 s 1 are each amended to read 4 as follows:

- ((If the losing party fails to pay the judgment within thirty days or within the period otherwise ordered by the court, the judgment shall be increased by: (1) An amount sufficient to cover costs of certification of the judgment under RCW 12.40.110; (2) the amount specified in RCW 36.18.012(2))) (1) Upon the judge's entry of judgment in a small claims action, the judgment is certified as a district court civil judgment and shall be increased by: (a) The amount specified in RCW 36.18.012(2); (b) any post judgment interest provided for in RCW 4.56.110 and 19.52.020; and ((\(\frac{4}{3}\))) (c) any other costs incurred by the prevailing party to enforce the judgment, including but not limited to reasonable attorneys' fees, without regard to the jurisdictional limits on the small claims department.
- (2) The clerk of the small claims department shall enter the civil judgment on the judgment docket of the district court; and, as in other judgments of district courts, once the judgment is entered on the district court's docket garnishment, execution, and other process on execution provided by law may issue thereon.
- 22 (3) A certified copy of the district court judgment shall be 23 provided to the prevailing party for no additional fee.
- 24 (4) The prevailing party may file a transcript of the district
  25 court civil judgment or a certified copy of the district court
  26 judgment with superior courts for entry in the superior courts' lien
  27 dockets with like effect as in other cases.
- **Sec. 6.** RCW 12.40.120 and 1997 c 352 s 4 are each amended to 29 read as follows:

No appeal shall be permitted from a judgment of the small claims department of the district court where the amount claimed was less than two hundred fifty dollars. No appeal shall be permitted by a party who requested the exercise of jurisdiction by the small claims department where the amount claimed by that party was less than one thousand dollars. A party in default may seek to have the default judgment set aside according to the <u>civil</u> court rules applicable to setting aside judgments in district court.

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- 1 NEW SECTION. Sec. 7. A new section is added to chapter 12.40 2 RCW to read as follows:
- If the prevailing party receives payment of the judgment, the prevailing party shall file a satisfaction of such judgment with the district court. If the prevailing party fails to file proof of satisfaction of the judgment, the party paying the judgment may file 7 such notice with the district court.
- 8 **Sec. 8.** RCW 43.79.505 and 2011 1st sp.s. c 44 s 6 are each amended to read as follows: 9
- The judicial stabilization trust account is created within the 10 state treasury, subject to appropriation. All receipts from the 11 12 surcharges authorized by RCW 3.62.060(2),  $((\frac{12.40.020(2)}{},))$
- 13 36.18.018(4), and 36.18.020(5) shall be deposited in this account.
- Moneys in the account may be spent only after appropriation. 14
- 15 Expenditures from the account may be used only for the support of 16 judicial branch agencies.
- <u>NEW SECTION.</u> **Sec. 9.** RCW 12.40.110 (Procedure on nonpayment) 17 and 2016 c 202 s 19, 1998 c 52 s 6, 1995 c 292 s 6, 1984 c 258 s 68, 18
- 19 1983 c 254 s 3, 1975 1st ex.s. c 40 s 1, 1973 c 128 s 2, & 1919 c 187
- 20 s 11 are each repealed.

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