

## **Summary of proposed amendments to Washington’s Small Claims statute, Ch. 12.40 RCW and RCW 4.56.200, the lien statute.**

### **Background of Small Claims statute.**

The opportunity to bring a small claim action to recovery money damages has existed in Washington State since 1919. The district courts in Washington are required to have a small claims department which has non-exclusive jurisdiction of actions for the recovery of money damages not exceeding \$5000. The purpose of a small claim action is to allow for an informal hearing “with the sole object of dispensing speedy and quick justice between the litigants.” RCW 12.40.090. The parties in small claim actions are almost always *pro se* litigants because the statute prohibits attorneys and legal paraprofessional to appear in the small claims department unless there is consent by the judge.

After a small claim judgment is entered, prevailing parties frequently seek guidance from the court regarding the “next steps” for collecting their small claim judgements. Judges and court clerks always find themselves in a quandary regarding responding to this question because they cannot give legal advice to litigants and because the process for recovering on a small claim judgment is antiquated and cumbersome.

There are also ambiguities in the small claims statutory scheme that create inequities in its application by the district courts. For example, some judicial officers think post-judgment interest applies to a small claims department judgment, while other judges conclude that post-judgment interest does not begin to accrue until the judgment is certified as a district court “civil judgment”. It is also unclear when, if at all, a small claim judgment expires. Under statutes applicable to civil judgments the expiration date of a civil judgment is ten years, unless renewed by the court. RCW §.....

### **Summary of current small claim process.**

The purpose of the proposed amendments to the Small Claims statute is to simplify the process for judgment recovery and clear up ambiguities that currently exist. To better understand the challenges *pro se* litigants face, a brief summary of the current small claim judgment process is helpful.

After a small claim trial, the judge’s decision is entered into the Small Claims Department docket as a judgment. However, the prevailing party cannot seek to use civil remedies (E.g., garnishment, execution) to recover the small claim judgment until he/she takes the additional step of having the small claim judgment entered onto the district court’s civil judgment docket. RCW12.40.110 (2).

The current statutory scheme for a small claim action is as follows:

1. Plaintiff files a claim and pays the \$14 statutory filing fee. (The county is authorized to assess an additional fee, up to \$15, if it offers dispute resolution services for small claim actions.)

2. The prevailing party receives a monetary judgement but must wait 30 days, or a period of time ordered by the court, before he/she may seek to have the small claim judgment certified as a civil judgment on the district court's civil judgment docket. The statutory fee for this certification is \$20. Having a district court civil judgment then allows the prevailing party to utilize other statutory remedies to recover the money owed. E.g., garnishment and execution.
3. If the prevailing party wants a certified copy of the district court's civil judgment to file with the superior court, the party must pay a \$20 statutory fee for a certified copy.
4. Filing a certified copy of the district court civil judgment in the superior court lien docket then allows the prevailing party to utilize additional statutory remedies. E.g. Filing a lien on real property.

Under the current statutory scheme, the statutory filing fee and costs for obtaining a certified copy of the district court judgment total \$54.

### **Summary of proposed amendments.**

Under the proposed amendments, the process for obtaining a certified copy of the district court civil judgment for a small claim is simplified and the costs reduced as follows:

1. The plaintiff files a small claim and pays a filing fee of \$34. (The county is still authorized to as an additional fee for dispute resolution services.)
2. The order entered by the district court judge after a small claim trial automatically becomes a district court civil judgment. The 30-day waiting period is eliminated.
3. At the conclusion of the small claim trial, for no additional fee, the prevailing party receives a certified copy of the district court civil judgment
4. The total fee and costs for this judgment process are reduced by \$20.

The proposed amendments also eliminate ambiguities in the small claims statute. By having the judgment in a small claim action automatically become a district court civil judgment other existing statutory provisions apply. For example, interest on a civil judgement begins to accrue and the ten-year judgment expiration period begins. Inclusion of a new section, Satisfaction of Judgment, assists the judgment creditor and the courts in closing these types of judgments.

As district courts move away from "dockets" as they currently exist with the implementation of new case management systems, a minor amendment is needed to RCW 4.56.200, the lien statute, to reflect that a "certified copy of a district court judgment" has the same effect as a "duly certified transcript of the docket of the district court."



**Chapter 12.40 RCW**  
**SMALL CLAIMS**

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**12.40.010**

**Department authorized—Jurisdictional amount.**

In every district court there shall be created and organized by the court a department to be known as the "small claims department of the district court." The small claims department shall have jurisdiction, but not exclusive, in cases for the recovery of money only if the amount claimed does not exceed five thousand dollars.

[ 2008 c 227 § 2; 2001 c 154 § 1; 1991 c 71 § 1; 1988 c 85 § 1; 1984 c 258 § 57; 1981 c 331 § 10; 1979 c 102 § 4; 1973 c 128 § 1; 1970 ex.s. c 83 § 1; 1963 c 123 § 1; 1919 c 187 § 1; RRS § 1777-1.]

**NOTES:**

**Effective date—Subheadings not law—2008 c 227:** See notes following RCW [3.50.003](#).

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW [3.30.010](#).

**Court Congestion Reduction Act of 1981—Purpose—Severability—1981 c 331:** See notes following RCW [2.32.070](#).

**Application, savings—Effective date—Severability—1979 c 102:** See notes following RCW [3.66.020](#).

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**12.40.020**

**Action—Commencement—Fee—Surcharge.**

(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 ~~fourteen~~ [thirty-four](#) 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 ~~fourteen~~ [thirty-four](#) 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 judicial stabilization trust account and twenty five percent must be retained by the county.~~

[ 2011 1st sp.s. c 44 § 2; 2009 c 572 § 2; 2005 c 457 § 14; 1990 c 172 § 3; 1984 c 258 § 58; 1919 c 187 § 2; RRS § 1777-2.]

**NOTES:**

**Effective date—2011 1st sp.s. c 44:** See note following RCW [3.62.020](#).

**Effective date—2009 c 572:** See note following RCW [43.79.505](#).

**Intent—2005 c 457:** See note following RCW [43.08.250](#).

**Effective date—1990 c 172:** See note following RCW [7.75.035](#).

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW [3.30.010](#).

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#### **12.40.025**

##### **Transfer of action to small claims department.**

A defendant in a district court proceeding in which the claim is within the jurisdictional amount for the small claims department may in accordance with court rules transfer the action to the small claims department. In the event of such a transfer the provisions of RCW [12.40.070](#) shall not be applicable if the plaintiff was an assignee of the claim at the time the action was commenced nor shall the provisions of RCW [12.40.080](#) prohibit an attorney from representing the plaintiff if he or she was the attorney of record for the plaintiff at the time the action was commenced.

[ [2010 c 8 § 3038](#); [1984 c 258 § 59](#); [1970 ex.s. c 83 § 2](#).]

##### **NOTES:**

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW [3.30.010](#).

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#### **12.40.027**

##### **Removal to superior court—Restrictions—Simultaneous maintenance of claims—Joinder of claims on appeal.**

RCW [4.14.010](#) regarding removal of actions to superior court shall not apply to cases originally filed in small claims court, or transferred to the small claims court pursuant to RCW [12.40.025](#). No defendant or third party defendant may remove a small claims case from small claims court as a matter of right by merely filing a claim or counterclaim or other request for relief that is beyond the jurisdiction of the small claims court. Claims, counterclaims, or other requests for relief filed by a defendant or third party defendant in excess of the jurisdiction of small claims court may be maintained simultaneously in superior court as a separate action brought by such defendant or third party defendant. Such a superior court action does not affect the jurisdiction of the small claims court to hear the original small claims case. The decision of the small claims court shall have no preclusive effect on a superior court action brought pursuant to this section. If the small claims case is appealed, it shall be automatically joined with any superior court case filed pursuant to this section, and the procedures set forth in RCW [12.36.055](#) shall not apply.

Nothing in this section may be construed to limit the small claims court from transferring a small claims case to district court or superior court after notice and hearing.

[ [1997 c 352 § 5](#).]

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### 12.40.030

#### Setting case for hearing—Notice—Time of trial.

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 be served upon the defendant to notify the defendant of the hearing date. A trial need not be held ~~on this at the~~ first ~~hearing appearance~~, if dispute resolution services are offered instead of trial, or local practice rules provide for a pretrial hearing, that trials will be held on different days.

[ 1997 c 352 § 1; 1984 c 258 § 60; 1981 c 330 § 3; 1980 c 162 § 11; 1963 c 123 § 2; 1919 c 187 § 3; RRS § 1777-3.]

#### NOTES:

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW 3.30.010.

**Severability—1981 c 330:** See note following RCW 3.62.060.

**Severability—1980 c 162:** See note following RCW 3.02.010.

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### 12.40.040

#### Service of notice of claim—Fee.

The notice of claim ~~can~~ may be served either as provided for the service of summons or complaint and notice in civil actions, 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.

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

[ 1997 c 352 § 2; 1984 c 258 § 61; 1981 c 194 § 3; 1970 ex.s. c 83 § 3; 1959 c 263 § 9; 1919 c 187 § 4; RRS § 1777-4.]

#### NOTES:

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW 3.30.010.

**Severability—1981 c 194:** See note following RCW 36.18.040.

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### 12.40.045

#### Recovery of fees as court costs.

In the event persons other than the sheriff or duly appointed deputies charge a fee for services in excess of the fees allowed under RCW 36.18.040, the prevailing party incurring such charges

shall be entitled to recover as court costs only the amount of the fees for such services as provided in RCW [36.18.040](#).

[ [1981 c 194 § 4](#).]

**NOTES:**

**Severability—1981 c 194:** See note following RCW [36.18.040](#).

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**12.40.050**

**Requisites of claim.**

A claim filed in the small claims department shall contain: (1) The name and address of the plaintiff; (2) a [sworn](#) 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 defendant, if known to the plaintiff, for the purpose of serving the notice of claim on the defendant.

[ [1984 c 258 § 62](#); [1919 c 187 § 5](#); RRS § 1777-5.]

**NOTES:**

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW [3.30.010](#).

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**12.40.060**

**Requisites of notice.**

The notice of claim directed to the defendant shall contain: (1) The name and address of the plaintiff; (2) a brief and concise statement of the nature and amount of the claim; (3) a statement directing and requiring defendant to appear personally in the small claims department at a time certain, which shall not be less than five days from the date of service of the notice; and (4) a statement advising the defendant that in case of his or her failure to appear, judgment will be given against defendant for the amount of the claim.

[ [1984 c 258 § 63](#); [1981 c 331 § 11](#); [1919 c 187 § 6](#); RRS § 1777-6.]

**NOTES:**

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW [3.30.010](#).

**Court Congestion Reduction Act of 1981—Purpose—Severability—1981 c 331:** See notes following RCW [2.32.070](#).

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**12.40.070**

**Verification of claim.**

A claim must be verified by the real claimant, and no claim shall be filed or prosecuted in the small claims department by the assignee of the claim.

[ [1984 c 258 § 64](#); [1919 c 187 § 7](#); RRS § 1777-7.]

**NOTES:**

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW [3.30.010](#).

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#### **12.40.080**

##### **Hearing.**

(1) No attorney-at-law, legal paraprofessional, nor any person other than the plaintiff and defendant, shall appear or participate with the prosecution or defense of litigation in the small claims department without the consent of the judicial officer hearing the case. A corporation may not be represented by an attorney-at-law or legal paraprofessional except as set forth in RCW [12.40.025](#).

(2) In the small claims department it shall not be necessary to summon witnesses, but the plaintiff and defendant in any claim shall have the privilege of offering evidence in their behalf by witnesses appearing at trial.

(3) The judge may informally consult witnesses or otherwise investigate the controversy between the parties and give judgment or make such orders as the judge may deem to be right, just, and equitable for the disposition of the controversy.  
[ [1997 c 352 § 3](#); [1991 c 71 § 2](#); [1984 c 258 § 65](#); [1981 c 331 § 12](#); [1919 c 187 § 8](#); RRS § 1777-8.]

##### **NOTES:**

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW [3.30.010](#).

**Court Congestion Reduction Act of 1981—Purpose—Severability—1981 c 331:** See notes following RCW [2.32.070](#).

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#### **12.40.090**

##### **Informal pleadings.**

A formal pleading, other than the claim and notice, shall not be necessary to define the issue between the parties. The hearing and disposition of the actions shall be informal, with the sole object of dispensing speedy and quick justice between the litigants. An attachment, garnishment or execution shall not issue from the small claims department on any claim except as provided in this chapter.

[ [1984 c 258 § 66](#); [1919 c 187 § 9](#); RRS § 1777-9.]

##### **NOTES:**

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW [3.30.010](#).

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#### **12.40.100**

##### **Payment of monetary judgment.**

If a monetary judgment or order is entered, it shall be the judgment debtor's duty to pay the judgment upon such terms and conditions as the judge shall prescribe. If the judgment is not paid to the prevailing party at the time the judgment is entered and the judgment debtor is present in court, the court may order a payment plan.

[ 1984 c 258 § 67; 1983 c 254 § 1; 1919 c 187 § 10; RRS § 1777-10.]

**NOTES:**

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW [3.30.010](#).

**Effective date—1983 c 254:** "This act shall take effect on January 1, 1984." [ [1983 c 254 § 5](#).]

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**12.40.105**

**Increase of judgment upon failure to pay.**

**Certification of small claim judgment and increase of judgment upon failure to pay.**

~~(1) If the losing party fails to pay the judgment within thirty days or within the period otherwise ordered by the court, Upon the judge's entry of the judgment in a small claims action, the judgment is certified as a district court civil judgment and shall be increased by: (1) An amount sufficient to cover costs of certification of the judgment under RCW 12.40.110; (2)(1) The amount specified in RCW 36.18.012(2); and (3) any post judgment interest provided for in RCW 4.56.110 and RCW 19.52.020; and (3) 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 shall forthwith enter the civil judgment on the judgment docket of the district court; and thereafter garnishment, execution, and other process on execution provided by law may issue thereon, as in other judgments of district courts.~~

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

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

[ 2004 c 70 § 1; 1998 c 52 § 5; 1995 c 292 § 5; 1983 c 254 § 2.]

**NOTES:**

**Effective date—1983 c 254:** See note following RCW [12.40.100](#).

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**12.40.110**

**Procedure on nonpayment.**

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~~(1) If the losing party fails to pay the judgment according to the terms and conditions thereof within thirty days or is in arrears on any payment plan, and the prevailing party so notifies the court, the court shall certify the judgment in substantially the following form:~~

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~~Washington.~~

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~~In the District Court of ..... County:~~

~~..... Plaintiff,~~

~~vs.~~

~~..... Defendant.~~

~~In the Small Claims Department.~~

~~This is to certify that: (1) In a certain action on the ..... day of ..... (year) ....., wherein ..... was plaintiff and ..... defendant, jurisdiction of said defendant having been had by personal service (or otherwise) as provided by law, judgment was entered against ..... in the sum of ..... dollars; (2) the judgment has not been paid within thirty days or the period otherwise ordered by the court; and (3) pursuant to RCW 12.40.105, the amount of the judgment is hereby increased by any costs of certification under this section and the amount specified in RCW 36.18.012(2).~~

~~Witness my hand this ..... day of ....., (year).....~~

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~~.....~~

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~~Clerk of the Small Claims Department.~~

~~(2) The clerk shall forthwith enter the judgment transcript on the judgment docket of the district court; and thereafter garnishment, execution, and other process on execution provided by law may issue thereon, as in other judgments of district courts.~~

~~(3) Transcripts of such judgments may be filed and entered in judgment lien dockets in superior courts with like effect as in other cases.~~

~~[ 2016 c 202 § 19; 1998 c 52 § 6; 1995 c 292 § 6; 1984 c 258 § 68; 1983 c 254 § 3; 1975 1st ex.s. c 40 § 1; 1973 c 128 § 2; 1919 c 187 § 11; RRS § 1777-11.]~~

**NOTES:**

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW 3.30.010.

**Effective date—1983 c 254:** See note following RCW 12.40.100.

*Inclusion of reasonable costs and attorneys' fees in execution: RCW 6.17.110.*

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## 12.40.120

### Appeals—Setting aside judgments.

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 civil court rules applicable to setting aside judgments in district court.

[ 1997 c 352 § 4; 1988 c 85 § 2; 1984 c 258 § 69; 1970 ex.s. c 83 § 4.]

**NOTES:**

**Court Improvement Act of 1984—Effective dates—Severability—Short title—1984 c 258:** See notes following RCW 3.30.010.

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**NEW SECTION**

**Procedure upon payment of judgment.**

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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 such notice with the district court.

**12.40.800**  
**Small claims informational brochure—Preparation and distribution.**

The administrator for the courts and the district and municipal court judges' association shall prepare a model small claims informational brochure and distribute the model brochure to all small claims departments in the state. This brochure may be modified as necessary by each small claims department and shall be made available to all parties in any small claims action.  
[ [1994 c 32 § 7](#); [1988 c 85 § 3](#).]

## **RCW 4.56.200**

### **Commencement of lien on real estate.**

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

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

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

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

(4) Judgments of a district court of this state rendered or filed as a foreign judgment in a superior court in the county in which the real estate of the judgment debtor is situated, from the time of the filing of a duly certified district court judgment or a duly certified transcript of the docket of the district court with the county clerk of the county in which such judgment was rendered or filed, and upon such filing said judgment shall become to all intents and purposes a judgment of the superior court for said county; and

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

[ [2012 c 133 § 1](#); [2002 c 261 § 3](#); [1987 c 202 § 117](#); [1971 c 81 § 17](#); [1929 c 60 § 2](#); RRS § 445-1.]

**KING COUNTY DISTRICT COURT**  
**East Division – Bellevue Courthouse**

**Judge Janet E. Garrow**

**1309 – 114<sup>th</sup> Avenue SE**  
**Bellevue, WA 98004**  
**206-477-2103**

**Josie Jimenez**  
**Court Manager**

TO: Nick Gellert, ATJ Rules Committee Chair  
Diana Singleton, WSBA ATJ Manager

FROM: Judge Janet Garrow

SUBJECT: Proposed Amendments to Ch. 12.40 RCW

DATE: November 21, 2016

Thank you for the opportunity to meet with the ATJ Rules Committee on November 14, 2016 to discuss draft amendments to the small claim statutes, Ch. 12.40 RCW. The overarching goal of the draft amendments is to simplify the process and costs for having a small claim judgment certified as a civil judgment. From our discussion, I am aware that your committee was not interested in having the legislature raise the current jurisdictional limit for small claim actions. The current limit is \$5000. Since our meeting, I have had the opportunity to research some of the questions your committee raised and can provide the following responses.

1. Reporting of civil judgments to the Department of Licensing (DOL)

Once concern expressed by your committee involved the reporting of civil judgments involving automobile accidents to the DOL and the possibility that the debtor's driver's license would be suspended for an unpaid judgment. As we discussed, either party to an automobile collision may be indigent or of modest means. Frequently these folks use the small claim process because the damage maybe minor and an attorney is not required. Moreover, attorneys may not practice in the District Court's small claim department without the permission of the judge.

The proposed amendments do not make it more likely the prevailing party will notify DOL of an unpaid civil judgment. In 2015, the legislature amended RCW 46.29.130, "When judgment creditors to report nonpayment of judgments [to the DOL]". Previously the law required the clerk of the court to file a certified copy or abstract of judgment with the DOL in such cases. The statute now requires the judgment creditor to file the certified copy of abstract of the judgment with the DOL

**RCW 46.29.310 When judgment creditors to report nonpayment of judgments.**

Whenever any person fails within thirty days to satisfy any judgment, then it shall be the duty of the judgment creditor to forward immediately to the department the following:

- (1) A certified copy or abstract of such judgment;
- (2) A certificate of facts relative to such judgment;
- (3) Where the judgment is by default, a certified copy or abstract of that portion of the record which indicates the manner in which service of summons was effectuated and all the measures taken to provide the defendant with timely and actual notice of the suit against him or her.

2. Assignment of debt

Another concern raised was the purchasing of debt by collection agencies and collection agencies filing a small claim action to reduce the debt to judgment. As we discussed during our meeting, a current provision of the small claims statute requires that the real party in interest pursue the small claim action. An assignee of the claim is not permitted to bring an action in the small claims department.

After our meeting, I sent an email to district court judges in Washington. Of the fifteen counties responding, none of the judges had or were aware of a small claim action being pursued by a collection agency based upon a debt it had purchased. We do know that collection agencies sometimes purchase small claim judgments or civil judgments from prevailing parties and then seek recovery of such judgments. The proposed amendments do not change what parties and credit agencies are able to do currently to collect a small claim or civil judgment.

3. Corporations bring small claim actions

There is nothing in the small claim statutes that preclude a corporation from utilizing the small claim process to collect money owed. However, the corporation cannot be represented by an attorney in the small claim department. Corporations are typically represented by an agent of the corporation. One example I was given was where a power company utilized the small claim department to collect an unpaid utility bill.

I hope this information is useful to your committee's discussion on December 8<sup>th</sup>. If you have additional questions, please do not hesitate to contact me. I look forward to hearing from you and the Access to Justice Board on the proposed amendments.

Cc: Judge Sam Meyer, Chair, DMCJA Legislative Committee  
Paula Littlewood, Executive Director WSBA

