
SUBSTITUTE SENATE BILL 5686

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Labor & Commerce (originally sponsored by Senators Williams and Pelz)

Read first time 03/03/93.

1 AN ACT Relating to delinquent payment charges on credit cards; and
2 amending RCW 63.14.090.

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

4 **Sec. 1.** RCW 63.14.090 and 1984 c 280 s 2 are each amended to read
5 as follows:

6 (1) The holder of any retail installment contract, retail charge
7 agreement, or lender credit card agreement may not collect any
8 delinquency or collection charges, including any attorney's fee and
9 court costs and disbursements, unless the contract, charge agreement,
10 or lender credit card agreement so provides. In such cases, the
11 charges shall be reasonable, and no attorney's fee may be recovered
12 unless the contract, charge agreement, or lender credit card agreement
13 is referred for collection to an attorney not a salaried employee of
14 the holder.

15 (2) The contract, charge agreement, or lender credit card agreement
16 may contain other provisions not inconsistent with the purposes of this
17 chapter, including but not limited to provisions relating to
18 refinancing, transfer of the buyer's equity, construction permits, and
19 title reports.

1 (3) Notwithstanding subsection (1) of this section, delinquency
2 charges for the late payment of a retail charge agreement or lender
3 credit card agreement may not be more than ten percent of the average
4 balance of the delinquent account for the prior thirty-day period when
5 the average balance of the account for the prior thirty-day period is
6 less than one hundred dollars, except that a minimum charge of up to
7 two dollars shall be allowed.

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