



# 2019 AG REQUEST LEGISLATION PROHIBITING “POCKET SERVICE” DEBT COLLECTION PRACTICES

## What needs to change?

In almost every other state, a debt collector must file a lawsuit either immediately or within a short time after serving a summons and complaint. In Washington state, however, a collection agency is allowed to keep the summons and complaint in its “pocket” instead of filing them with the superior court.

This practice confuses Washingtonians, often causing them to fail to respond, allowing the debt collector to obtain a default judgment. A majority of debt collection cases in Washington state result in a default judgment against the defendant. The Attorney General’s Office receives dozens of complaints about “pocket service.” See the back for a sample of these complaints.

## Why is this change necessary?

“Pocket service” leads to default judgments that should not occur. Many Washingtonians reasonably conclude that the unnumbered summons and complaint are not valid, particularly when they call the court and are told that no case has been filed. They then intentionally fail to answer and unwittingly give up their only opportunity to contest the debt.

A federal judge found the practice of “pocket service” “deeply troubling,” “brazenly tactical,” and contrary to “the spirit of fair play” - but not unlawful. That needs to change.

## Key Support:

- Statewide Poverty Action Network
- Washington State Hospital Association
- Columbia Legal Services
- Washington State Association for Justice
- Washington State Labor Council
- Superior Court Judges Association
- Washington Low Income Housing Alliance
- SEIU Healthcare 1199NW
- UFCW 21
- Washington CAN

## Prime Sponsors:

Sen. Dhingra: D  
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## 42 STATES



42 states prohibit this widely criticized practice.<sup>1</sup>

1: See Sam Glover, “Has the Flood of Debt Collection Lawsuits Swept Away Minnesotans’ Due Process Rights?,” 35 Wm. Mitchell L. Rev. 1115, 1119 (2009) (identifying Minnesota, North Dakota, South Dakota, Connecticut, New Hampshire, Utah, Vermont and Washington).

## What is the solution? SB-5034 / HB-1066

This legislation requires debt collectors to file a lawsuit with the court prior to serving a Washingtonian with a summons and complaint.



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## PROHIBITING "POCKET SERVICE" DEBT COLLECTION PRACTICES

### Sample of Complaints to the Washington State Attorney General regarding Pocket Service:

- I was hand-delivered documents which were in the format of a legal pleading/court papers. However, they were NOT filed with the local court, or any court, did not have a date or time to appear . . . I responded with a letter asking what the purpose of the papers were . . . Then, today, I found that on 3/28/2012 a court case WAS initiated and became a default judgement on the SAME DAY.
- Evidently there is no court case filed against me, because I checked with Thurston Co. Superior Court. I was not properly notified of the case by the company. The lawsuit "filed" was not filed properly. This looks like a fraudulent collection agency . . .
- Yesterday my bank accounts . . . were wiped clean from what was claimed as a "wage garnishment" from a debt collection agency . . . I had received a letter [with] "summons" stamped on the letter . . . I called the court and asked them if there had in fact been a claim filed against me and I was told there was no claim . . . I called [the company and] told them that I had called the court and that there was no claim filed . . . On August 2, 2016 . . . my debit card [was] declined. I immediately checked my bank to see that my entire balance . . . had been [garnished].
- [U]pon a search of the WA State Court records, no docket could be located. When I asked the clerk for a name and a callback number, we were disconnected. Upon searching the web, it appears that this is a normal intimidation practice.
- [I]t appears that for rural counties in Washington state this is not an unheard of bypass of procedural law.
- I called the superior court . . . and the clerks told me I could not file my answer to [the company's] complaint because there was no case number to file it under. I had only 20 days to send my answer. . . . I found out about the default judgment by calling the superior court.
- After examination of the documents and checking with the King County Court, I realized that the papers were not actual legal documents but were simply constructed to look as though they were. I sent a letter to [the company] . . . challenging the validity of the debt.