CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1687

Chapter 296, Laws of 1997

(partial veto)

55th Legislature 1997 Regular Session

WAGE GARNISHMENT

EFFECTIVE DATE: 7/27/97

Passed by the House April 23, 1997 Yeas 63 Nays 31

CLYDE BALLARD

Speaker of the House of Representatives

Passed by the Senate April 15, 1997 Yeas 42 Nays 1

BRAD OWEN

President of the Senate

Approved May 9, 1997, with the exception of sections 11, 12, 14, 17 and 18, which are vetoed.

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1687** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN

Chief Clerk

FILED

May 9, 1997 - 1:43 p.m.

GARY LOCKE

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1687

Passed Legislature - 1997 Regular Session

AS AMENDED BY THE SENATE

State of Washington 55th Legislature 1997 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Sheahan, Delvin, Sheldon, McMorris, L. Thomas, Mielke, Grant, Morris, Benson, D. Schmidt, Alexander, D. Sommers, Johnson, Thompson, Talcott and Boldt)

Read first time 03/10/97.

AN ACT Relating to wage garnishment; amending RCW 6.27.100, 6.27.110, 6.27.190, 6.27.200, 6.27.350, 6.27.360, 26.18.100, 26.18.110, 26.23.060, 26.23.090, 74.20A.080, 74.20A.100, and 74.20A.240; adding new sections to chapter 6.27 RCW; and creating a new section.

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

6 <u>NEW SECTION.</u> Sec. 1. The legislature recognizes that the employer 7 has no responsibility in the situation leading to wage garnishment of the employee and that the employer is in fact helping the state and 8 other businesses when the wages of employees are garnished. 9 It is not 10 the intent of the legislature to interfere in the employer/employee The legislature also recognizes that wage garnishment 11 relationship. 12 orders create an administrative burden for employers and that the state 13 should do everything in its power to reduce or offset this burden.

14 **Sec. 2.** RCW 6.27.100 and 1988 c 231 s 25 are each amended to read 15 as follows:

16 The writ shall be substantially in the following form: PROVIDED, 17 That if the writ is issued under a court order or judgment for child 18 support, the following statement shall appear conspicuously in the

caption: "This garnishment is based on a judgment or court order for 1 child support": AND PROVIDED FURTHER, That if the garnishment is for 2 a continuing lien, the form shall be modified as provided in RCW 3 4 6.27.340: AND PROVIDED FURTHER, That if the writ is not directed to an employer for the purpose of garnishing a defendant's earnings, the 5 paragraph relating to the earnings exemption may be omitted: б 7 "IN THE SUPERIOR COURT 8 OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF 9 10 11 Plaintiff, No. 12 vs. 13 WRIT OF $\frac{14}{5}$ Defendant GARNISHMENT 16 17 Garnishee ((Defendant)) 18

19Garnishee20((Defendant))

21	AND	то:	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
22	Defendant																															

The above-named plaintiff has applied for a writ of garnishment against you, claiming that the above-named defendant is indebted to plaintiff and that the amount to be held to satisfy that indebtedness is \$, consisting of:

27	Balance on Judgment or Amount of Claim	\$ •	•	•	•
28	Interest under Judgment from to	\$ •	•	•	•
29	Taxable Costs and Attorneys' Fees	\$ •	•	•	•

1	Estimated Garnishment Costs:	
2	Filing Fee	\$
3	Service and Affidavit Fees	\$
4	Postage and Costs of Certified Mail	\$
5	((Answer Fee or Fees	<u> </u>
б	Garnishment Attorney Fee	\$

7 YOU MAY DEDUCT A PROCESSING FEE FROM THE REMAINDER OF THE 8 EMPLOYEE'S EARNINGS AFTER WITHHOLDING UNDER THE GARNISHMENT ORDER. THE 9 PROCESSING FEE MAY NOT EXCEED TWENTY DOLLARS FOR THE FIRST DISBURSEMENT 10 MADE. IF THIS IS A WRIT FOR A CONTINUING LIEN ON EARNINGS, YOU MAY DEDUCT A PROCESSING FEE OF TWENTY DOLLARS AT THE TIME YOU REMIT THE 11 12 FIRST DISBURSEMENT AND TEN DOLLARS AT THE TIME YOU SUBMIT THE SECOND 13 ANSWER.

14 YOU ARE HEREBY COMMANDED, unless otherwise directed by the court or by this writ, not to pay any debt, whether earnings subject to this 15 garnishment or any other debt, owed to the defendant at the time this 16 17 writ was served and not to deliver, sell, or transfer, or recognize any 18 sale or transfer of, any personal property or effects of the defendant in your possession or control at the time when this writ was served. 19 Any such payment, delivery, sale, or transfer is void to the extent 20 21 necessary to satisfy the plaintiff's claim and costs for this writ with 22 interest.

YOU ARE FURTHER COMMANDED to answer this writ by filling in the attached form according to the instructions in this writ and in the answer forms and, within twenty days after the service of the writ upon you, to mail or deliver the original of such answer to the court, one copy to the plaintiff or the plaintiff's attorney, and one copy to the defendant, in the envelopes provided.

29 If, at the time this writ was served, you owed the defendant any earnings salary, commission, 30 (that is, wages, bonus, or other 31 compensation for personal services or any periodic payments pursuant to a pension or retirement program), the defendant is entitled to receive 32 33 amounts that are exempt from garnishment under federal and state law. 34 You must pay the exempt amounts to the defendant on the day you would 35 customarily pay the compensation or other periodic payment. As more fully explained in the answer, the basic exempt amount is the greater 36 of seventy-five percent of disposable earnings or a minimum amount 37

determined by reference to the employee's pay period, to be calculated as provided in the answer. However, if this writ carries a statement in the heading that "This garnishment is based on a judgment or court order for child support," the basic exempt amount is forty percent of disposable earnings.

6 If you owe the defendant a debt payable in money in excess of the 7 amount set forth in the first paragraph of this writ, hold only the 8 amount set forth in the first paragraph and <u>any processing fee if one</u> 9 <u>is charged and</u> release all additional funds or property to defendant.

10 YOUR FAILURE TO ANSWER THIS WRIT AS COMMANDED WILL RESULT IN A 11 JUDGMENT BEING ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE 12 PLAINTIFF'S CLAIM AGAINST THE DEFENDANT WITH ACCRUING INTERESTS AND 13 COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT.

16 [Seal]

17		
18	Attorney for	Clerk of
19	Plaintiff (or	Superior
20	Plaintiff,	Court
21	if no attorney)	
22		
23	Address	Ву
24		
25		Address"

NEW SECTION. Sec. 3. The garnishee may deduct a processing fee from the remainder of the obligor's earnings after withholding the required amount under the garnishment order. The processing fee may not exceed twenty dollars for the first disbursement. If the garnishment is a continuing lien on earnings, the garnishee may deduct a processing fee of twenty dollars for the first disbursement and ten dollars at the time the garnishee submits the second answer.

1 Sec. 4. RCW 6.27.110 and 1988 c 231 s 26 are each amended to read 2 as follows:

3 (1) Service of the writ of garnishment on the garnishee is invalid 4 unless the writ is served together with: (a) Four answer forms as 5 prescribed in RCW 6.27.190; (b) three stamped envelopes addressed 6 respectively to the clerk of the court issuing the writ, the attorney 7 for the plaintiff (or to the plaintiff if the plaintiff has no 8 attorney), and the defendant((*i* and (c) cash or a check made payable to 9 the garnishee in the amount of ten dollars)).

10 (2) Except as provided in RCW 6.27.080 for service on a bank, savings and loan association, or credit union, the writ of garnishment 11 12 shall be mailed to the garnishee by certified mail, return receipt 13 requested, addressed in the same manner as a summons in a civil action, and will be binding upon the garnishee on the day set forth on the 14 15 return receipt. In the alternative, the writ shall be served by the 16 sheriff of the county in which the garnishee lives or has its place of 17 business or by any person qualified to serve process in the same manner as a summons in a civil action is served. 18

19 (3) If a writ of garnishment is served by a sheriff, the sheriff shall file with the clerk of the court that issued the writ a signed 20 return showing the time, place, and manner of service and that the writ 21 was accompanied by answer forms, addressed envelopes, and ((cash or a 22 23 check as required by this section, and)) noting thereon fees for making 24 the service. If service is made by any person other than a sheriff, 25 such person shall file an affidavit including the same information and 26 showing qualifications to make such service. If a writ of garnishment 27 is served by mail, the person making the mailing shall file an affidavit showing the time, place, and manner of mailing and that the 28 writ was accompanied by answer forms((-)) and addressed envelopes, 29 30 ((and cash or a check as required by this section)) and shall attach the return receipt to the affidavit. 31

32 Sec. 5. RCW 6.27.190 and 1988 c 231 s 30 are each amended to read 33 as follows:

The answer of the garnishee shall be signed by the garnishee or attorney or if the garnishee is a corporation, by an officer, attorney or duly authorized agent of the garnishee, under penalty of perjury, and the original delivered, either personally or by mail, to the clerk of the court that issued the writ, one copy to the plaintiff or the

plaintiff's attorney, and one copy to the defendant. The answer shall 1 2 be made on a form substantially as appears in this section, served on the garnishee with the writ, with minimum exemption amounts for the 3 different pay periods filled in by the plaintiff before service of the 4 answer forms: PROVIDED, That, if the garnishment is for a continuing 5 lien, the answer forms shall be as prescribed in RCW 6.27.340 and 6 6.27.350: AND PROVIDED FURTHER, That if the writ is not directed to an 7 8 employer for the purpose of garnishing the defendant's wages, paragraphs relating to the earnings exemptions may be omitted. 9

10	IN THE SUPERIO	R COURT
11	OF THE STATE OF WASHING	GTON IN AND FOR
12	THE COUNTY OF .	
13		NO
14	Plaintiff	
15	vs.	ANSWER
19		TO WRIT OF
18	Defendant	GARNISHMENT
20 21		GARGESHIERT
22	Garnishee Defendant	

At the time of service of the writ of garnishment on the garnishee there was due and owing from the garnishee to the above-named defendant 5 \$ (On the reverse side of this answer form, or on an attached page, give an explanation of the dollar amount stated, or give reasons why there is uncertainty about your answer.)

If the above amount or any part of it is for personal earnings 28 29 (that is, compensation payable for personal services, whether called wages, salary, commission, bonus, or otherwise, and including periodic 30 payments pursuant to a pension or retirement program): Garnishee has 31 deducted from this amount \$ which is the exemption to which 32 the defendant is entitled, leaving \$ that garnishee holds 33 34 under the writ. The exempt amount is calculated as follows: 35 Total compensation due defendant \$

р. б

1	LESS deductions for social security and	
2	withholding taxes and any other	
3	deduction required by law (list	
4	separately and identify)	\$
5	Disposable earnings	\$

6 If the title of this writ indicates that this is a garnishment 7 under a child support judgment, enter forty percent of disposable 8 earnings: \$ This amount is exempt and must be paid to the 9 defendant at the regular pay time <u>after deducting any processing fee</u> 10 <u>you may charge</u>.

11 If this is not a garnishment for child support, enter seventy-five percent of disposable earnings: \$ From the listing in 12 the following paragraph, choose the amount for the relevant pay period 13 14 and enter that amount: \$ (If amounts for more than one 15 pay period are due, multiply the preceding amount by the number of pay 16 periods and/or fraction of pay period for which amounts are due and 17 enter that amount: \$) The greater of the amounts entered 18 in this paragraph is the exempt amount and must be paid to the defendant at the regular pay time after deducting any processing fee 19 20 you may charge.

21 Minimum exempt amounts for different pay periods: Weekly 22 \$; Biweekly \$; Semimonthly \$; 23 Monthly \$

List all of the personal property or effects of defendant in the garnishee's possession or control when the writ was served. (Use the reverse side of this answer form or attach a schedule if necessary.) An attorney may answer for the garnishee.

28 Under penalty of perjury, I affirm that I have examined this 29 answer, including accompanying schedules, and to the best of my 30 knowledge and belief it is true, correct, and complete.

Connection with garnishee

5 garnishee

10 Sec. 6. RCW 6.27.200 and 1988 c 231 s 31 are each amended to read 11 as follows:

12 If the garnishee fails to answer the writ within the time prescribed in the writ, after the time to answer the writ has expired 13 14 and after required returns or affidavits have been filed, showing service on the garnishee and service on or mailing to the defendant, it 15 16 shall be lawful for the court to render judgment by default against 17 such garnishee, ((in accordance with rules relating to entry of default judgments)) after providing a notice to the garnishee by personal 18 19 service or first class mail deposited in the mail at least ten calendar days prior to entry of the judgment, for the full amount claimed by the 20 plaintiff against the defendant, or in case the plaintiff has a 21 judgment against the defendant, for the full amount of the plaintiff's 22 unpaid judgment against the defendant with all accruing interest and 23 24 costs as prescribed in RCW 6.27.090: PROVIDED, That upon motion by the 25 garnishee at any time within seven days following service on, or mailing to, the garnishee ((defendant)) of a copy of a writ of 26 27 execution or a writ of garnishment under such judgment, the judgment against the garnishee shall be reduced to the amount of any nonexempt 28 29 funds or property which was actually in the possession of the garnishee at the time the writ was served, plus the cumulative amount of the 30 31 nonexempt earnings subject to the lien provided for in RCW 6.27.350, or 32 the sum of one hundred dollars, whichever is more, but in no event to exceed the full amount claimed by the plaintiff or the amount of the 33 34 unpaid judgment against the principal defendant plus all accruing 35 interest and costs and attorney's fees as prescribed in RCW 6.27.090, and in addition the plaintiff shall be entitled to a reasonable 36 37 attorney's fee for the plaintiff's response to the garnishee's motion 38 to reduce said judgment against the garnishee under this proviso and

1 the court may allow additional attorney's fees for other actions taken 2 because of the garnishee's failure to answer.

3 **Sec. 7.** RCW 6.27.350 and 1988 c 231 s 35 are each amended to read 4 as follows:

(1) Where the garnishee's answer to a garnishment for a continuing 5 lien reflects that the defendant is employed by the garnishee, the 6 7 judgment or balance due thereon as reflected on the writ of garnishment 8 shall become a lien on earnings due at the time of the effective date 9 of the writ, as defined in this subsection, to the extent that they are not exempt from garnishment, and such lien shall continue as to 10 subsequent nonexempt earnings until the total subject to the lien 11 equals the amount stated on the writ of garnishment or until the 12 13 expiration of the employer's payroll period ending on or before sixty 14 days after the effective date of the writ, whichever occurs first, 15 except that such lien on subsequent earnings shall terminate sooner if 16 the employment relationship is terminated or if the underlying judgment is vacated, modified, or satisfied in full or if the writ is dismissed. 17 18 The "effective date" of a writ is the date of service of the writ if there is no previously served writ; otherwise, it is the date of 19 termination of a previously served writ or writs. 20

(2) At the time of the expected termination of the lien, the 21 plaintiff shall mail to the garnishee ((cash or a check made payable to 22 23 the garnishee in the amount of ten dollars,)) three additional stamped 24 envelopes addressed as provided in RCW 6.27.110, and four additional 25 copies of the answer form prescribed in RCW 6.27.190, (a) with a statement in substantially the following form added as the first 26 27 paragraph: "ANSWER THE SECOND PART OF THIS FORM WITH RESPECT TO THE TOTAL AMOUNT OF EARNINGS WITHHELD UNDER THIS GARNISHMENT, INCLUDING THE 28 29 AMOUNT, IF ANY, STATED IN YOUR FIRST ANSWER, AND WITHIN TWENTY DAYS AFTER YOU RECEIVE THESE FORMS, MAIL OR DELIVER THEM AS DIRECTED IN THE 30 WRIT" and (b) with the following lines substituted for the first 31 sentence of the form prescribed in RCW 6.27.190: 32

33Amount due and owing stated in first answer\$....34Amount accrued since first answer\$....

(3) Within twenty days of receipt of the second answer form the garnishee shall file a second answer, in the form as provided in subsection (2) of this section, stating the total amount held subject to the garnishment.

1 sec. 8. RCW 6.27.360 and 1989 c 360 s 20 are each amended to read
2 as follows:

3 (1) Except as provided in subsection (2) of this section, a lien 4 obtained under RCW 6.27.350 shall have priority over any subsequent 5 garnishment lien or wage assignment except that service of a writ shall 6 not be effective to create a continuing lien with such priority if a 7 writ in the same case is pending at the time of the service of the new 8 writ.

9 (2) A lien obtained under RCW 6.27.350 shall not have priority over 10 a notice of payroll deduction issued under RCW 26.23.060 or a wage 11 assignment or other garnishment for child support issued under chapters 12 26.18 and 74.20A RCW. <u>Should nonexempt wages remain after deduction of</u> 13 <u>all amounts owing under a notice of payroll deduction, wage assignment,</u> 14 <u>or garnishment for child support, the garnishee shall withhold the</u> 15 <u>remaining nonexempt wages under the lien obtained under RCW 6.27.350.</u>

16 <u>NEW SECTION.</u> Sec. 9. (1) Whenever the federal government is named 17 as a garnishee defendant, the clerk of the court shall, upon submitting 18 a notice in the appropriate form by the plaintiff, issue a notice which 19 directs the garnishee defendant to disburse any nonexempt earnings to 20 the court in accordance with the garnishee defendant's normal pay and 21 disbursement cycle.

(2) Funds received by the clerk from a garnishee defendant may be 22 23 deposited into the registry of the court or, in the case of negotiable 24 instruments, may be retained in the court file. Upon presentation of 25 an order directing the clerk to disburse the funds received, the clerk shall pay or endorse the funds over to the party entitled to receive 26 the funds. Except for good cause shown, the funds shall not be paid or 27 endorsed to the plaintiff prior to the expiration of any minimum 28 29 statutory period allowed to the defendant for filing an exemption 30 claim.

(3) The plaintiff shall, in the same manner permitted for service of the writ of garnishment, provide to the garnishee defendant a copy of the notice issued by the clerk and an envelope addressed to the court, and shall supply to the garnished party a copy of the notice. (4) Any answer or processing fees charged by the garnishee defendant to the plaintiff under federal law shall be a recoverable cost under RCW 6.27.090.

(5) The notice to the federal government garnishee shall be in
 substantially the following form:

3 IN THE COURT OF THE STATE OF WASHINGTON IN AND FOR COUNTY 4 5 NO. , б Plaintiff, NOTICE TO FEDERAL 7 GOVERNMENT GARNISHEE DEFENDANT vs. 8 , 9 Defendant,

12 TO: THE GOVERNMENT OF THE UNITED STATES AND ANY DEPARTMENT, AGENCY, OR 13 DIVISION THEREOF

14 You have been named as the garnishee defendant in the above-entitled 15 cause. A Writ of Garnishment accompanies this Notice. The Writ of 16 Garnishment directs you to hold the nonexempt earnings of the named 17 defendant, but does not instruct you to disburse the funds you hold.

BY THIS NOTICE THE COURT DIRECTS YOU TO WITHHOLD ALL NONEXEMPT EARNINGS AND DISBURSE THEM IN ACCORDANCE WITH YOUR NORMAL PAY AND DISBURSEMENT CYCLE, TO THE FOLLOWING:

25 PLEASE REFERENCE THE DEFENDANT EMPLOYEE'S NAME AND THE ABOVE CAUSE 26 NUMBER ON ALL DISBURSEMENTS.

27 The enclosed Writ also directs you to respond to the Writ within twenty 28 (20) days, but you are allowed thirty (30) days to respond under 29 federal law.

DATED this . . . day of , 19. . . 1 2 3 Clerk of the Court 4 Sec. 10. RCW 26.18.100 and 1994 c 230 s 4 are each amended to read 5 as follows: б The wage assignment order shall be substantially in the following 7 form: 8 IN THE SUPERIOR COURT OF THE 9 STATE OF WASHINGTON IN AND FOR THE COUNTY OF 10 11 , 12 Obligee No. 13 vs. 14 WAGE ASSIGNMENT , 15 Obligor ORDER 16 , 17 Employer 18 THE STATE OF WASHINGTON TO: 19 Employer 20 AND TO: 21 Obligor 22 The above-named obligee claims that the above-named obligor is 23 subject to a support order requiring immediate income withholding or is 24 more than fifteen days past due in either child support or spousal maintenance payments, or both, in an amount equal to or greater than 25 26 the child support or spousal maintenance payable for one month. The 27 amount of the accrued child support or spousal maintenance debt as of 28 this date is dollars, the amount of arrearage payments specified in the support or spousal maintenance order (if applicable) 29

30 is dollars per , and the amount of the current 31 and continuing support or spousal maintenance obligation under the 32 order is dollars per You are hereby commanded to answer this order by filling in the attached form according to the instructions, and you must mail or deliver the original of the answer to the court, one copy to the Washington state support registry, one copy to the obligee or obligee's attorney, and one copy to the obligor within twenty days after service of this wage assignment order upon you.

7 If you possess any earnings or other remuneration for employment 8 due and owing to the obligor, then you shall do as follows:

9 (1) Withhold from the obligor's earnings or remuneration each 10 month, or from each regular earnings disbursement, the lesser of:

(a) The sum of the accrued support or spousal maintenance debt andthe current support or spousal maintenance obligation;

(b) The sum of the specified arrearage payment amount and thecurrent support or spousal maintenance obligation; or

15 (c) Fifty percent of the disposable earnings or remuneration of the 16 obligor.

17 (2) The total amount withheld above is subject to the wage 18 assignment order, and all other sums may be disbursed to the obligor.

19 (3) Upon receipt of this wage assignment order you shall make 20 immediate deductions from the obligor's earnings or remuneration and 21 remit to the Washington state support registry or other address 22 specified below the proper amounts at each regular pay interval.

23 You shall continue to withhold the ordered amounts from nonexempt 24 earnings or remuneration of the obligor until notified by:

(a) The court that the wage assignment has been modified or26 terminated; or

(b) The addressee specified in the wage assignment order under this
 section that the accrued child support or spousal maintenance debt has
 been paid.

30 You shall promptly notify the court and the addressee specified in the wage assignment order under this section if and when the employee 31 is no longer employed by you, or if the obligor no longer receives 32 earnings or remuneration from you. If you no longer employ the 33 34 employee, the wage assignment order shall remain in effect ((for one 35 year after the employee has left your employment or)) until you are no longer in possession of any earnings or remuneration owed to the 36 employee((, whichever is later. You shall continue to hold the wage 37 assignment order during that period. If the employee returns to your 38 39 employment during the one-year period you shall immediately begin to

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withhold the employee's earnings according to the terms of the wage assignment order. If the employee has not returned to your employment within one year, the wage assignment will cease to have effect at the expiration of the one-year period, unless you still owe the employee earnings or other remuneration)).

6 You shall deliver the withheld earnings or remuneration to the 7 Washington state support registry or other address stated below at each 8 regular pay interval.

9 You shall deliver a copy of this order to the obligor as soon as is 10 reasonably possible. This wage assignment order has priority over any 11 other wage assignment or garnishment, except for another wage 12 assignment or garnishment for child support or spousal maintenance, or 13 order to withhold or deliver under chapter 74.20A RCW.

14 WHETHER OR NOT YOU OWE ANYTHING TO THE OBLIGOR, YOUR FAILURE TO
 15 ANSWER AS REQUIRED MAY MAKE YOU LIABLE FOR ((OBLIGOR'S CLAIMED
 16 SUPPORT OR SPOUSAL MAINTENANCE DEBT TO THE OBLIGEE)) THE AMOUNT
 17 OF SUPPORT MONEYS THAT SHOULD HAVE BEEN WITHHELD FROM THE
 18 OBLIGOR'S EARNINGS OR SUBJECT TO CONTEMPT OF COURT.

19 NOTICE TO OBLIGOR: YOU HAVE A RIGHT TO REQUEST A HEARING IN THE 20 SUPERIOR COURT THAT ISSUED THIS WAGE ASSIGNMENT ORDER, TO REQUEST THAT 21 THE COURT QUASH, MODIFY, OR TERMINATE THE WAGE ASSIGNMENT ORDER.

22 DATED THIS day of, 19. . .

23		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
24	Obligee,	Judge/Court Commissioner												er			
25	or obligee's attorney																
26	Send withheld payments to:	•			•	•	•		•	•	•		•	•		•	
27		•			•	•	•		•	•	•		•	•		•	
28		•			•	•	•		•	•	•		•	•		•	
29		•			•	•	•		•	•	•		•	•		•	

30 *Sec. 11. RCW 26.18.110 and 1994 c 230 s 5 are each amended to 31 read as follows:

(1) An employer upon whom service of a wage assignment order has been made shall answer the order by sworn affidavit within twenty days after the date of service. The answer shall state whether the obligor 1 is employed by or receives earnings or other remuneration from the 2 employer, whether the employer will honor the wage assignment order, 3 and whether there are either multiple child support or spousal 4 maintenance attachments, or both, against the obligor.

5 (2) If the employer possesses any earnings or remuneration due and 6 owing to the obligor, the earnings subject to the wage assignment order 7 shall be withheld immediately upon receipt of the wage assignment 8 order. The withheld earnings shall be delivered to the Washington 9 state support registry or, if the wage assignment order is to satisfy 10 a duty of spousal maintenance, to the addressee specified in the 11 assignment at each regular pay interval.

(3) The employer shall continue to withhold the ordered amounts
 from nonexempt earnings or remuneration of the obligor until notified
 by:

15 (a) The court that the wage assignment has been modified or 16 terminated; or

(b) The Washington state support registry or obligee that the 17 accrued child support or spousal maintenance debt has been paid, 18 19 provided the wage assignment order contains the language set forth 20 under RCW 26.18.100(3)(b). The employer shall promptly notify the addressee specified in the assignment when the employee is no longer 21 22 employed. If the employer no longer employs the employee, the wage assignment order shall remain in effect ((for one year after the 23 24 employee has left the employment or) until the employer ((has been in 25 possession of)) no longer possesses any earnings or remuneration owed 26 to the employee((, whichever is later. The employer shall continue to 27 hold the wage assignment order during that period. If the employee returns to the employer's employment during the one-year period the 28 29 employer shall immediately begin to withhold the employee's earnings or 30 remuneration according to the terms of the wage assignment order. If 31 the employee has not returned within one year, the wage assignment 32 shall cease to have effect at the expiration of the one-year period, unless the employer continues to owe remuneration for employment to the 33 34 obligor)).

(4) The employer may deduct a processing fee from the remainder of the employee's earnings after withholding under the wage assignment order, even if the remainder is exempt under RCW 26.18.090. The processing fee may not exceed (a) ((ten)) <u>fifteen</u> dollars for the first disbursement made by the employer to the Washington state support

1 registry; and (b) one dollar for each subsequent disbursement to the 2 clerk.

(5) An order for wage assignment for support for a dependent child 3 4 entered under this chapter shall have priority over any other wage assignment or garnishment, except for another wage assignment or 5 garnishment for child support, or order to withhold and deliver under 6 7 chapter 74.20A RCW. An order for wage assignment for spousal 8 maintenance entered under this chapter shall have priority over any 9 other wage assignment or garnishment, except for a wage assignment, 10 garnishment, or order to withhold and deliver under chapter 74.20A RCW for support of a dependent child, and except for another wage 11 12 assignment or garnishment for spousal maintenance.

(6) An employer who fails to withhold earnings as required by a wage assignment issued under this chapter may be held liable to the obligee for ((one hundred percent of the support or spousal maintenance debt, or)) the amount of support or spousal maintenance moneys that should have been withheld from the employee's earnings ((whichever is the lesser amount)), if the employer:

(a) Fails or refuses, after being served with a wage assignment
 order, to deduct and promptly remit from the unpaid earnings the
 amounts of money required in the order;

(b) Fails or refuses to submit an answer to the notice of wage
 assignment after being served; or

(c) Is unwilling to comply with the other requirements of this section.

Liability may be established in superior court. Awards in superior court shall include costs, interest under RCW 19.52.020 and 4.56.110, and reasonable attorneys' fees.

(7) No employer who complies with a wage assignment issued under
 this chapter may be liable to the employee for wrongful withholding.

31 (8) No employer may discharge, discipline, or refuse to hire an employee because of the entry or service of a wage assignment issued 32 33 and executed under this chapter. If an employer discharges, 34 disciplines, or refuses to hire an employee in violation of this 35 section, the employee or person shall have a cause of action against 36 the employer. The employer shall be liable for double the amount of 37 damages suffered as a result of the violation and for costs and reasonable attorneys' fees, and shall be subject to a civil penalty of 38 39 not more than two thousand five hundred dollars for each violation.

1 The employer may also be ordered to hire, rehire, or reinstate the 2 aggrieved individual.

3 (9) For wage assignments payable to the Washington state support 4 registry, an employer may combine amounts withheld from various 5 employees into a single payment to the Washington state support 6 registry, if the payment includes a listing of the amounts attributable 7 to each employee and other information as required by the registry.

8 (10) An employer shall deliver a copy of the wage assignment order 9 to the obligor as soon as is reasonably possible.

10 *Sec. 11 was vetoed. See message at end of chapter.

11 *Sec. 12. RCW 26.23.060 and 1994 c 230 s 10 are each amended to 12 read as follows:

13 (1) The office of support enforcement may issue a notice of payroll 14 deduction:

(a) As authorized by a support order that contains the income
 withholding notice provisions in RCW 26.23.050 or a substantially
 similar notice; or

18 (b) After service of a notice containing an income withholding 19 provision under this chapter or chapter 74.20A RCW.

(2) The office of support enforcement shall serve a notice of payroll deduction upon a responsible parent's employer or upon the employment security department for the state in possession of or owing any benefits from the unemployment compensation fund to the responsible parent pursuant to Title 50 RCW by personal service or by any form of mail requiring a return receipt.

26 (3) Service of a notice of payroll deduction upon an employer or 27 employment security department requires the employer or employment security department to immediately make a mandatory payroll deduction 28 29 from the responsible parent's unpaid disposable earnings or 30 unemployment compensation benefits. The employer or employment security department shall thereafter deduct each pay period the amount 31 stated in the notice divided by the number of pay periods per month. 32 The payroll deduction each pay period shall not exceed fifty percent of 33 34 the responsible parent's disposable earnings.

(4) A notice of payroll deduction for support shall have priority
 over any wage assignment, garnishment, attachment, or other legal
 process.

1 (5) The notice of payroll deduction shall be in writing and 2 include:

3 (a) The name and social security number of the responsible parent;
4 (b) The amount to be deducted from the responsible parent's
5 disposable earnings each month, or alternate amounts and frequencies as
6 may be necessary to facilitate processing of the payroll deduction;

7 (c) A statement that the total amount withheld shall not exceed 8 fifty percent of the responsible parent's disposable earnings; and

9 (d) The address to which the payments are to be mailed or 10 delivered.

(6) An informational copy of the notice of payroll deduction shall be mailed to the last known address of the responsible parent by regular mail.

(7) An employer or employment security department that receives a notice of payroll deduction shall make immediate deductions from the responsible parent's unpaid disposable earnings and remit proper amounts to the Washington state support registry on each date the responsible parent is due to be paid.

19 (8) An employer, or the employment security department, upon whom 20 a notice of payroll deduction is served, shall make an answer to the office of support enforcement within twenty days after the date of 21 22 The answer shall confirm compliance and institution of the service. payroll deduction or explain the circumstances if no payroll deduction 23 24 is in effect. The answer shall also state whether the responsible 25 parent is employed by or receives earnings from the employer or receives unemployment compensation benefits from the employment 26 security department, whether the employer or employment security 27 department anticipates paying earnings or unemployment compensation 28 29 benefits and the amount of earnings. If the responsible parent is no 30 longer employed, or receiving earnings from the employer, the answer 31 shall state the present employer's name and address, if known. If the responsible parent is no longer receiving unemployment compensation 32 benefits from the employment security department, the answer shall 33 34 state the present employer's name and address, if known.

(9) The employer or employment security department may deduct a processing fee from the remainder of the responsible parent's earnings after withholding under the notice of payroll deduction, even if the remainder is exempt under RCW 26.18.090. The processing fee may not exceed: (a) ((Ten)) Fifteen dollars for the first disbursement made to the Washington state support registry; and (b) one dollar for each
 subsequent disbursement to the registry.

3 (10) The notice of payroll deduction shall remain in effect until 4 released by the office of support enforcement, the court enters an order terminating the notice and approving an alternate arrangement 5 under RCW 26.23.050(2), or ((one year has expired since the employer 6 7 has employed the responsible parent or has been in possession of or 8 owing any earnings to the responsible parent or the employment security 9 department has been in possession of or owing any unemployment 10 compensation benefits to the responsible parent.)) until the employer no longer employs the responsible parent and is no longer in possession 11 of or owing any earnings to the responsible parent. The employer shall 12 promptly notify the office of support enforcement when the employer no 13 longer employs the parent subject to the notice. For the employment 14 security department, the notice of payroll deduction shall remain in 15 effect until released by the office of support enforcement or until the 16 17 court enters an order terminating the notice.

18 *Sec. 12 was vetoed. See message at end of chapter.

19 Sec. 13. RCW 26.23.090 and 1990 c 165 s 2 are each amended to read 20 as follows:

(1) The employer shall be liable to the Washington state support registry for ((one hundred percent of the amount of the support debt, or)) the amount of support moneys which should have been withheld from the employee's earnings, ((whichever is the lesser amount,)) if the employer:

(a) Fails or refuses, after being served with a notice of payroll
deduction, to deduct and promptly remit from unpaid earnings the
amounts of money required in the notice;

(b) Fails or refuses to submit an answer to the notice of payrolldeduction after being served; or

31 (c) Is unwilling to comply with the other requirements of RCW 32 26.23.060.

(2) Liability may be established in superior court or may be established pursuant to RCW 74.20A.270. Awards in superior court and in actions pursuant to RCW 74.20A.270 shall include costs, interest under RCW 19.52.020 and 4.56.110, and reasonable attorney fees and staff costs as a part of the award. Debts established pursuant to this

section may be collected pursuant to chapter 74.20A RCW utilizing any
 of the remedies contained in that chapter.

3 *Sec. 14. RCW 74.20A.080 and 1994 c 230 s 20 are each amended to 4 read as follows:

5 (1) The secretary may issue to any person, firm, corporation, association, political subdivision, department of the state, or agency, 6 7 subdivision, or instrumentality of the United States, an order to 8 withhold and deliver property of any kind, including but not restricted 9 to earnings which are or might become due, owing, or belonging to the debtor, when the secretary has reason to believe that there is in the 10 possession of such person, firm, corporation, association, political 11 subdivision, department of the state, or agency, subdivision, or 12 instrumentality of the United States property which is or might become 13 14 due, owing, or belonging to said debtor. Such order to withhold and 15 deliver may be issued:

16 (a) When a support payment is past due, if a responsible parent's 17 support order:

(i) Contains language directing the parent to make support payments
 to the Washington state support registry; and

(ii) Includes a statement that other income-withholding action
 under this chapter may be taken without further notice to the
 responsible parent, as provided for in RCW 26.23.050(1);

(b) Twenty-one days after service of a notice of support debt under
 RCW 74.20A.040;

(c) Twenty-one days after service of a notice and finding of
 parental responsibility under RCW 74.20A.056;

(d) Twenty-one days after service of a notice of support owed under
 RCW 26.23.110;

(e) Twenty-one days after service of a notice and finding of
 financial responsibility under RCW 74.20A.055; or

31 (f) When appropriate under RCW 74.20A.270.

32

(2) The order to withhold and deliver shall:

33 (a) State the amount of the support debt accrued;

34 (b) State in summary the terms of RCW 74.20A.090 and 74.20A.100;

35 (c) Be served in the manner prescribed for the service of a summons 36 in a civil action or by certified mail, return receipt requested.

37 (3) Any person, firm, corporation, association, political
 38 subdivision, department of the state, or agency, subdivision, or

instrumentality of the United States upon whom service has been made is
 hereby required to:

3 (a) Answer said order to withhold and deliver within twenty days,
4 exclusive of the day of service, under oath and in writing, and shall
5 make true answers to the matters inquired of therein; and

6 (b) Provide further and additional answers when requested by the 7 secretary.

8 (4) Any such person, firm, corporation, association, political 9 subdivision, department of the state, or agency, subdivision, or 10 instrumentality of the United States in possession of any property 11 which may be subject to the claim of the department of social and 12 health services shall:

(a)(i) Immediately withhold such property upon receipt of the order
 to withhold and deliver; and

(ii) Deliver the property to the secretary as soon as the twenty day answer period expires;

(iii) Continue to withhold earnings payable to the debtor at each succeeding disbursement interval as provided for in RCW 74.20A.090, and deliver amounts withheld from earnings to the secretary on the date earnings are payable to the debtor;

(iv) Inform the secretary of the date the amounts were withheld as requested under this section; or

(b) Furnish to the secretary a good and sufficient bond,
 satisfactory to the secretary, conditioned upon final determination of
 liability.

(5) An order to withhold and deliver served under this section
 shall not expire until:

28 (a) Released in writing by the office of support enforcement;

29 (b) Terminated by court order; or

30 (c) The person or entity receiving the order to withhold and 31 deliver does not possess property of or owe money to the debtor ((for 32 any period of twelve consecutive months following the date of service 33 of the order to withhold and deliver)).

(6) Where money is due and owing under any contract of employment, express or implied, or is held by any person, firm, corporation, or association, political subdivision, or department of the state, or agency, subdivision, or instrumentality of the United States subject to withdrawal by the debtor, such money shall be delivered by remittance payable to the order of the secretary.

1 (7) Delivery to the secretary of the money or other property held 2 or claimed shall satisfy the requirement and serve as full acquittance 3 of the order to withhold and deliver.

4 (8) A person, firm, corporation, or association, political 5 subdivision, department of the state, or agency, subdivision, or 6 instrumentality of the United States that complies with the order to 7 withhold and deliver under this chapter is not civilly liable to the 8 debtor for complying with the order to withhold and deliver under this 9 chapter.

(9) The secretary may hold the money or property delivered under this section in trust for application on the indebtedness involved or for return, without interest, in accordance with final determination of liability or nonliability.

(10) Exemptions contained in RCW 74.20A.090 apply to orders to
 withhold and deliver issued under this section.

16 (11) The secretary shall also, on or before the date of service of the order to withhold and deliver, mail or cause to be mailed a copy of 17 the order to withhold and deliver to the debtor at the debtor's last 18 19 known post office address, or, in the alternative, a copy of the order to withhold and deliver shall be served on the debtor in the same 20 manner as a summons in a civil action on or before the date of service 21 of the order or within two days thereafter. 22 The copy of the order shall be mailed or served together with a concise explanation of the 23 24 right to petition for judicial review. This requirement is not 25 jurisdictional, but, if the copy is not mailed or served as in this 26 section provided, or if any irregularity appears with respect to the mailing or service, the superior court, in its discretion on motion of 27 28 the debtor promptly made and supported by affidavit showing that the 29 debtor has suffered substantial injury due to the failure to mail the 30 copy, may set aside the order to withhold and deliver and award to the 31 debtor an amount equal to the damages resulting from the secretary's failure to serve on or mail to the debtor the copy. 32

(12) An order to withhold and deliver issued in accordance with this section has priority over any other wage assignment, garnishment, attachment, or other legal process, except for another wage assignment, garnishment, attachment, or other legal process for child support.

(13) The office of support enforcement shall notify any person, firm, corporation, association, or political subdivision, department of the state, or agency, subdivision, or instrumentality of the United 1 States required to withhold and deliver the earnings of a debtor under 2 this action that they may deduct a processing fee from the remainder of 3 the debtor's earnings, even if the remainder would otherwise be exempt 4 under RCW 74.20A.090. The processing fee shall not exceed ((ten)) 5 <u>fifteen</u> dollars for the first disbursement to the department and one 6 dollar for each subsequent disbursement under the order to withhold and 7 deliver.

8 *Sec. 14 was vetoed. See message at end of chapter.

9 Sec. 15. RCW 74.20A.100 and 1989 c 360 s 5 are each amended to 10 read as follows:

(1) Any person, firm, corporation, association, political subdivision, or department of the state shall be liable to the department in ((an amount equal to one hundred percent of the value of the debt which is the basis of the lien, order to withhold and deliver, distraint, or assignment of earnings, or)) the amount that should have been withheld((, whichever amount is less)), together with costs, interest, and reasonable attorney fees if that person or entity:

(a) Fails to answer an order to withhold and deliver within thetime prescribed herein;

(b) Fails or refuses to deliver property pursuant to said order;
(c) After actual notice of filing of a support lien, pays over,
releases, sells, transfers, or conveys real or personal property
subject to a support lien to or for the benefit of the debtor or any
other person;

(d) Fails or refuses to surrender property distrained under RCW74.20A.130 upon demand; or

(e) Fails or refuses to honor an assignment of earnings presentedby the secretary.

(2) The secretary is authorized to issue a notice of debt pursuant
 to RCW 74.20A.040 and to take appropriate action to collect the debt
 under this chapter if:

(a) A judgment has been entered as the result of an action in
superior court against a person, firm, corporation, association,
political subdivision, or department of the state based on a violation
of this section; or

36 (b) Liability has been established under RCW 74.20A.270.

1 Sec. 16. RCW 74.20A.240 and 1994 c 230 s 21 are each amended to 2 read as follows:

3 Any person, firm, corporation, association, political subdivision, 4 department of the state, or agency, subdivision, or instrumentality of the United States employing a person owing a support debt or 5 obligation, shall honor, according to its terms, a duly executed 6 7 assignment of earnings presented by the secretary as a plan to satisfy 8 or retire a support debt or obligation. This requirement to honor the 9 assignment of earnings and the assignment of earnings itself shall be 10 applicable whether said earnings are to be paid presently or in the future and shall continue in force and effect until released in writing 11 by the secretary. Payment of moneys pursuant to an assignment of 12 13 earnings presented by the secretary shall serve as full acquittance under any contract of employment. A person, firm, corporation, 14 association, political subdivision, department of the state, or agency, 15 16 subdivision, or instrumentality of the United States that complies with 17 the assignment of earnings under this chapter is not civilly liable to the debtor for complying with the assignment of earnings under this 18 19 chapter. The secretary shall be released from liability for improper 20 receipt of moneys under an assignment of earnings upon return of any 21 moneys so received.

An assignment of earnings presented by the secretary in accordance with this section has priority over any other wage assignment, garnishment, attachment, or other legal process except for another wage assignment, garnishment, attachment, or other legal process for support moneys.

The employer may deduct a processing fee from the remainder of the debtor's earnings, even if the remainder would be exempt under RCW 74.20A.090. The processing fee shall not exceed ((ten)) <u>fifteen</u> dollars from the first disbursement to the department and one dollar for each subsequent disbursement under the assignment of earnings.

32 *<u>NEW SECTION.</u> Sec. 17. The attorney general's office shall work 33 with an association representing collection agencies state-wide and 34 representatives from state-wide organizations of businesses with an 35 average employee size of less than ten to establish a standard form and 36 procedures to be used for wage garnishment orders to reduce paperwork 37 and confusion for small businesses. The group shall report to relevant 38 committees of the legislature by February 1, 1998.

1 *Sec. 17 was vetoed. See message at end of chapter.

*<u>NEW SECTION.</u> Sec. 18. (1) A joint task force is created to study 2 3 the reorganization of employment reporting requirements so that the office of support enforcement receives employment information from 4 5 state agencies such as the employment security department rather than from employers, who have already filed the information with state 6 agencies. In addition, the joint task force will study the ability of 7 the office of support enforcement to pay for the processing fees that 8 The task force shall develop a form for 9 employers may charge. 10 employers that collects all information required by the state for all 11 employee reporting. The task force will develop procedures and 12 recommendations for reducing paperwork in the enforcement of child support orders using wage withholding. 13

(2) The task force shall consist of the following members: 14 One the office of 15 representative from support enforcement; one 16 representative from the employment security department; one representative from the department of labor and industries; 17 one representative from the department of revenue; and three members 18 appointed by business organizations representing a variety of 19 20 industries state-wide.

(3) The task force shall report to the relevant committees of the
 legislature by February 1, 1998.

23 *Sec. 18 was vetoed. See message at end of chapter.

24 <u>NEW SECTION.</u> **Sec. 19.** Sections 1, 3, 9, and 18 of this act are 25 each added to chapter 6.27 RCW.

> Passed the House April 23, 1997. Passed the Senate April 15, 1997. Approved by the Governor May 9, 1997, with the exception of certain items that were vetoed. Filed in Office of Secretary of State May 9, 1997.

1 Note: Governor's explanation of partial veto is as follows:

2 "I am returning herewith, without my approval as to sections 11, 3 12, 14, 17 and 18, Engrossed Second Substitute House Bill No. 1687 4 entitled:

5 "AN ACT Relating to wage garnishment;"

6 This legislation makes several positive changes to the law 7 governing garnishment of wages. Among other improvements, it increases 8 the handling fee that employers may deduct from wages, and provides 9 employers with a second notice before they are subject to penalties for 10 errors they may have made in compliance with garnishment orders. I agree with recognizing the important role employers play as partners in the collection of support owed to custodial parents. Where it can be made easier for employers to collect money owed to custodial parents, without harming the interests of families, we should do so. It is for this reason that I am in support of much of this bill.

б Sections 11 and 12 would eliminate the requirement that an employer 7 keep a record of the child support order for one year after the obligor leaves employment. They would allow the employer to dispose of the 8 9 garnishment record as soon as the obligee leaves employment and final 10 wages are paid. Where there is seasonal employment or other 11 interruptions in employment, the obligor would be required to 12 continually repeat the garnishment procedure, and that could needlessly 13 deprive the custodial parent of support or even to bring about the need for public assistance. I have vetoed these sections, as well as 14 15 Section 14 which describes the order to withhold, because of the risk 16 to the well-being of families that this change would create.

Section 11 also contains clause that appears to have been designed to limit the liability of employers who fails to withhold earnings as required by a wage assignment order. As drafted that clause may be ineffective, and could have the unintended consequence of causing overpayment by employers.

Section 17 would create a work group to establish a standardized form for garnishment orders. There is already such a requirement imposed upon the state in federal law and it would be pointless to have a group produce a document that the state would be unable to use.

26 Section 18 would create a joint task force to study the 27 reorganization of employment reporting requirements so that the office of support enforcement would receive employment information from the 28 29 employment security department, rather than from private employers. 30 With the new federal welfare reform, it is essential that the state 31 receive the appropriate employment data at a particular time. Data 32 from the employment security data would not satisfy the need. There is 33 no need for this study.

I do agree that a number of the problems highlighted by this bill would benefit from the task force approach that Section 18 calls for. I will encourage the secretary of the Department of Social and Health Services to call together a group from within and outside of that agency to examine possible improvements in the partnership between employers, DSHS and relevant state agencies.

For these reasons I have vetoed sections 11, 12, 14, 17 and 18 of Engrossed Second Substitute House Bill 1687.

42 With the exception of sections 11, 12, 14, 17 and 18, Engrossed 43 Second Substitute House Bill 1687 is approved."