
THIRD SUBSTITUTE HOUSE BILL 1169

State of Washington

65th Legislature

2018 Regular Session

By House Appropriations (originally sponsored by Representatives Orwall, Pollet, Appleton, Goodman, Tarleton, Bergquist, Stanford, Fitzgibbon, Doglio, and Wylie)

READ FIRST TIME 01/25/18.

1 AN ACT Relating to student opportunity, assistance, and relief
2 for student loans; amending RCW 67.08.100, 4.56.110, 6.01.060,
3 6.15.010, 6.27.100, 6.27.105, 6.27.140, and 6.27.150; creating new
4 sections; and repealing RCW 2.48.165, 18.04.420, 18.08.470,
5 18.11.270, 18.16.230, 18.20.200, 18.27.360, 18.39.465, 18.43.160,
6 18.46.055, 18.76.100, 18.85.341, 18.96.190, 18.104.115, 18.106.290,
7 18.130.125, 18.140.200, 18.145.125, 18.160.085, 18.165.280,
8 18.170.163, 18.180.050, 18.185.055, and 28A.410.105.

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

10 NEW SECTION. **Sec. 1.** The legislature finds that an educated
11 workforce is essential for the state's economic development. By 2020
12 seventy percent of available jobs in Washington will require at least
13 a postsecondary credential. According to the 2015 A Skilled and
14 Educated Workforce report, bachelor degree production in high-demand
15 fields, such as science, technology, engineering, mathematics, and
16 health, does not meet the demand of Washington's employers. The state
17 has also set educational attainment goals to recognize the need and
18 benefits of an educated workforce. College degree holders have higher
19 incomes, better financial health, and are more likely to be
20 homeowners than those who do not have college degrees. In fact, young

1 adults aged twenty-two to thirty-five with a college degree are fifty
2 percent more likely to own a home than those without a degree.

3 However, the legislature finds that the cost of higher education
4 has risen dramatically in recent years. Between 2003 and 2013, the
5 price index of tuition rose eighty percent, three times the increase
6 in the consumer price index and nearly double the increase in the
7 medical price index over the same period. The legislature also finds
8 that students are financing their education with more student loan
9 debt. According to the institute for college access and success'
10 project on student debt, in 2014 fifty-eight percent of recent
11 graduates in Washington had debt, and the average federal student
12 loan debt load for a student graduating from a four-year public or
13 private institution of higher education was twenty-four thousand
14 eight hundred dollars. This is an increase of forty-two percent since
15 2004, when the average debt load was seventeen thousand four hundred
16 dollars. These averages do not take into account additional private
17 loans that many students take out to supplement their federal loans.

18 Student loan debt can greatly impact the economic benefits of
19 earning a college degree. Surveys indicate that people burdened by
20 student loan debt are less likely to buy a home; get married and
21 start a family; start a small business; pursue lower paying
22 professions such as teaching, nonprofit work, or social work; or even
23 continue their education. The legislature finds that these decisions
24 create a chain reaction of economic and social impact to the state.

25 The legislature recognizes that student loan debt is very
26 different from other forms of debt, such as auto loans and home
27 mortgages, for a variety of reasons. With most debt, borrowers know
28 beforehand how much their monthly payment will be. However, student
29 loans are more complicated because a student may borrow different
30 amounts term to term and make decisions on an incremental basis as
31 their financial aid packages, work, and living situations change. In
32 addition, student loans may have origination fees, accumulated and
33 capitalized interest, grace and forbearance periods, and income-based
34 repayment options that all change the monthly payment amount. The
35 legislature recognizes that another major difference with student
36 loan debt is the unknown factor: Students take out the debt without
37 having a clear idea of their future income and other financial
38 obligations. Lastly, if a student has trouble repaying a student
39 loan, the loans are not secured with physical property that can be

1 sold, and in the event of bankruptcy, are nearly impossible to
2 discharge.

3 According to the United States department of education,
4 Washington students are defaulting on their federal student loans at
5 roughly the same rate as the national average. For the cohort that
6 entered into repayment on their federal student loans in 2013, ten
7 percent, or seven thousand seven hundred forty-six students, fell
8 into default during the fiscal year ending September 30, 2016, just
9 under the national average of eleven percent.

10 The consequences of default can haunt student loan borrowers for
11 years unless they are able to rehabilitate their loans. These
12 consequences may include suspension of the borrower's professional
13 license; excessive contact from collection agencies; garnishment of
14 wages and bank accounts; as well as seizing of the borrower's tax
15 refund and other federal payments, such as social security
16 retirement, and disability benefits. Defaulting on a student loan
17 damages a borrower's credit, making it difficult to qualify for a
18 mortgage or auto loan, rent an apartment, and even find employment,
19 closing people off from the resources they need for financial
20 stability.

21 The legislature acknowledges that the state currently allows
22 regulators of twenty-six professions to suspend the professional
23 licenses or certificates of student loan borrowers who have defaulted
24 on their loans. In 2015 the department of licensing reported one
25 hundred ten license suspensions for student loan default within the
26 eleven professions it regulates, most of which were in the field of
27 cosmetology. Twenty-one states have similar laws, but recently some
28 states have repealed their laws or introduced legislation to do so,
29 recognizing that license suspension hinders a borrower's ability to
30 repay. It is the legislature's intent to repeal the statutes
31 regarding professional license or certificate suspension and intends
32 for those who had their license or certificate suspended to be
33 eligible to have their license or certificate reinstated.

34 The legislature also finds that Washington state has high
35 postjudgment interest rates and generous wage and bank account
36 garnishment rates that negatively impact private student loan
37 borrowers who default. Studies indicate that wage and bank account
38 garnishment contributes to financial and employment instability,
39 unemployment, bankruptcy, homelessness, and chronic stress.
40 Washington's high interest and garnishment rates also increase the

1 courts' caseload by making it more attractive for lenders of private
2 student loans to sue a borrower in court and obtain a judgment than
3 to negotiate an agreement or settlement with the borrower.

4 Washington state's postjudgment interest rate was set at twelve
5 percent in 1980 when the prime interest rate was fifteen percent. The
6 current prime interest rate stands at three and one-half percent. In
7 addition, the state's current postjudgment rate on torts is around
8 three percent.

9 Regarding wage garnishment, many states, such as Texas,
10 Pennsylvania, and South Carolina do not allow for wage garnishment
11 for consumer debt. For federal student loans, the department of
12 education can garnish up to fifteen percent of a borrower's
13 disposable income, but not more than thirty times the minimum wage.
14 In Washington, a borrower can have twenty-five percent of his or her
15 disposable earnings garnished, or thirty-five times the federal
16 minimum wage. As for bank account exemptions, Massachusetts protects
17 two thousand five hundred dollars from garnishment compared to
18 Washington's current exemption of five hundred dollars. To put this
19 figure into perspective, the average rent in the Seattle metropolitan
20 area is two thousand eighty-seven dollars.

21 Therefore, it is the legislature's intent to help student loan
22 borrowers in default avoid loss of professional license or
23 certification, which hinders repayment. It is also the legislature's
24 intent to help student loan borrowers in default to maintain
25 financial stability and to avoid the hardships of bank account and
26 wage garnishment by making the postjudgment interest rate for private
27 student loan debt more comparable to the market rate and by
28 increasing the exemptions for bank account and wage garnishments.

29 PART I

30 PROFESSIONAL LICENSE SUSPENSIONS

31 NEW SECTION. **Sec. 101.** The following acts or parts of acts are
32 each repealed:

33 (1) RCW 2.48.165 (Disbarment or license suspension—Nonpayment or
34 default on educational loan or scholarship) and 1996 c 293 s 1;

35 (2) RCW 18.04.420 (License or certificate suspension—Nonpayment
36 or default on educational loan or scholarship) and 1996 c 293 s 2;

- 1 (3) RCW 18.08.470 (Certificate or registration suspension—
2 Nonpayment or default on educational loan or scholarship) and 1996 c
3 293 s 3;
- 4 (4) RCW 18.11.270 (License, certificate, or registration
5 suspension—Nonpayment or default on educational loan or scholarship)
6 and 1996 c 293 s 4;
- 7 (5) RCW 18.16.230 (License suspension—Nonpayment or default on
8 educational loan or scholarship) and 1996 c 293 s 5;
- 9 (6) RCW 18.20.200 (License suspension—Nonpayment or default on
10 educational loan or scholarship) and 1996 c 293 s 6;
- 11 (7) RCW 18.27.360 (Certificate of registration suspension—
12 Nonpayment or default on educational loan or scholarship) and 1996 c
13 293 s 7;
- 14 (8) RCW 18.39.465 (License suspension—Nonpayment or default on
15 educational loan or scholarship) and 1996 c 293 s 9;
- 16 (9) RCW 18.43.160 (Certificate of registration or license
17 suspension—Nonpayment or default on educational loan or scholarship)
18 and 1996 c 293 s 10;
- 19 (10) RCW 18.46.055 (License suspension—Nonpayment or default on
20 educational loan or scholarship) and 1996 c 293 s 12;
- 21 (11) RCW 18.76.100 (Certificate suspension—Nonpayment or default
22 on educational loan or scholarship) and 1996 c 293 s 13;
- 23 (12) RCW 18.85.341 (License suspension—Nonpayment or default on
24 educational loan or scholarship) and 2008 c 23 s 30 & 1996 c 293 s
25 14;
- 26 (13) RCW 18.96.190 (Certificate of licensure suspension—
27 Nonpayment or default on educational loan or scholarship) and 2009 c
28 370 s 16 & 1996 c 293 s 15;
- 29 (14) RCW 18.104.115 (License suspension—Nonpayment or default on
30 educational loan or scholarship) and 1996 c 293 s 16;
- 31 (15) RCW 18.106.290 (Certificate or permit suspension—Nonpayment
32 or default on educational loan or scholarship) and 1996 c 293 s 17;
- 33 (16) RCW 18.130.125 (License suspension—Nonpayment or default on
34 educational loan or scholarship) and 1996 c 293 s 18;
- 35 (17) RCW 18.140.200 (Certificate, license, or registration
36 suspension—Nonpayment or default on educational loan or scholarship)
37 and 2005 c 339 s 16 & 1996 c 293 s 19;
- 38 (18) RCW 18.145.125 (Certificate suspension—Nonpayment or default
39 on educational loan or scholarship) and 1996 c 293 s 20;

1 (19) RCW 18.160.085 (Certificate suspension—Nonpayment or default
2 on educational loan or scholarship) and 1996 c 293 s 21;

3 (20) RCW 18.165.280 (License or certificate suspension—Nonpayment
4 or default on educational loan or scholarship) and 1996 c 293 s 22;

5 (21) RCW 18.170.163 (License or certificate suspension—Nonpayment
6 or default on educational loan or scholarship) and 1996 c 293 s 23;

7 (22) RCW 18.180.050 (Registration suspension—Nonpayment or
8 default on educational loan or scholarship) and 1996 c 293 s 25;

9 (23) RCW 18.185.055 (License suspension—Nonpayment or default on
10 educational loan or scholarship) and 1996 c 293 s 26; and

11 (24) RCW 28A.410.105 (Certificate or permit suspension—Nonpayment
12 or default on educational loan or scholarship) and 1996 c 293 s 27.

13 **Sec. 102.** RCW 67.08.100 and 2017 c 46 s 3 are each amended to
14 read as follows:

15 (1) The department upon receipt of a properly completed
16 application and payment of a nonrefundable fee, may grant an annual
17 license to an applicant for the following: (a) Promoter; (b) manager;
18 (c) boxer; (d) second; (e) wrestling participant; (f) inspector; (g)
19 judge; (h) timekeeper; (i) announcer; (j) event physician; (k) event
20 chiropractor; (l) referee; (m) matchmaker; (n) kickboxer; (o) martial
21 arts participant; (p) training facility; (q) amateur sanctioning
22 organization; and (r) theatrical wrestling school.

23 (2) The application for the following types of licenses includes
24 a physical performed by a physician, as defined in RCW 67.08.002,
25 which was performed by the physician with a time period preceding the
26 application as specified by rule: (a) Boxer; (b) wrestling
27 participant; (c) kickboxer; (d) martial arts participant; and (e)
28 referee.

29 (3) An applicant for the following types of licenses for the
30 sports of boxing, kickboxing, and martial arts must provide annual
31 proof of certification as having adequate experience, skill, and
32 training from an organization approved by the department, including,
33 but not limited to, the association of boxing commissions, the
34 international boxing federation, the international boxing
35 organization, the Washington state association of professional ring
36 officials, the world boxing association, the world boxing council, or
37 the world boxing organization for boxing officials, and the united
38 full contact federation for kickboxing and martial arts officials:

1 (a) Judge; (b) referee; (c) inspector; (d) timekeeper; or (e) other
2 officials deemed necessary by the department.

3 (4) No person may participate or serve in any of the above
4 capacities unless licensed as provided in this chapter.

5 (5) The referees, judges, timekeepers, event physicians,
6 chiropractors, and inspectors for any boxing, kickboxing, or martial
7 arts event must be designated by the department from among licensed
8 officials.

9 (6) The referee for any wrestling event must be provided by the
10 promoter and must be licensed as a wrestling participant.

11 (7) The department must immediately suspend the license or
12 certificate of a person who has been certified pursuant to RCW
13 74.20A.320 by the department of social and health services as a
14 person who is not in compliance with a support order. If the person
15 has continued to meet all other requirements for reinstatement during
16 the suspension, reissuance of the license or certificate is automatic
17 upon the department's receipt of a release issued by the department
18 of social and health services stating that the licensee is in
19 compliance with the order.

20 ~~((The director must suspend the license of any person who has
21 been certified by a lending agency and reported to the director for
22 nonpayment or default on a federally or state guaranteed educational
23 loan or service conditional scholarship. Prior to the suspension, the
24 agency must provide the person an opportunity for a brief
25 adjudicative proceeding under RCW 34.05.485 through 34.05.494 and
26 issue a finding of nonpayment or default on a federally or state-
27 guaranteed educational loan or service conditional scholarship. The
28 person's license may not be reissued until the person provides the
29 director a written release issued by the lending agency stating that
30 the person is making payments on the loan in accordance with a
31 repayment agreement approved by the lending agency. If the person has
32 continued to meet all other requirements for licensure during the
33 suspension, reinstatement is automatic upon receipt of the notice and
34 payment of any reinstatement fee the director may impose.~~

35 ~~(9))~~ A person may not be issued a license if the person has an
36 unpaid fine outstanding to the department.

37 ~~((10))~~ (9) A person may not be issued a license unless they are
38 at least eighteen years of age.

39 ~~((11))~~ (10)(a) This section does not apply to:

1 (i) Contestants or participants in events at which only amateurs
2 are engaged in contests;

3 (ii) Wrestling participants engaged in training or a wrestling
4 show at a theatrical wrestling school; and

5 (iii) Fraternal organizations and/or veterans' organizations
6 chartered by congress or the defense department, excluding any
7 recognized amateur sanctioning body recognized by the department.

8 (b) Upon request of the department, a promoter, contestant, or
9 participant must provide sufficient information to reasonably
10 determine whether this chapter applies.

11 **PART II**

12 **PRIVATE STUDENT LOAN DEFAULT**

13 **Sec. 201.** RCW 4.56.110 and 2010 c 149 s 1 are each amended to
14 read as follows:

15 Interest on judgments shall accrue as follows:

16 (1) Judgments founded on written contracts, providing for the
17 payment of interest until paid at a specified rate, shall bear
18 interest at the rate specified in the contracts: PROVIDED, That said
19 interest rate is set forth in the judgment.

20 (2) All judgments for unpaid child support that have accrued
21 under a superior court order or an order entered under the
22 administrative procedure act shall bear interest at the rate of
23 twelve percent.

24 (3)(a) Judgments founded on the tortious conduct of a "public
25 agency" as defined in RCW 42.30.020 shall bear interest from the date
26 of entry at two percentage points above the equivalent coupon issue
27 yield, as published by the board of governors of the federal reserve
28 system, of the average bill rate for twenty-six week treasury bills
29 as determined at the first bill market auction conducted during the
30 calendar month immediately preceding the date of entry. In any case
31 where a court is directed on review to enter judgment on a verdict or
32 in any case where a judgment entered on a verdict is wholly or partly
33 affirmed on review, interest on the judgment or on that portion of
34 the judgment affirmed shall date back to and shall accrue from the
35 date the verdict was rendered.

36 (b) Except as provided in (a) of this subsection, judgments
37 founded on the tortious conduct of individuals or other entities,
38 whether acting in their personal or representative capacities, shall

1 bear interest from the date of entry at two percentage points above
2 the prime rate, as published by the board of governors of the federal
3 reserve system on the first business day of the calendar month
4 immediately preceding the date of entry. In any case where a court is
5 directed on review to enter judgment on a verdict or in any case
6 where a judgment entered on a verdict is wholly or partly affirmed on
7 review, interest on the judgment or on that portion of the judgment
8 affirmed shall date back to and shall accrue from the date the
9 verdict was rendered.

10 (4) Except as provided under subsection (1) of this section,
11 judgments for unpaid private student loan debt, as defined in RCW
12 6.01.060, shall bear interest from the date of entry at two
13 percentage points above the prime rate, as published by the board of
14 governors of the federal reserve system on the first business day of
15 the calendar month immediately preceding the date of entry.

16 (5) Except as provided under subsections (1), (2), (~~and~~) (3),
17 and (4) of this section, judgments shall bear interest from the date
18 of entry at the maximum rate permitted under RCW 19.52.020 on the
19 date of entry thereof. In any case where a court is directed on
20 review to enter judgment on a verdict or in any case where a judgment
21 entered on a verdict is wholly or partly affirmed on review, interest
22 on the judgment or on that portion of the judgment affirmed shall
23 date back to and shall accrue from the date the verdict was rendered.
24 The method for determining an interest rate prescribed by this
25 subsection is also the method for determining the "rate applicable to
26 civil judgments" for purposes of RCW 10.82.090.

27 **Sec. 202.** RCW 6.01.060 and 1988 c 231 s 1 are each amended to
28 read as follows:

29 ~~((The term "certified mail," as used in this title,))~~ The
30 definitions in this section apply throughout this title unless the
31 context clearly requires otherwise.

32 (1) "Certified mail" includes, for mailings to a foreign country,
33 any form of mail that requires or permits a return receipt.

34 (2) "Private student loan" means any loan not guaranteed by the
35 federal or state government that is used solely for personal use to
36 finance postsecondary education and costs of attendance at an
37 educational institution. A private student loan includes a loan made
38 solely to refinance a private student loan. A private student loan
39 does not include an extension of credit made under an open-end

1 consumer credit plan, a reverse mortgage transaction, a residential
2 mortgage transaction, or any other loan that is secured by real
3 property or a dwelling.

4 **Sec. 203.** RCW 6.15.010 and 2012 c 117 s 2 are each amended to
5 read as follows:

6 (1) Except as provided in RCW 6.15.050, the following personal
7 property is exempt from execution, attachment, and garnishment:

8 (a) All wearing apparel of every individual and family, but not
9 to exceed three thousand five hundred dollars in value in furs,
10 jewelry, and personal ornaments for any individual.

11 (b) All private libraries including electronic media, which
12 includes audiovisual, entertainment, or reference media in digital or
13 analogue format, of every individual, but not to exceed three
14 thousand five hundred dollars in value, and all family pictures and
15 keepsakes.

16 (c) A cell phone, personal computer, and printer.

17 (d) To each individual or, as to community property of spouses
18 maintaining a single household as against a creditor of the
19 community, to the community:

20 (i) The individual's or community's household goods, appliances,
21 furniture, and home and yard equipment, not to exceed six thousand
22 five hundred dollars in value for the individual or thirteen thousand
23 dollars for the community, no single item to exceed seven hundred
24 fifty dollars, said amount to include provisions and fuel for the
25 comfortable maintenance of the individual or community;

26 (ii) Other personal property, except personal earnings as
27 provided under RCW 6.15.050(1), not to exceed three thousand dollars
28 in value, of which not more than one thousand five hundred dollars in
29 value may consist of cash, and of which not more than:

30 (A) Until January 1, 2018:

31 (I) For debts owed to state agencies, two hundred dollars in
32 value may consist of bank accounts, savings and loan accounts,
33 stocks, bonds, or other securities. The maximum exemption under
34 ~~((e))~~ (d)(ii)(A) of this subsection may not exceed two hundred
35 dollars, regardless of the number of existing separate bank accounts,
36 savings and loan accounts, stocks, bonds, or other securities.

37 (II) For all private student loan debt, two thousand five hundred
38 dollars in value may consist of bank accounts, savings and loan
39 accounts, stocks, bonds, or other securities. The maximum exemption

1 under this subsection (1)(d)(ii)(A)(II) may not exceed two thousand
2 five hundred dollars, regardless of the number of existing separate
3 bank accounts, savings and loan accounts, stocks, bonds, or other
4 securities.

5 (III) For all other debts, five hundred dollars in value may
6 consist of bank accounts, savings and loan accounts, stocks, bonds,
7 or other securities. The maximum exemption under ~~((e))~~ (d)(ii)(B)
8 (I) of this subsection may not exceed five hundred dollars,
9 regardless of the number of existing separate bank accounts, savings
10 and loan accounts, stocks, bonds, or other securities.

11 (B) After January 1, 2018:

12 (I) For all debts except private student loan debt, five hundred
13 dollars in value may consist of bank accounts, savings and loan
14 accounts, stocks, bonds, or other securities. The maximum exemption
15 under this subsection ~~((e))~~ (d)(ii)(B)(I) may not exceed five
16 hundred dollars, regardless of the number of existing separate bank
17 accounts, savings and loan accounts, stocks, bonds, or other
18 securities.

19 (II) For all private student loan debt, two thousand five hundred
20 dollars in value may consist of bank accounts, savings and loan
21 accounts, stocks, bonds, or other securities. The maximum exemption
22 under this subsection (1)(d)(ii)(B)(II) may not exceed two thousand
23 five hundred dollars, regardless of the number of existing separate
24 bank accounts, savings and loan accounts, stocks, bonds, or other
25 securities;

26 (iii) For an individual, a motor vehicle used for personal
27 transportation, not to exceed three thousand two hundred fifty
28 dollars or for a community two motor vehicles used for personal
29 transportation, not to exceed six thousand five hundred dollars in
30 aggregate value;

31 (iv) Any past due, current, or future child support paid or owed
32 to the debtor, which can be traced;

33 (v) All professionally prescribed health aids for the debtor or a
34 dependent of the debtor; and

35 (vi) To any individual, the right to or proceeds of a payment not
36 to exceed twenty thousand dollars on account of personal bodily
37 injury, not including pain and suffering or compensation for actual
38 pecuniary loss, of the debtor or an individual of whom the debtor is
39 a dependent; or the right to or proceeds of a payment in compensation
40 of loss of future earnings of the debtor or an individual of whom the

1 debtor is or was a dependent, to the extent reasonably necessary for
2 the support of the debtor and any dependent of the debtor. The
3 exemption under this subsection (1)(~~(e)~~) (d)(vi) does not apply to
4 the right of the state of Washington, or any agent or assignee of the
5 state, as a lienholder or subrogee under RCW 43.20B.060.

6 (~~(d)~~) (e) To each qualified individual, one of the following
7 exemptions:

8 (i) To a farmer, farm trucks, farm stock, farm tools, farm
9 equipment, supplies and seed, not to exceed ten thousand dollars in
10 value;

11 (ii) To a physician, surgeon, attorney, member of the clergy, or
12 other professional person, the individual's library, office
13 furniture, office equipment and supplies, not to exceed ten thousand
14 dollars in value;

15 (iii) To any other individual, the tools and instruments and
16 materials used to carry on his or her trade for the support of
17 himself or herself or family, not to exceed ten thousand dollars in
18 value.

19 (~~(e)~~) (f) Tuition units, under chapter 28B.95 RCW, purchased
20 more than two years prior to the date of a bankruptcy filing or court
21 judgment, and contributions to any other qualified tuition program
22 under 26 U.S.C. Sec. 529 of the internal revenue code of 1986, as
23 amended, and to a Coverdell education savings account, also known as
24 an education individual retirement account, under 26 U.S.C. Sec. 530
25 of the internal revenue code of 1986, as amended, contributed more
26 than two years prior to the date of a bankruptcy filing or court
27 judgment.

28 (2) For purposes of this section, "value" means the reasonable
29 market value of the debtor's interest in an article or item at the
30 time it is selected for exemption, exclusive of all liens and
31 encumbrances thereon.

32 **Sec. 204.** RCW 6.27.100 and 2012 c 159 s 3 are each amended to
33 read as follows:

34 (1) A writ issued for a continuing lien on earnings shall be
35 substantially in the form provided in RCW 6.27.105. All other writs
36 of garnishment shall be substantially in the following form, but:

37 (a) If the writ is issued under an order or judgment for child
38 support, the following statement shall appear conspicuously in the

1 caption: "This garnishment is based on a judgment or order for child
2 support";

3 (b) If the writ is issued under an order or judgment for private
4 student loan debt, the following statement shall appear conspicuously
5 in the caption: "This garnishment is based on a judgment or order for
6 private student loan debt"; and

7 (c) If the writ is issued by an attorney, the writ shall be
8 revised as indicated in subsection (2) of this section:

9 "IN THE COURT
10 OF THE STATE OF WASHINGTON IN AND FOR
11 THE COUNTY OF

12 ,
13 Plaintiff, No.

14 vs.

15 , WRIT OF
16 Defendant, GARNISHMENT

17 ,
18 Garnishee
19 THE STATE OF WASHINGTON TO:

20 Garnishee

21 AND TO:

22 Defendant

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

28 Balance on Judgment or Amount of Claim \$....

29 Interest under Judgment from to \$....

30 Per Day Rate of Estimated Interest \$....

31 per day

32 Taxable Costs and Attorneys' Fees \$....

33 Estimated Garnishment Costs:

34 Filing and Ex Parte Fees \$....

35 Service and Affidavit Fees \$....

36 Postage and Costs of Certified Mail \$....

1	Answer Fee or Fees	\$....
2	Garnishment Attorney Fee	\$....
3	Other	\$....

4 YOU ARE HEREBY COMMANDED, unless otherwise directed by the court,
5 by the attorney of record for the plaintiff, or by this writ, not to
6 pay any debt, whether earnings subject to this garnishment or any
7 other debt, owed to the defendant at the time this writ was served
8 and not to deliver, sell, or transfer, or recognize any sale or
9 transfer of, any personal property or effects of the defendant in
10 your possession or control at the time when this writ was served. Any
11 such payment, delivery, sale, or transfer is void to the extent
12 necessary to satisfy the plaintiff's claim and costs for this writ
13 with interest.

14 YOU ARE FURTHER COMMANDED to answer this writ according to the
15 instructions in this writ and in the answer forms and, within twenty
16 days after the service of the writ upon you, to mail or deliver the
17 original of such answer to the court, one copy to the plaintiff or
18 the plaintiff's attorney, and one copy to the defendant, at the
19 addresses listed at the bottom of this writ.

20 If you owe the defendant a debt payable in money in excess of the
21 amount set forth in the first paragraph of this writ, hold only the
22 amount set forth in the first paragraph and any processing fee if one
23 is charged and release all additional funds or property to defendant.

24 IF YOU FAIL TO ANSWER THIS WRIT AS COMMANDED, A JUDGMENT MAY BE
25 ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE PLAINTIFF'S CLAIM
26 AGAINST THE DEFENDANT WITH ACCRUING INTEREST, ATTORNEY FEES, AND
27 COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT. IF YOU
28 PROPERLY ANSWER THIS WRIT, ANY JUDGMENT AGAINST YOU WILL NOT EXCEED
29 THE AMOUNT OF ANY NONEXEMPT DEBT OR THE VALUE OF ANY NONEXEMPT
30 PROPERTY OR EFFECTS IN YOUR POSSESSION OR CONTROL.

31 JUDGMENT MAY ALSO BE ENTERED AGAINST THE DEFENDANT FOR COSTS AND
32 FEES INCURRED BY THE PLAINTIFF.

33 Witness, the Honorable, Judge of the above-
34 entitled Court, and the seal thereof, this day
35 of, ((20)). . . . (year)

36 [Seal]

37

1 Attorney for Clerk of
2 Plaintiff (or the Court
3 Plaintiff, if no
4 attorney)
5
6 Address By
7
8 Name of Defendant Address"
9
10 Address of Defendant

11 (2) If an attorney issues the writ of garnishment, the final
12 paragraph of the writ, containing the date, and the subscribed
13 attorney and clerk provisions, shall be replaced with text in
14 substantially the following form:

15 "This writ is issued by the undersigned attorney of record for
16 plaintiff under the authority of chapter 6.27 of the Revised Code of
17 Washington, and must be complied with in the same manner as a writ
18 issued by the clerk of the court.

19 Dated thisday of, ((20))....
20 (year)
21
22 Attorney for Plaintiff
23
24 Address Address of the Clerk of the
25 Court"
26
27 Name of Defendant
28
29 Address of Defendant
30

31 **Sec. 205.** RCW 6.27.105 and 2012 c 159 s 4 are each amended to
32 read as follows:

33 (1) A writ that is issued for a continuing lien on earnings shall
34 be substantially in the following form, but:

1 (a) If the writ is issued under an order or judgment for child
2 support, the following statement shall appear conspicuously in the
3 caption: "This garnishment is based on a judgment or order for child
4 support((+))";

5 (b) If the writ is issued under an order or judgment for private
6 student loan debt, the following statement shall appear conspicuously
7 in the caption: "This garnishment is based on a judgment or order for
8 private student loan debt"; and

9 (c) If the writ is issued by an attorney, the writ shall be
10 revised as indicated in subsection (2) of this section:

11 "IN THE COURT
12 OF THE STATE OF WASHINGTON IN AND FOR
13 THE COUNTY OF

14 ,
15 Plaintiff, No.
16 vs.
17 , WRIT OF
18 Defendant GARNISHMENT FOR
19 CONTINUING LIEN ON
20 , EARNINGS
21 Garnishee

22 THE STATE OF WASHINGTON TO:.....
23 Garnishee

24 AND TO:.....
25 Defendant

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

31 Balance on Judgment or Amount of Claim \$
32 Interest under Judgment from to \$
33 Per Day Rate of Estimated Interest \$
34 per day
35 Taxable Costs and Attorneys' Fees \$
36 Estimated Garnishment Costs:

1	Filing and Ex Parte Fees	\$....
2	Service and Affidavit Fees	\$....
3	Postage and Costs of Certified Mail	\$....
4	Answer Fee or Fees	\$....
5	Garnishment Attorney Fee	\$....
6	Other	\$....

7 THIS IS A WRIT FOR A CONTINUING LIEN. THE GARNISHEE SHALL HOLD
8 the nonexempt portion of the defendant's earnings due at the time of
9 service of this writ and shall also hold the defendant's nonexempt
10 earnings that accrue through the last payroll period ending on or
11 before SIXTY days after the date of service of this writ. HOWEVER, IF
12 THE GARNISHEE IS PRESENTLY HOLDING THE NONEXEMPT PORTION OF THE
13 DEFENDANT'S EARNINGS UNDER A PREVIOUSLY SERVED WRIT FOR A CONTINUING
14 LIEN, THE GARNISHEE SHALL HOLD UNDER THIS WRIT only the defendant's
15 nonexempt earnings that accrue from the date the previously served
16 writ or writs terminate and through the last payroll period ending on
17 or before sixty days after the date of termination of the previous
18 writ or writs. IN EITHER CASE, THE GARNISHEE SHALL STOP WITHHOLDING
19 WHEN THE SUM WITHHELD EQUALS THE AMOUNT STATED IN THIS WRIT OF
20 GARNISHMENT.

21 YOU ARE HEREBY COMMANDED, unless otherwise directed by the court,
22 by the attorney of record for the plaintiff, or by this writ, not to
23 pay any debt, whether earnings subject to this garnishment or any
24 other debt, owed to the defendant at the time this writ was served
25 and not to deliver, sell, or transfer, or recognize any sale or
26 transfer of, any personal property or effects of the defendant in
27 your possession or control at the time when this writ was served. Any
28 such payment, delivery, sale, or transfer is void to the extent
29 necessary to satisfy the plaintiff's claim and costs for this writ
30 with interest.

31 YOU ARE FURTHER COMMANDED to answer this writ according to the
32 instructions in this writ and in the answer forms and, within twenty
33 days after the service of the writ upon you, to mail or deliver the
34 original of such answer to the court, one copy to the plaintiff or
35 the plaintiff's attorney, and one copy to the defendant, at the
36 addresses listed at the bottom of this writ.

37 If, at the time this writ was served, you owed the defendant any
38 earnings (that is, wages, salary, commission, bonus, tips, or other

1 compensation for personal services or any periodic payments pursuant
2 to a nongovernmental pension or retirement program), the defendant is
3 entitled to receive amounts that are exempt from garnishment under
4 federal and state law. You must pay the exempt amounts to the
5 defendant on the day you would customarily pay the compensation or
6 other periodic payment. As more fully explained in the answer, the
7 basic exempt amount is the greater of seventy-five percent of
8 disposable earnings or a minimum amount determined by reference to
9 the employee's pay period, to be calculated as provided in the
10 answer. However, if this writ carries a statement in the heading
11 (~~that~~) of either: "This garnishment is based on a judgment or order
12 for child support," the basic exempt amount is fifty percent of
13 disposable earnings; or "This garnishment is based on a judgment or
14 order for private student loan debt," the basic exempt amount is the
15 greater of eighty-five percent of disposable earnings or fifty times
16 the minimum hourly wage of the highest minimum wage law in the state
17 at the time the earnings are payable.

18 YOU MAY DEDUCT A PROCESSING FEE FROM THE REMAINDER OF THE
19 EMPLOYEE'S EARNINGS AFTER WITHHOLDING UNDER THIS WRIT. THE PROCESSING
20 FEE MAY NOT EXCEED TWENTY DOLLARS FOR THE FIRST ANSWER AND TEN
21 DOLLARS AT THE TIME YOU SUBMIT THE SECOND ANSWER.

22 If you owe the defendant a debt payable in money in excess of the
23 amount set forth in the first paragraph of this writ, hold only the
24 amount set forth in the first paragraph and any processing fee if one
25 is charged and release all additional funds or property to defendant.

26 IF YOU FAIL TO ANSWER THIS WRIT AS COMMANDED, A JUDGMENT MAY BE
27 ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE PLAINTIFF'S CLAIM
28 AGAINST THE DEFENDANT WITH ACCRUING INTEREST, ATTORNEY FEES, AND
29 COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT. IF YOU
30 PROPERLY ANSWER THIS WRIT, ANY JUDGMENT AGAINST YOU WILL NOT EXCEED
31 THE AMOUNT OF ANY NONEXEMPT DEBT OR THE VALUE OF ANY NONEXEMPT
32 PROPERTY OR EFFECTS IN YOUR POSSESSION OR CONTROL.

33 JUDGMENT MAY ALSO BE ENTERED AGAINST THE DEFENDANT FOR COSTS AND
34 FEES INCURRED BY THE PLAINTIFF.

35 Witness, the Honorable, Judge of the above-
36 entitled Court, and the seal thereof, this day
37 of, (~~20~~). . . . (year)

38 [Seal]

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Attorney for Clerk of
Plaintiff (or the Court
Plaintiff, if no
attorney)
.....
Address By
.....
Name of Defendant Address"
.....
Address of Defendant

(2) If an attorney issues the writ of garnishment, the final paragraph of the writ, containing the date, and the subscribed attorney and clerk provisions, shall be replaced with text in substantially the following form:

"This writ is issued by the undersigned attorney of record for plaintiff under the authority of chapter 6.27 of the Revised Code of Washington, and must be complied with in the same manner as a writ issued by the clerk of the court.

Dated thisday of, ((20))....
(year)
.....
Attorney for Plaintiff
.....
Address Address of the Clerk of the
Court"
.....
Name of Defendant
.....
Address of Defendant

Sec. 206. RCW 6.27.140 and 2012 c 159 s 8 are each amended to read as follows:

1 (1) The notice required by RCW 6.27.130(1) to be mailed to or
2 served on an individual judgment debtor shall be in the following
3 form, printed or typed in no smaller than size twelve point font:

4 NOTICE OF GARNISHMENT
5 AND OF YOUR RIGHTS

6 A Writ of Garnishment issued in a Washington court has been
7 or will be served on the garnishee named in the attached copy
8 of the writ. After receipt of the writ, the garnishee is
9 required to withhold payment of any money that was due to you
10 and to withhold any other property of yours that the
11 garnishee held or controlled. This notice of your rights is
12 required by law.

13 YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

14 WAGES. If the garnishee is your employer who owes wages or
15 other personal earnings to you, your employer is required to
16 pay amounts to you that are exempt under state and federal
17 laws, as explained in the writ of garnishment. You should
18 receive a copy of your employer's answer, which will show how
19 the exempt amount was calculated. If the garnishment is for
20 child support, the exempt amount paid to you will be a
21 percent of your disposable earnings, which is fifty percent
22 of that part of your earnings remaining after your employer
23 deducts those amounts which are required by law to be
24 withheld. If the garnishment is for private student loan
25 debt, the exempt amount paid to you will be the greater of
26 the following: A percent of your disposable earnings, which
27 is eighty-five percent of the part of your earnings remaining
28 after your employer deducts those amounts which are required
29 by law to be withheld, or fifty times the minimum hourly wage
30 of the highest minimum wage law in the state at the time the
31 earnings are payable.

32 BANK ACCOUNTS. If the garnishee is a bank or other
33 institution with which you have an account in which you have
34 deposited benefits such as Temporary Assistance for Needy
35 Families, Supplemental Security Income (SSI), Social
36 Security, veterans' benefits, unemployment compensation, or
37 any federally qualified pension, such as a state or federal
38 pension, individual retirement account (IRA), or 401K plan,

1 you may claim the account as fully exempt if you have
2 deposited only such benefit funds in the account. It may be
3 partially exempt even though you have deposited money from
4 other sources in the same account. An exemption is also
5 available under RCW 26.16.200, providing that funds in a
6 community bank account that can be identified as the earnings
7 of a stepparent are exempt from a garnishment on the child
8 support obligation of the parent.

9 OTHER EXEMPTIONS. If the garnishee holds other property of
10 yours, some or all of it may be exempt under RCW 6.15.010, a
11 Washington statute that exempts certain property of your
12 choice (including up to \$2,500.00 in a bank account if you
13 owe on private student loan debts or up to \$500.00 in a bank
14 account for all other debts) and certain other property such
15 as household furnishings, tools of trade, and a motor vehicle
16 (all limited by differing dollar values).

17 HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and
18 mail or deliver it as described in instructions on the claim
19 form. If the plaintiff does not object to your claim, the
20 funds or other property that you have claimed as exempt must
21 be released not later than 10 days after the plaintiff
22 receives your claim form. If the plaintiff objects, the law
23 requires a hearing not later than 14 days after the plaintiff
24 receives your claim form, and notice of the objection and
25 hearing date will be mailed to you at the address that you
26 put on the claim form.

27 THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY,
28 AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS,
29 BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY
30 DELAY.

31 (2)(a) If the writ is to garnish funds or property held by a
32 financial institution, the claim form required by RCW 6.27.130(1) to
33 be mailed to or served on an individual judgment debtor shall be in
34 the following form, printed or typed in no smaller than size twelve
35 point font:

36 [Caption to be filled in by judgment creditor
37 or plaintiff before mailing.]

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Name of Court

..... No

Plaintiff,

vs.

..... EXEMPTION CLAIM

Defendant,

.....

Garnishee Defendant

INSTRUCTIONS:

1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet.
2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.

I/We claim the following money or property as exempt:

IF BANK ACCOUNT IS GARNISHED:

- The account contains payments from:
 - Temporary assistance for needy families, SSI, or other public assistance. I receive \$ monthly.
 - Social Security. I receive \$ monthly.
 - Veterans' Benefits. I receive \$ monthly.

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Federally qualified pension, such as a state or federal pension, individual retirement account (IRA), or 401K plan. I receive \$ monthly.

Unemployment Compensation. I receive \$ monthly.

Child support. I receive \$ monthly.

Other. Explain

.

\$2,500 exemption for private student loan debts.

\$500 exemption for all other debts.

IF EXEMPTION IN BANK ACCOUNT IS CLAIMED,
ANSWER ONE OR BOTH OF THE FOLLOWING:

No money other than from above payments are in the account.

Moneys in addition to the above payments have been deposited in the account. Explain

.

.

OTHER PROPERTY:

Describe property

.

(If you claim other personal property as exempt, you must attach a list of all other personal property that you own.)

.

Print: Your name

If married or in a state registered domestic partnership,

name of husband/wife/

state registered domestic

partner

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Your signature

Signature of husband,

wife, or state registered

domestic partner

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.....
Address Address
(if different from yours)
.....
Telephone number Telephone number
(if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(b) If the writ is directed to an employer to garnish earnings, the claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, subject to (c) of this subsection, printed or typed in no smaller than size twelve point font type:

[Caption to be filled in by judgment creditor
or plaintiff before mailing.]

.....
Name of Court No.....
Plaintiff,
vs.
..... EXEMPTION CLAIM
Defendant,
.....
Garnishee Defendant

INSTRUCTIONS:

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1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet.
2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. **YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.**

I/We claim the following money or property as exempt:
 IF PENSION OR RETIREMENT BENEFITS ARE GARNISHED:

Name and address of employer who is paying the benefits:.....

IF EARNINGS ARE GARNISHED FOR CHILD SUPPORT:

I claim maximum exemption.
IF EARNINGS ARE GARNISHED FOR PRIVATE STUDENT LOAN DEBT:

I claim maximum exemption.

Print: Your name	If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner
.....
Your signature	Signature of husband,

wife, or state registered

domestic partner

.....

.....

Address

Address

(if different from yours)

.....

Telephone number

Telephone number

(if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(c) If the writ under (b) of this subsection is not a writ for the collection of child support, the exemption language pertaining to child support may be omitted.

(d) If the writ under (b) of this subsection is not a writ for the collection of private student loan debt, the exemption language pertaining to private student loan debt may be omitted.

Sec. 207. RCW 6.27.150 and 2012 c 159 s 9 are each amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, if the garnishee is an employer owing the defendant earnings, then for each week of such earnings, an amount shall be exempt from garnishment which is the greatest of the following:

(a) Thirty-five times the federal minimum hourly wage in effect at the time the earnings are payable; or

(b) Seventy-five percent of the disposable earnings of the defendant.

1 (2) In the case of a garnishment based on a judgment or other
2 order for child support or court order for spousal maintenance, other
3 than a mandatory wage assignment order pursuant to chapter 26.18 RCW,
4 or a mandatory assignment of retirement benefits pursuant to chapter
5 41.50 RCW, the exemption shall be fifty percent of the disposable
6 earnings of the defendant.

7 (3) In the case of a garnishment based on a judgment or other
8 order for the collection of private student loan debt, for each week
9 of such earnings, an amount shall be exempt from garnishment which is
10 the greater of the following:

11 (a) Fifty times the minimum hourly wage of the highest minimum
12 wage law in the state at the time the earnings are payable; or

13 (b) Eighty-five percent of the disposable earnings of the
14 defendant.

15 (4) The exemptions stated in this section shall apply whether
16 such earnings are paid, or are to be paid, weekly, monthly, or at
17 other intervals, and whether earnings are due the defendant for one
18 week, a portion thereof, or for a longer period.

19 ~~((4))~~ (5) Unless directed otherwise by the court, the garnishee
20 shall determine and deduct exempt amounts under this section as
21 directed in the writ of garnishment and answer, and shall pay these
22 amounts to the defendant.

23 ~~((5))~~ (6) No money due or earned as earnings as defined in RCW
24 6.27.010 shall be exempt from garnishment under the provisions of RCW
25 6.15.010, as now or hereafter amended.

26 **PART III**

27 **MISCELLANEOUS PROVISIONS**

28 NEW SECTION. Sec. 301. This act may be known and cited as the
29 student opportunity, assistance, and relief act.

30 NEW SECTION. Sec. 302. If specific funding for the purposes of
31 this act, referencing this act by bill or chapter number, is not
32 provided by June 30, 2018, in the omnibus appropriations act, this
33 act is null and void.

--- END ---