

**WAC 192-100-015 Equity and good conscience defined.** (1) For the purposes of chapters 192-230 and 192-330 WAC, "equity and good conscience" means fairness as applied to a given set of circumstances.

(2) When deciding if paying the full amount owing is against equity and good conscience the department may consider, but is not limited to, the following circumstances:

(a) General health, including disability, competency, and mental or physical impairment;

(b) Education level, including literacy;

(c) Whether there is current income from work or a business;

(d) History of unemployment;

(e) Future earnings potential;

(f) Business structure, if appropriate;

(g) Marital status and number of dependents, including whether other household members are employed;

(h) The costs of collection compared to the amount of the outstanding debt. The department may consider such factors as the age and amount of the outstanding debt, whether there were previous good faith efforts to pay the debt, the tools available to enforce collections and other information relevant to ability to pay;

(i) Whether there were previous negotiated settlements or negotiated settlement attempts on a debt with the department;

(j) Factors indicating that collection of the full amount would cause undue economic, physical, or mental hardship making the debtor unable to provide for basic necessities. Unless there are unusual circumstances which would argue otherwise, the department will presume repayment would leave you unable to provide basic necessities if your total household resources in relation to household size do not exceed seventy percent of the Lower Living Standard Income Level (LLSIL) and circumstances are not expected to change within the next ninety days; and

(k) Other factors that bear a direct relationship to the ability to pay the debt. The decision to grant or deny a negotiated settlement will be based on the totality of circumstances rather than the presence of a single factor listed in this section, except for the presumption established under (j) of this subsection.

[Statutory Authority: RCW 50.12.010 and 50.12.040. WSR 16-21-013, § 192-100-015, filed 10/7/16, effective 11/14/16; WSR 14-04-073, § 192-100-015, filed 1/30/14, effective 3/2/14.]