

2SHB 1169 - S COMM AMD
By Committee on Higher Education

OUT OF ORDER 02/27/2018

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that an educated
4 workforce is essential for the state's economic development. By 2020
5 seventy percent of available jobs in Washington will require at least
6 a postsecondary credential. According to the 2015 A Skilled and
7 Educated Workforce report, bachelor degree production in high-demand
8 fields, such as science, technology, engineering, mathematics, and
9 health, does not meet the demand of Washington's employers. The state
10 has also set educational attainment goals to recognize the need and
11 benefits of an educated workforce. College degree holders have higher
12 incomes, better financial health, and are more likely to be
13 homeowners than those who do not have college degrees. In fact, young
14 adults aged twenty-two to thirty-five with a college degree are fifty
15 percent more likely to own a home than those without a degree.

16 However, the legislature finds that the cost of higher education
17 has risen dramatically in recent years. Between 2003 and 2013, the
18 price index of tuition rose eighty percent, three times the increase
19 in the consumer price index and nearly double the increase in the
20 medical price index over the same period. The legislature also finds
21 that students are financing their education with more student loan
22 debt. According to the institute for college access and success'
23 project on student debt, in 2014 fifty-eight percent of recent
24 graduates in Washington had debt, and the average federal student
25 loan debt load for a student graduating from a four-year public or
26 private institution of higher education was twenty-four thousand
27 eight hundred dollars. This is an increase of forty-two percent since
28 2004, when the average debt load was seventeen thousand four hundred
29 dollars. These averages do not take into account additional private
30 loans that many students take out to supplement their federal loans.

31 Student loan debt can greatly impact the economic benefits of
32 earning a college degree. Surveys indicate that people burdened by

1 student loan debt are less likely to buy a home; get married and
2 start a family; start a small business; pursue lower paying
3 professions such as teaching, nonprofit work, or social work; or even
4 continue their education. The legislature finds that these decisions
5 create a chain reaction of economic and social impact to the state.

6 The legislature recognizes that student loan debt is very
7 different from other forms of debt, such as auto loans and home
8 mortgages, for a variety of reasons. With most debt, borrowers know
9 beforehand how much their monthly payment will be. However, student
10 loans are more complicated because a student may borrow different
11 amounts term to term and make decisions on an incremental basis as
12 their financial aid packages, work, and living situations change. In
13 addition, student loans may have origination fees, accumulated and
14 capitalized interest, grace and forbearance periods, and income-based
15 repayment options that all change the monthly payment amount. The
16 legislature recognizes that another major difference with student
17 loan debt is the unknown factor: Students take out the debt without
18 having a clear idea of their future income and other financial
19 obligations. Lastly, if a student has trouble repaying a student
20 loan, the loans are not secured with physical property that can be
21 sold, and in the event of bankruptcy, are nearly impossible to
22 discharge.

23 According to the United States department of education,
24 Washington students are defaulting on their federal student loans at
25 roughly the same rate as the national average. For the cohort that
26 entered into repayment on their federal student loans in 2013, ten
27 percent, or seven thousand seven hundred forty-six students, fell
28 into default during the fiscal year ending September 30, 2016, just
29 under the national average of eleven percent.

30 The consequences of default can haunt student loan borrowers for
31 years unless they are able to rehabilitate their loans. These
32 consequences may include suspension of the borrower's professional
33 license; excessive contact from collection agencies; garnishment of
34 wages and bank accounts; as well as seizing of the borrower's tax
35 refund and other federal payments, such as social security retirement
36 and disability benefits. Defaulting on a student loan damages a
37 borrower's credit, making it difficult to qualify for a mortgage or
38 auto loan, rent an apartment, and even find employment, closing
39 people off from the resources they need for financial stability.

1 The legislature finds that students may be uninformed borrowers
2 who underestimate what their monthly payment may be after they leave
3 school or who do not fully understand the complex, myriad of options
4 available to them to repay their federal student loans. The
5 legislature recognizes that students may need help navigating
6 available options and could benefit from assistance. Also, the
7 legislature identifies that the housing counseling services
8 established for homeowners in foreclosure is a model that could be
9 replicated for student loan borrowers. Therefore, the legislature
10 intends to use the housing finance commission and the existing
11 structure for housing counselors to create a statewide student loan
12 debt hotline as well as providing student loan debt counselors.

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

26 The legislature also finds that Washington state has high
27 postjudgment interest rates and generous wage and bank account
28 garnishment rates that negatively impact private student loan
29 borrowers who default. Studies indicate that wage and bank account
30 garnishment contributes to financial and employment instability,
31 unemployment, bankruptcy, homelessness, and chronic stress.
32 Washington's high interest and garnishment rates also increase the
33 courts' caseload by making it more attractive for lenders of private
34 student loans to sue a borrower in court and obtain a judgment than
35 to negotiate an agreement or settlement with the borrower.

36 Washington state's postjudgment interest rate was set at twelve
37 percent in 1980 when the prime interest rate was fifteen percent. The
38 current prime interest rate stands at three and one-half percent. In
39 addition, the state's current postjudgment rate on torts is around
40 three percent.

1 (4) "Lender" means a private entity that originates a student
2 education loan for a borrower and does not include the federal
3 government.

4 (5) "Servicer" means an entity receiving scheduled periodic
5 payments from a borrower pursuant to the terms of a student education
6 loan and applying those payments of principal and interest and such
7 other payments with respect to the amounts received from a borrower,
8 as may be required pursuant to the terms of a student education loan.

9 (6) "Student education loan" means any loan solely for personal
10 use to finance postsecondary education and costs of attendance at an
11 educational institution. A "student education loan" includes a loan
12 made solely to refinance a student education loan. A "student
13 education loan" does not include an extension of credit under an
14 open-end consumer credit plan, an extension of credit under a closed-
15 end consumer credit plan, a reverse mortgage transaction, a
16 residential mortgage transaction, or any other loan that is secured
17 by real property or a dwelling.

18 (7) "Student education loan debt counseling organization" means a
19 nonprofit counseling organization that has been trained in assisting
20 borrowers with repayment and other options available to borrowers
21 regarding student education loans and student education loan default
22 in accordance with the requirements in section 103 of this act and is
23 approved by either the federal government or the housing finance
24 commission.

25 (8) "Student education loan debt hotline" is the toll-free
26 telephone number or charge-free equivalent made available to
27 borrowers to find a nonprofit student education loan debt counseling
28 organization.

29 NEW SECTION. **Sec. 102.** (1) A notice must be made available to
30 the borrower by letter or other means of electronic delivery approved
31 by the borrower with the information required under subsection (3) of
32 this section by the following entities as described:

33 (a) An educational institution any time a borrower with loans
34 certified by the educational institution drops out, transfers to a
35 different educational institution, or graduates from the educational
36 institution; and

37 (b) A lender, the lender's servicer, or a collection agency any
38 time a notice of delinquency, default, collections, or a summons and
39 complaint for a student education loan is issued to a borrower.

1 (2) The student achievement council under chapter 28B.77 RCW, the
2 state board for community and technical colleges under RCW
3 28B.50.050, and the educational institutions are encouraged to
4 disseminate the information in subsection (3) of this section by
5 posting it on web sites, including it in financial aid educational
6 materials and notices, educating financial aid advisors, and any
7 other method deemed appropriate with the goal of notifying as many
8 students as possible.

9 (3) The notice must include a toll-free telephone number for the
10 statewide student education loan debt hotline and a web site where
11 the borrower can receive information and assistance with student
12 education loans, including a statement that student education loan
13 debt counselors are available at no cost to the borrower. The notice
14 sent to students must include the following statement, in at least
15 twelve point type:

16 SEEKING ASSISTANCE

17 Student education loan debt counselors are available at no cost
18 to you. If you would like assistance in understanding and determining
19 your options and rights regarding your student education loans, you
20 may contact the following:

21 The statewide student education loan debt hotline for assistance
22 and referral to a nonprofit student education loan debt counseling
23 organization:

24 Telephone: Web site:

25 The Federal Student Aid Office of the United States Department of
26 Education:

27 Telephone: Web site:

28 NEW SECTION. **Sec. 103.** (1) To be eligible to provide student
29 education loan debt counseling services, a student education loan
30 debt counseling organization must be a nonprofit that has student
31 education loan counselors familiar with issues regarding student
32 education loan debt including, but not limited to:

33 (a) The differences between private and federal student education
34 loans, and the different types of federal student education loans;

35 (b) Grace periods, repayment, deferment, forbearance,
36 delinquency, and default statuses;

37 (c) Income-based repayment, pay as you earn, and loan forgiveness
38 options;

1 (d) The impact of private and federal student education loan
2 default, such as denial of new student education loans and federal
3 and state financial aid, negative credit reporting, academic
4 transcript withholding, litigation, collection fees, federal treasury
5 offsets, wage garnishment, and bank account garnishment;

6 (e) Situations for loan discharge, such as total and permanent
7 disability, death, false certification, an unpaid loan disbursement
8 refund, and school closure;

9 (f) Options for resolving delinquency and requirements for
10 student education loan rehabilitation;

11 (g) When student education loan consolidation benefits a borrower
12 and the pros and cons of federal student education loan consolidation
13 versus private student education loan consolidation;

14 (h) The impacts of refinancing a federal or private student
15 education loan with other consumer debt, such as the loss of federal
16 income-based repayment, pay as you earn, and loan forgiveness
17 options; loss of forbearance, deferment, and delinquency periods for
18 federal student education loans; the loss of the student education
19 loan debt counseling assistance; and the potential loss of lower
20 postjudgment interest and garnishment rates in the event of default;

21 (i) The debt collection and judgment process, including the
22 borrower's rights and responsibilities if they are served; and

23 (j) The garnishment process and a borrower's rights and
24 responsibilities if they are garnished.

25 (2) Counseling organizations shall be approved by the housing
26 finance commission to become student education loan debt counseling
27 organizations with the responsibilities under section 104 of this
28 act.

29 NEW SECTION. **Sec. 104.** (1) Student education loan debt
30 counseling organizations and their counselors have a duty to act in
31 good faith to assist borrowers by:

32 (a) Informing the borrower of his or her options and rights
33 regarding his or her student education loans;

34 (b) Advising the borrower about what documents the borrower must
35 have to seek a student education loan modification or other
36 resolution; and

37 (c) Providing other guidance, advice, and education as the
38 student education loan debt counselor considers necessary.

1 (2) Student education loan debt counseling organizations and
2 their counselors providing assistance to borrowers are not liable for
3 civil damages resulting from any acts or omissions in providing
4 assistance, unless the acts or omissions constitute a pattern of
5 fraud, intentional misrepresentation, gross negligence, or willful
6 misconduct.

7 (3) The department of commerce shall enter into interagency
8 agreements to contract with the Washington state housing finance
9 commission and other appropriate entities to implement the student
10 education loan debt counseling program and the student education loan
11 debt hotline required under this chapter.

12 **PART II**

13 **PROFESSIONAL LICENSE SUSPENSIONS**

14 NEW SECTION. **Sec. 201.** The following acts or parts of acts are
15 each repealed:

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

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

20 (3) RCW 18.08.470 (Certificate or registration suspension—
21 Nonpayment or default on educational loan or scholarship) and 1996 c
22 293 s 3;

23 (4) RCW 18.11.270 (License, certificate, or registration
24 suspension—Nonpayment or default on educational loan or scholarship)
25 and 1996 c 293 s 4;

26 (5) RCW 18.16.230 (License suspension—Nonpayment or default on
27 educational loan or scholarship) and 1996 c 293 s 5;

28 (6) RCW 18.20.200 (License suspension—Nonpayment or default on
29 educational loan or scholarship) and 1996 c 293 s 6;

30 (7) RCW 18.27.360 (Certificate of registration suspension—
31 Nonpayment or default on educational loan or scholarship) and 1996 c
32 293 s 7;

33 (8) RCW 18.39.465 (License suspension—Nonpayment or default on
34 educational loan or scholarship) and 1996 c 293 s 9;

35 (9) RCW 18.43.160 (Certificate of registration or license
36 suspension—Nonpayment or default on educational loan or scholarship)
37 and 1996 c 293 s 10;

1 (10) RCW 18.46.055 (License suspension—Nonpayment or default on
2 educational loan or scholarship) and 1996 c 293 s 12;

3 (11) RCW 18.76.100 (Certificate suspension—Nonpayment or default
4 on educational loan or scholarship) and 1996 c 293 s 13;

5 (12) RCW 18.85.341 (License suspension—Nonpayment or default on
6 educational loan or scholarship) and 2008 c 23 s 30 & 1996 c 293 s
7 14;

8 (13) RCW 18.96.190 (Certificate of licensure suspension—
9 Nonpayment or default on educational loan or scholarship) and 2009 c
10 370 s 16 & 1996 c 293 s 15;

11 (14) RCW 18.104.115 (License suspension—Nonpayment or default on
12 educational loan or scholarship) and 1996 c 293 s 16;

13 (15) RCW 18.106.290 (Certificate or permit suspension—Nonpayment
14 or default on educational loan or scholarship) and 1996 c 293 s 17;

15 (16) RCW 18.130.125 (License suspension—Nonpayment or default on
16 educational loan or scholarship) and 1996 c 293 s 18;

17 (17) RCW 18.140.200 (Certificate, license, or registration
18 suspension—Nonpayment or default on educational loan or scholarship)
19 and 2005 c 339 s 16 & 1996 c 293 s 19;

20 (18) RCW 18.145.125 (Certificate suspension—Nonpayment or default
21 on educational loan or scholarship) and 1996 c 293 s 20;

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

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

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

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

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

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

34 **Sec. 202.** RCW 67.08.100 and 2012 c 99 s 6 are each amended to
35 read as follows:

36 (1) The department upon receipt of a properly completed
37 application and payment of a nonrefundable fee, may grant an annual
38 license to an applicant for the following: (a) Promoter; (b) manager;

1 (c) boxer; (d) second; (e) wrestling participant; (f) inspector; (g)
2 judge; (h) timekeeper; (i) announcer; (j) event physician; (k) event
3 chiropractor; (l) referee; (m) matchmaker; (n) kickboxer; (o) martial
4 arts participant; (p) training facility; and (q) amateur sanctioning
5 organization.

6 (2) The application for the following types of licenses shall
7 include a physical performed by a physician, as defined in RCW
8 67.08.002, which was performed by the physician with a time period
9 preceding the application as specified by rule: (a) Boxer; (b)
10 wrestling participant; (c) kickboxer; (d) martial arts participant;
11 and (e) referee.

12 (3) An applicant for the following types of licenses for the
13 sports of boxing, kickboxing, and martial arts shall provide annual
14 proof of certification as having adequate experience, skill, and
15 training from an organization approved by the department, including,
16 but not limited to, the association of boxing commissions, the
17 international boxing federation, the international boxing
18 organization, the Washington state association of professional ring
19 officials, the world boxing association, the world boxing council, or
20 the world boxing organization for boxing officials, and the united
21 full contact federation for kickboxing and martial arts officials:
22 (a) Judge; (b) referee; (c) inspector; (d) timekeeper; or (e) other
23 officials deemed necessary by the department.

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

26 (5) The referees, judges, timekeepers, event physicians,
27 chiropractors, and inspectors for any boxing, kickboxing, or martial
28 arts event shall be designated by the department from among licensed
29 officials.

30 (6) The referee for any wrestling event shall be provided by the
31 promoter and shall be licensed as a wrestling participant.

32 (7) The department shall immediately suspend the license or
33 certificate of a person who has been certified pursuant to RCW
34 74.20A.320 by the department of social and health services as a
35 person who is not in compliance with a support order. If the person
36 has continued to meet all other requirements for reinstatement during
37 the suspension, reissuance of the license or certificate shall be
38 automatic upon the department's receipt of a release issued by the
39 department of social and health services stating that the licensee is
40 in compliance with the order.

1 administrative procedure act shall bear interest at the rate of
2 twelve percent.

3 (3)(a) Judgments founded on the tortious conduct of a "public
4 agency" as defined in RCW 42.30.020 shall bear interest from the date
5 of entry at two percentage points above the equivalent coupon issue
6 yield, as published by the board of governors of the federal reserve
7 system, of the average bill rate for twenty-six week treasury bills
8 as determined at the first bill market auction conducted during the
9 calendar month immediately preceding the date of entry. In any case
10 where a court is directed on review to enter judgment on a verdict or
11 in any case where a judgment entered on a verdict is wholly or partly
12 affirmed on review, interest on the judgment or on that portion of
13 the judgment affirmed shall date back to and shall accrue from the
14 date the verdict was rendered.

15 (b) Except as provided in (a) of this subsection, judgments
16 founded on the tortious conduct of individuals or other entities,
17 whether acting in their personal or representative capacities, shall
18 bear interest from the date of entry at two percentage points above
19 the prime rate, as published by the board of governors of the federal
20 reserve system on the first business day of the calendar month
21 immediately preceding the date of entry. In any case where a court is
22 directed on review to enter judgment on a verdict or in any case
23 where a judgment entered on a verdict is wholly or partly affirmed on
24 review, interest on the judgment or on that portion of the judgment
25 affirmed shall date back to and shall accrue from the date the
26 verdict was rendered.

27 (4) Except as provided under subsection (1) of this section,
28 judgments for unpaid private student loan debt, as defined in RCW
29 6.01.060, shall bear interest from the date of entry at two
30 percentage points above the prime rate, as published by the board of
31 governors of the federal reserve system on the first business day of
32 the calendar month immediately preceding the date of entry.

33 (5) Except as provided under subsections (1), (2), (~~and~~) (3),
34 and (4) of this section, judgments shall bear interest from the date
35 of entry at the maximum rate permitted under RCW 19.52.020 on the
36 date of entry thereof. In any case where a court is directed on
37 review to enter judgment on a verdict or in any case where a judgment
38 entered on a verdict is wholly or partly affirmed on review, interest
39 on the judgment or on that portion of the judgment affirmed shall
40 date back to and shall accrue from the date the verdict was rendered.

1 The method for determining an interest rate prescribed by this
2 subsection is also the method for determining the "rate applicable to
3 civil judgments" for purposes of RCW 10.82.090.

4 **Sec. 302.** RCW 6.01.060 and 1988 c 231 s 1 are each amended to
5 read as follows:

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

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

11 (2) "Private student loan" means any loan not guaranteed by the
12 federal or state government that is used solely for personal use to
13 finance postsecondary education and costs of attendance at an
14 educational institution. A private student loan includes a loan made
15 solely to refinance a private student loan. A private student loan
16 does not include an extension of credit made under an open-end
17 consumer credit plan, a reverse mortgage transaction, a residential
18 mortgage transaction, or any other loan that is secured by real
19 property or a dwelling.

20 **Sec. 303.** RCW 6.15.010 and 2012 c 117 s 2 are each amended to
21 read as follows:

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

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

27 (b) All private libraries including electronic media, which
28 includes audiovisual, entertainment, or reference media in digital or
29 analogue format, of every individual, but not to exceed three
30 thousand five hundred dollars in value, and all family pictures and
31 keepsakes.

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

33 (d) To each individual or, as to community property of spouses
34 maintaining a single household as against a creditor of the
35 community, to the community:

36 (i) The individual's or community's household goods, appliances,
37 furniture, and home and yard equipment, not to exceed six thousand
38 five hundred dollars in value for the individual or thirteen thousand

1 dollars for the community, no single item to exceed seven hundred
2 fifty dollars, said amount to include provisions and fuel for the
3 comfortable maintenance of the individual or community;

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

8 (A) Until January 1, 2018:

9 (I) For debts owed to state agencies, two hundred dollars in
10 value may consist of bank accounts, savings and loan accounts,
11 stocks, bonds, or other securities. The maximum exemption under
12 ~~((e))~~ (d)(ii)(A) of this subsection may not exceed two hundred
13 dollars, regardless of the number of existing separate bank accounts,
14 savings and loan accounts, stocks, bonds, or other securities.

15 (II) For all private student loan debt, one thousand dollars in
16 value may consist of bank accounts, savings and loan accounts,
17 stocks, bonds, or other securities. The maximum exemption under this
18 subsection (1)(d)(ii)(A)(II) may not exceed one thousand dollars,
19 regardless of the number of existing separate bank accounts, savings
20 and loan accounts, stocks, bonds, or other securities.

21 (III) For all other debts, five hundred dollars in value may
22 consist of bank accounts, savings and loan accounts, stocks, bonds,
23 or other securities. The maximum exemption under ~~((e))~~ (d)(ii)(B)
24 (I) of this subsection may not exceed five hundred dollars,
25 regardless of the number of existing separate bank accounts, savings
26 and loan accounts, stocks, bonds, or other securities.

27 (B) After January 1, 2018:

28 (I) For all debts except private student loan debt, five hundred
29 dollars in value may consist of bank accounts, savings and loan
30 accounts, stocks, bonds, or other securities. The maximum exemption
31 under this subsection (1)~~((e))~~ (d)(ii)(B)(I) may not exceed five
32 hundred dollars, regardless of the number of existing separate bank
33 accounts, savings and loan accounts, stocks, bonds, or other
34 securities.

35 (II) For all private student loan debt, one thousand dollars in
36 value may consist of bank accounts, savings and loan accounts,
37 stocks, bonds, or other securities. The maximum exemption under this
38 subsection (1)(d)(ii)(B)(II) may not exceed one thousand dollars,
39 regardless of the number of existing separate bank accounts, savings
40 and loan accounts, stocks, bonds, or other securities;

1 (iii) For an individual, a motor vehicle used for personal
2 transportation, not to exceed three thousand two hundred fifty
3 dollars or for a community two motor vehicles used for personal
4 transportation, not to exceed six thousand five hundred dollars in
5 aggregate value;

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

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

10 (vi) To any individual, the right to or proceeds of a payment not
11 to exceed twenty thousand dollars on account of personal bodily
12 injury, not including pain and suffering or compensation for actual
13 pecuniary loss, of the debtor or an individual of whom the debtor is
14 a dependent; or the right to or proceeds of a payment in compensation
15 of loss of future earnings of the debtor or an individual of whom the
16 debtor is or was a dependent, to the extent reasonably necessary for
17 the support of the debtor and any dependent of the debtor. The
18 exemption under this subsection (1)(~~(e)~~) (d)(vi) does not apply to
19 the right of the state of Washington, or any agent or assignee of the
20 state, as a lienholder or subrogee under RCW 43.20B.060.

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

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

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

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

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

1 than two years prior to the date of a bankruptcy filing or court
2 judgment.

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

7 **Sec. 304.** RCW 6.27.100 and 2012 c 159 s 3 are each amended to
8 read as follows:

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

12 (a) If the writ is issued under an order or judgment for child
13 support, the following statement shall appear conspicuously in the
14 caption: "This garnishment is based on a judgment or order for child
15 support";

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

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

22 "IN THE COURT
23 OF THE STATE OF WASHINGTON IN AND FOR
24 THE COUNTY OF

25 ,
26 Plaintiff, No.

27 vs.
28 , WRIT OF

29 Defendant, GARNISHMENT
30

31 Garnishee
32 THE STATE OF WASHINGTON TO:

33 Garnishee

34 AND TO:

35 Defendant

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

6	Balance on Judgment or Amount of Claim	\$....
7	Interest under Judgment from to	\$....
8	Per Day Rate of Estimated Interest	\$....
9		per day
10	Taxable Costs and Attorneys' Fees	\$....
11	Estimated Garnishment Costs:	
12	Filing and Ex Parte Fees	\$....
13	Service and Affidavit Fees	\$....
14	Postage and Costs of Certified Mail	\$....
15	Answer Fee or Fees	\$....
16	Garnishment Attorney Fee	\$....
17	Other	\$....

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

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

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

1 IF YOU FAIL TO ANSWER THIS WRIT AS COMMANDED, A JUDGMENT MAY BE
2 ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE PLAINTIFF'S CLAIM
3 AGAINST THE DEFENDANT WITH ACCRUING INTEREST, ATTORNEY FEES, AND
4 COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT. IF YOU
5 PROPERLY ANSWER THIS WRIT, ANY JUDGMENT AGAINST YOU WILL NOT EXCEED
6 THE AMOUNT OF ANY NONEXEMPT DEBT OR THE VALUE OF ANY NONEXEMPT
7 PROPERTY OR EFFECTS IN YOUR POSSESSION OR CONTROL.

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

10 Witness, the Honorable, Judge of the above-
11 entitled Court, and the seal thereof, this day
12 of, ((20)). . . . (year)

13 [Seal]

14	.....	.....
15	Attorney for	Clerk of
16	Plaintiff (or	the Court
17	Plaintiff, if no	
18	attorney)	
19	.....	.....
20	Address	By
21	.....	.....
22	Name of Defendant	Address"
23	.....
24	Address of Defendant	

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

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

33 Dated thisday of....., ((20))....
34 (year)

36

1 Attorney for Plaintiff
 2
 3 Address Address of the Clerk of the
 4 Court"
 5
 6 Name of Defendant
 7
 8 Address of Defendant

9 **Sec. 305.** RCW 6.27.105 and 2012 c 159 s 4 are each amended to
 10 read as follows:

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

13 (a) If the writ is issued under an order or judgment for child
 14 support, the following statement shall appear conspicuously in the
 15 caption: "This garnishment is based on a judgment or order for child
 16 support((÷))";

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

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

"IN THE COURT
 OF THE STATE OF WASHINGTON IN AND FOR
 THE COUNTY OF

.....,
 Plaintiff, No.
 vs.
, WRIT OF
 Defendant GARNISHMENT FOR
 CONTINUING LIEN ON
, EARNINGS
 Garnishee

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

AND TO:.....

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:

Balance on Judgment or Amount of Claim	\$
Interest under Judgment from to	\$
Per Day Rate of Estimated Interest	\$
	per day
Taxable Costs and Attorneys' Fees	\$
Estimated Garnishment Costs:	
Filing and Ex Parte Fees	\$
Service and Affidavit Fees	\$
Postage and Costs of Certified Mail	\$
Answer Fee or Fees	\$
Garnishment Attorney Fee	\$
Other	\$

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

YOU ARE HEREBY COMMANDED, unless otherwise directed by the court, by the attorney of record for the plaintiff, or by this writ, not to pay any debt, whether earnings subject to this garnishment or any other debt, owed to the defendant at the time this writ was served and not to deliver, sell, or transfer, or recognize any sale or

1 transfer of, any personal property or effects of the defendant in
2 your possession or control at the time when this writ was served. Any
3 such payment, delivery, sale, or transfer is void to the extent
4 necessary to satisfy the plaintiff's claim and costs for this writ
5 with interest.

6 YOU ARE FURTHER COMMANDED to answer this writ according to the
7 instructions in this writ and in the answer forms and, within twenty
8 days after the service of the writ upon you, to mail or deliver the
9 original of such answer to the court, one copy to the plaintiff or
10 the plaintiff's attorney, and one copy to the defendant, at the
11 addresses listed at the bottom of this writ.

12 If, at the time this writ was served, you owed the defendant any
13 earnings (that is, wages, salary, commission, bonus, tips, or other
14 compensation for personal services or any periodic payments pursuant
15 to a nongovernmental pension or retirement program), the defendant is
16 entitled to receive amounts that are exempt from garnishment under
17 federal and state law. You must pay the exempt amounts to the
18 defendant on the day you would customarily pay the compensation or
19 other periodic payment. As more fully explained in the answer, the
20 basic exempt amount is the greater of seventy-five percent of
21 disposable earnings or a minimum amount determined by reference to
22 the employee's pay period, to be calculated as provided in the
23 answer. However, if this writ carries a statement in the heading
24 (~~that~~) of either: "This garnishment is based on a judgment or order
25 for child support," the basic exempt amount is fifty percent of
26 disposable earnings; or "This garnishment is based on a judgment or
27 order for private student loan debt," the basic exempt amount is the
28 greater of eighty-five percent of disposable earnings or fifty times
29 the minimum hourly wage of the highest minimum wage law in the state
30 at the time the earnings are payable.

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

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

39 IF YOU FAIL TO ANSWER THIS WRIT AS COMMANDED, A JUDGMENT MAY BE
40 ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE PLAINTIFF'S CLAIM

1 AGAINST THE DEFENDANT WITH ACCRUING INTEREST, ATTORNEY FEES, AND
2 COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT. IF YOU
3 PROPERLY ANSWER THIS WRIT, ANY JUDGMENT AGAINST YOU WILL NOT EXCEED
4 THE AMOUNT OF ANY NONEXEMPT DEBT OR THE VALUE OF ANY NONEXEMPT
5 PROPERTY OR EFFECTS IN YOUR POSSESSION OR CONTROL.

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

8 Witness, the Honorable, Judge of the above-
9 entitled Court, and the seal thereof, this day
10 of, (~~20~~). . . . (year)

11 [Seal]

12	.....	.....
13	Attorney for	Clerk of
14	Plaintiff (or	the Court
15	Plaintiff, if no	
16	attorney)	
17	.....	.....
18	Address	By
19	.....	.....
20	Name of Defendant	Address"
21	.....
22	Address of Defendant	

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

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

31 Dated thisday of....., (~~20~~)....
32 (year)

33
34
35 Attorney for Plaintiff

1
 2 Address Address of the Clerk of the
 3 Court"
 4
 5 Name of Defendant
 6
 7 Address of Defendant

8 **Sec. 306.** RCW 6.27.140 and 2012 c 159 s 7 are each amended to
 9 read as follows:

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

14 NOTICE OF GARNISHMENT
 15 AND OF YOUR RIGHTS

16 A Writ of Garnishment issued in a Washington court has been
 17 or will be served on the garnishee named in the attached copy
 18 of the writ. After receipt of the writ, the garnishee is
 19 required to withhold payment of any money that was due to you
 20 and to withhold any other property of yours that the
 21 garnishee held or controlled. This notice of your rights is
 22 required by law.

23 YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

24 WAGES. If the garnishee is your employer who owes wages or
 25 other personal earnings to you, your employer is required to
 26 pay amounts to you that are exempt under state and federal
 27 laws, as explained in the writ of garnishment. You should
 28 receive a copy of your employer's answer, which will show how
 29 the exempt amount was calculated. If the garnishment is for
 30 child support, the exempt amount paid to you will be a
 31 percent of your disposable earnings, which is fifty percent
 32 of that part of your earnings remaining after your employer
 33 deducts those amounts which are required by law to be
 34 withheld. If the garnishment is for private student loan
 35 debt, the exempt amount paid to you will be the greater of
 36 the following: A percent of your disposable earnings, which

1 is eighty-five percent of the part of your earnings remaining
2 after your employer deducts those amounts which are required
3 by law to be withheld, or fifty times the minimum hourly wage
4 of the highest minimum wage law in the state at the time the
5 earnings are payable.

6 BANK ACCOUNTS. If the garnishee is a bank or other
7 institution with which you have an account in which you have
8 deposited benefits such as Temporary Assistance for Needy
9 Families, Supplemental Security Income (SSI), Social
10 Security, veterans' benefits, unemployment compensation, or
11 any federally qualified pension, such as a state or federal
12 pension, individual retirement account (IRA), or 401K plan,
13 you may claim the account as fully exempt if you have
14 deposited only such benefit funds in the account. It may be
15 partially exempt even though you have deposited money from
16 other sources in the same account. An exemption is also
17 available under RCW 26.16.200, providing that funds in a
18 community bank account that can be identified as the earnings
19 of a stepparent are exempt from a garnishment on the child
20 support obligation of the parent.

21 OTHER EXEMPTIONS. If the garnishee holds other property of
22 yours, some or all of it may be exempt under RCW 6.15.010, a
23 Washington statute that exempts certain property of your
24 choice (including money in a bank account up to \$200.00 for
25 debts owed to state agencies, up to \$1,000.00 for private
26 student loan debts, or up to \$500.00 for all other debts) and
27 certain other property such as household furnishings, tools
28 of trade, and a motor vehicle (all limited by differing
29 dollar values).

30 HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and
31 mail or deliver it as described in instructions on the claim
32 form. If the plaintiff does not object to your claim, the
33 funds or other property that you have claimed as exempt must
34 be released not later than 10 days after the plaintiff
35 receives your claim form. If the plaintiff objects, the law
36 requires a hearing not later than 14 days after the plaintiff
37 receives your claim form, and notice of the objection and
38 hearing date will be mailed to you at the address that you
39 put on the claim form.

1 THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY,
2 AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS,
3 BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY
4 DELAY.

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

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

12
13 Name of Court
14 No
15 Plaintiff,
16 vs.
17 EXEMPTION CLAIM
18 Defendant,
19
20 Garnishee Defendant

21 INSTRUCTIONS:

- 22 1. Read this whole form after reading the enclosed
23 notice. Then put an X in the box or boxes that
24 describe your exemption claim or claims and write
25 in the necessary information on the blank lines. If
26 additional space is needed, use the bottom of the
27 last page or attach another sheet.

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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.
 - Pensions and retirement accounts including, but not limited to, U.S. Government Pension, federally qualified pension, individual retirement account (IRA), 401K, 403(b), and any state retirement system listed in RCW 41.50.030. I receive \$ monthly.
 - Unemployment Compensation. I receive \$ monthly.
 - Child support. I receive \$ monthly.
 - Other. Explain

 - \$200 exemption if debt is to state agency.
 - \$1,000 exemption for private student loan debt.
 - \$500 exemption for all other debts.

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

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

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

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

12

13 Name of Court

14

No

15 Plaintiff,

16 vs.

17

EXEMPTION CLAIM

18 Defendant,

19

20 Garnishee Defendant

21 INSTRUCTIONS:

- 22 1. Read this whole form after reading the enclosed
23 notice. Then put an X in the box or boxes that
24 describe your exemption claim or claims and write
25 in the necessary information on the blank lines. If
26 additional space is needed, use the bottom of the
27 last page or attach another sheet.

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

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

NOTICE OF GARNISHMENT
AND OF YOUR RIGHTS

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

YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

1 WAGES. If the garnishee is your employer who owes wages or
2 other personal earnings to you, your employer is required to
3 pay amounts to you that are exempt under state and federal
4 laws, as explained in the writ of garnishment. You should
5 receive a copy of your employer's answer, which will show how
6 the exempt amount was calculated. If the garnishment is for
7 child support, the exempt amount paid to you will be a
8 percent of your disposable earnings, which is fifty percent
9 of that part of your earnings remaining after your employer
10 deducts those amounts which are required by law to be
11 withheld. If the garnishment is for private student loan
12 debt, the exempt amount paid to you will be the greater of
13 the following: A percent of your disposable earnings, which
14 is eighty-five percent of the part of your earnings remaining
15 after your employer deducts those amounts which are required
16 by law to be withheld, or fifty times the minimum hourly wage
17 of the highest minimum wage law in the state at the time the
18 earnings are payable.

19 BANK ACCOUNTS. If the garnishee is a bank or other
20 institution with which you have an account in which you have
21 deposited benefits such as Temporary Assistance for Needy
22 Families, Supplemental Security Income (SSI), Social
23 Security, veterans' benefits, unemployment compensation, or
24 any federally qualified pension, such as a state or federal
25 pension, individual retirement account (IRA), or 401K plan,
26 you may claim the account as fully exempt if you have
27 deposited only such benefit funds in the account. It may be
28 partially exempt even though you have deposited money from
29 other sources in the same account. An exemption is also
30 available under RCW 26.16.200, providing that funds in a
31 community bank account that can be identified as the earnings
32 of a stepparent are exempt from a garnishment on the child
33 support obligation of the parent.

34 OTHER EXEMPTIONS. If the garnishee holds other property of
35 yours, some or all of it may be exempt under RCW 6.15.010, a
36 Washington statute that exempts certain property of your
37 choice (including up to \$1,000.00 in a bank account if you
38 owe on private student loan debts or up to \$500.00 in a bank
39 account for all other debts) and certain other property such

1 as household furnishings, tools of trade, and a motor vehicle
2 (all limited by differing dollar values).

3 HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and
4 mail or deliver it as described in instructions on the claim
5 form. If the plaintiff does not object to your claim, the
6 funds or other property that you have claimed as exempt must
7 be released not later than 10 days after the plaintiff
8 receives your claim form. If the plaintiff objects, the law
9 requires a hearing not later than 14 days after the plaintiff
10 receives your claim form, and notice of the objection and
11 hearing date will be mailed to you at the address that you
12 put on the claim form.

13 THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY,
14 AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS,
15 BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY
16 DELAY.

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

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

24
25 Name of Court
26 No
27 Plaintiff,
28 vs.
29 EXEMPTION CLAIM
30 Defendant,
31
32 Garnishee Defendant

33 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 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.

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
.....

\$1,000 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:

- 1 [] No money other than from above payments are in
 2 the account.
 3 [] Moneys in addition to the above payments have
 4 been deposited in the account. Explain
 5
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7 OTHER PROPERTY:

- 8 [] Describe property
 9
 10 (If you claim other personal property as exempt,
 11 you must attach a list of all other personal property
 12 that you own.)

13

14 Print: Your name	If married or in a state
15	registered domestic
16	partnership,
17	name of husband/wife/
18	state registered domestic
19	partner

20

21 Your signature	Signature of husband,
22	wife, or state registered
23	domestic partner

24

25

26 Address	Address
27	(if different from yours)

28

29 Telephone number	Telephone number
30	(if different from yours)

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

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

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

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

12
13 Name of Court
14 No.....
15 Plaintiff,
16 vs.
17 EXEMPTION CLAIM
18 Defendant,
19
20 Garnishee Defendant

21 INSTRUCTIONS:

- 22 1. Read this whole form after reading the enclosed
23 notice. Then put an X in the box or boxes that
24 describe your exemption claim or claims and write
25 in the necessary information on the blank lines. If
26 additional space is needed, use the bottom of the
27 last page or attach another sheet.

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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
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.....

Your signature	Signature of husband, wife, or state registered domestic partner
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.....

Address	Address
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(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. 308. 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.

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

1 NEW SECTION. **Sec. 406.** If specific funding for the purposes of
2 this act, referencing this act by bill or chapter number, is not
3 provided by June 30, 2017, in the omnibus appropriations act, this
4 act is null and void."

2SHB 1169 - S COMM AMD
By Committee on Higher Education

OUT OF ORDER 02/27/2018

5 On page 1, line 2 of the title, after "loans;" strike the
6 remainder of the title and insert "amending RCW 67.08.100, 4.56.110,
7 6.01.060, 6.15.010, 6.27.100, 6.27.105, 6.27.140, 6.27.140, and
8 6.27.150; adding a new chapter to Title 28B RCW; creating new
9 sections; repealing RCW 2.48.165, 18.04.420, 18.08.470, 18.11.270,
10 18.16.230, 18.20.200, 18.27.360, 18.39.465, 18.43.160, 18.46.055,
11 18.76.100, 18.85.341, 18.96.190, 18.104.115, 18.106.290, 18.130.125,
12 18.140.200, 18.145.125, 18.160.085, 18.165.280, 18.170.163,
13 18.180.050, 18.185.055, and 28A.410.105; providing an effective date;
14 and providing an expiration date."

EFFECT: Makes clarifications to the definition of "borrower";
Specifies that student loan debt counseling organizations may be
held liable for patterns of fraud, and intentional misrepresentation;
and
Changes the amount of money held in bank accounts, savings,
stocks, and bonds that is exempt from execution, attachment and
garnishment in default of a private student loan, from \$2,500 to
\$1,000.

--- END ---