
SUBSTITUTE HOUSE BILL 1169

State of Washington

65th Legislature

2017 Regular Session

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

READ FIRST TIME 02/16/17.

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, 6.27.140, and 6.27.150;
4 adding a new chapter to Title 28B RCW; creating new sections;
5 repealing RCW 2.48.165, 18.04.420, 18.08.470, 18.11.270, 18.16.230,
6 18.20.200, 18.27.360, 18.39.465, 18.43.160, 18.46.055, 18.76.100,
7 18.85.341, 18.96.190, 18.104.115, 18.106.290, 18.130.125, 18.140.200,
8 18.145.125, 18.160.085, 18.165.280, 18.170.163, 18.180.050,
9 18.185.055, and 28A.410.105; providing an effective date; and
10 providing an expiration date.

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

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

1 homeowners than those who do not have college degrees. In fact, young
2 adults aged twenty-two to thirty-five with a college degree are fifty
3 percent more likely to own a home than those without a degree.

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

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

26 The legislature recognizes that student loan debt is very
27 different from other forms of debt, such as auto loans and home
28 mortgages, for a variety of reasons. With most debt, borrowers know
29 beforehand how much their monthly payment will be. However, student
30 loans are more complicated because a student may borrow different
31 amounts term to term and make decisions on an incremental basis as
32 their financial aid packages, work, and living situations change. In
33 addition, student loans may have origination fees, accumulated and
34 capitalized interest, grace and forbearance periods, and income-based
35 repayment options that all change the monthly payment amount. The
36 legislature recognizes that another major difference with student
37 loan debt is the unknown factor: Students take out the debt without
38 having a clear idea of their future income and other financial
39 obligations. Lastly, if a student has trouble repaying a student
40 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; harassment by collection agencies; garnishment of wages and
14 bank accounts; as well as seizing of the borrower's tax refund,
15 social security retirement, and disability benefits. Defaulting on a
16 student loan damages a borrower's credit, making it difficult to
17 qualify for a mortgage or auto loan, rent an apartment, and even find
18 employment, closing people off from the resources they need for
19 financial stability.

20 The legislature finds that students may be uninformed borrowers
21 who underestimate what their monthly payment may be after they leave
22 school or who do not fully understand the complex, myriad of options
23 available to them to repay their federal student loans. The
24 legislature recognizes that students may need help navigating
25 available options and could benefit from assistance. Also, the
26 legislature identifies that the housing counseling services
27 established for homeowners in foreclosure is a model that could be
28 replicated for student loan borrowers. Therefore, the legislature
29 intends to use the housing finance commission and the existing
30 structure for housing counselors to create a statewide student loan
31 debt hotline as well as providing student loan debt counselors.

32 The legislature also acknowledges that the state currently allows
33 regulators of twenty-six professions to suspend the professional
34 licenses or certificates of student loan borrowers who have defaulted
35 on their loans. In 2015 the department of licensing reported one
36 hundred ten license suspensions for student loan default within the
37 eleven professions it regulates, most of which were in the field of
38 cosmetology. Twenty-one states have similar laws, but recently some
39 states have repealed their laws or introduced legislation to do so,
40 recognizing that license suspension hinders a borrower's ability to

1 repay. It is the legislature's intent to repeal the statutes
2 regarding professional license or certificate suspension and intends
3 for those who had their license or certificate suspended to be
4 eligible to have their license or certificate reinstated.

5 The legislature also finds that Washington state has high
6 postjudgment interest rates and generous wage and bank account
7 garnishment rates that negatively impact private student loan
8 borrowers who default. Studies indicate that wage and bank account
9 garnishment contributes to financial and employment instability,
10 unemployment, bankruptcy, homelessness, and chronic stress.
11 Washington's high interest and garnishment rates also increase the
12 courts' caseload by making it more attractive for lenders of private
13 student loans to sue a borrower in court and obtain a judgment than
14 to negotiate an agreement or settlement with the borrower.

15 Washington state's postjudgment interest rate was set at twelve
16 percent in 1980 when the prime interest rate was fifteen percent. The
17 current prime interest rate stands at three and one-half percent. In
18 addition, the state's current postjudgment rate on torts is around
19 three percent.

20 Regarding wage garnishment, many states, such as Texas,
21 Pennsylvania, and South Carolina do not allow for wage garnishment
22 for consumer debt. For federal student loans, the department of
23 education can garnish up to fifteen percent of a borrower's
24 disposable income, but not more than thirty times the minimum wage.
25 In Washington, a borrower can have twenty-five percent of his or her
26 disposable earnings garnished, or thirty-five times the federal
27 minimum wage. As for bank account exemptions, Massachusetts protects
28 two thousand five hundred dollars from garnishment compared to
29 Washington's current exemption of five hundred dollars. To put this
30 figure into perspective, the average rent in the Seattle metropolitan
31 area is two thousand eighty-seven dollars.

32 Therefore, it is the legislature's intent to provide no-cost,
33 independent financial counseling to Washington students to help them
34 make informed financial decisions about student loan debt and to help
35 student loan borrowers in default avoid loss of professional license
36 or certification, which hinders repayment. It is also the
37 legislature's intent to help student loan borrowers in default to
38 maintain financial stability and to avoid the hardships of bank
39 account and wage garnishment by making the postjudgment interest rate

1 for private student loan debt more comparable to the market rate and
2 by increasing the exemptions for bank account and wage garnishments.

3 **PART I**

4 **STUDENT EDUCATION LOAN DEBT COUNSELORS**

5 NEW SECTION. **Sec. 101.** The definitions in this section apply
6 throughout this chapter unless the context clearly requires
7 otherwise.

8 (1) "Borrower" means a resident of the state of Washington who is
9 obligated to repay a student education loan. For the purposes of this
10 chapter, the most recent permanent address provided by the borrower
11 to the educational institution, lender, servicer, or collection
12 agency determines the residency of the borrower.

13 (2) "Collection agency" has the definition in RCW 19.16.100.

14 (3) "Educational institution" includes institutions of higher
15 education as defined in RCW 28B.10.016, any degree-granting
16 institution as defined in RCW 28B.85.010, a private vocational school
17 as defined in RCW 28C.10.020, or school as defined in RCW 18.16.020.

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

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

26 (6) "Student education loan" means any loan solely for personal
27 use to finance postsecondary education and costs of attendance at an
28 educational institution. A "student education loan" includes a loan
29 made solely to refinance a student education loan. A "student
30 education loan" does not include an extension of credit under an
31 open-end consumer credit plan, an extension of credit under a closed-
32 end consumer credit plan, a reverse mortgage transaction, a
33 residential mortgage transaction, or any other loan that is secured
34 by real property or a dwelling.

35 (7) "Student education loan debt counseling organization" means a
36 nonprofit counseling organization that has been trained in assisting
37 borrowers with repayment and other options available to borrowers
38 regarding student education loans and student education loan default

1 in accordance with the requirements in section 103 of this act and is
2 approved by either the federal government or the housing finance
3 commission.

4 (8) "Student education loan debt hotline" is the toll-free
5 telephone number or charge-free equivalent made available to
6 borrowers to find a nonprofit student education loan debt counseling
7 organization.

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

12 (a) An educational institution any time a borrower with loans
13 certified by the educational institution drops out, transfers to a
14 different educational institution, or graduates from the educational
15 institution; and

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

19 (2) The student achievement council under chapter 28B.77 RCW, the
20 state board for community and technical colleges under RCW
21 28B.50.050, and the educational institutions are encouraged to
22 disseminate the information in subsection (3) of this section by
23 posting it on web sites, including it in financial aid educational
24 materials and notices, educating financial aid advisors, and any
25 other method deemed appropriate with the goal of notifying as many
26 students as possible.

27 (3) The notice must include a toll-free telephone number for the
28 statewide student education loan debt hotline and a web site where
29 the borrower can receive information and assistance with student
30 education loans, including a statement that student education loan
31 debt counselors are available at no cost to the borrower. The notice
32 sent to students must include the following statement, in at least
33 twelve point type:

34 **SEEKING ASSISTANCE**

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

1 The statewide student education loan debt hotline for assistance
2 and referral to a nonprofit student education loan debt counseling
3 organization:

4 Telephone: Web site:

5 The Federal Student Aid Office of the United States Department of
6 Education:

7 Telephone: Web site:

8 NEW SECTION. **Sec. 103.** (1) To be eligible to provide student
9 education loan debt counseling services, a student education loan
10 debt counseling organization must be a nonprofit that has student
11 education loan counselors familiar with issues regarding student
12 education loan debt including, but not limited to:

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

15 (b) Grace periods, repayment, deferment, forbearance,
16 delinquency, and default statuses;

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

19 (d) The impact of private and federal student education loan
20 default, such as denial of new student education loans and federal
21 and state financial aid, negative credit reporting, academic
22 transcript withholding, litigation, collection fees, federal treasury
23 offsets, wage garnishment, and bank account garnishment;

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

27 (f) Options for resolving delinquency and requirements for
28 student education loan rehabilitation;

29 (g) When student education loan consolidation benefits a borrower
30 and the pros and cons of federal student education loan consolidation
31 versus private student education loan consolidation;

32 (h) The impacts of refinancing a federal or private student
33 education loan with other consumer debt, such as the loss of federal
34 income-based repayment, pay as you earn, and loan forgiveness
35 options; loss of forbearance, deferment, and delinquency periods for
36 federal student education loans; the loss of the student education
37 loan debt counseling assistance; and the potential loss of lower
38 postjudgment interest and garnishment rates in the event of default;

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

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

5 (2) Counseling organizations shall be approved by the housing
6 finance commission to become student education loan debt counseling
7 organizations with the responsibilities under section 104 of this
8 act.

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

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

14 (b) Advising the borrower about what documents the borrower must
15 have to seek a student education loan modification or other
16 resolution; and

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

19 (2) Student education loan debt counseling organizations and
20 their counselors providing assistance to borrowers are not liable for
21 civil damages resulting from any acts or omissions in providing
22 assistance, unless the acts or omissions constitute gross negligence
23 or willful or wanton misconduct.

24 (3) The department of commerce shall enter into interagency
25 agreements to contract with the Washington state housing finance
26 commission and other appropriate entities to implement the student
27 education loan debt counseling program and the student education loan
28 debt hotline required under this chapter.

29 **PART II**

30 **PROFESSIONAL LICENSE SUSPENSIONS**

31 NEW SECTION. **Sec. 201.** 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. 202.** RCW 67.08.100 and 2012 c 99 s 6 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; and (q) amateur sanctioning
22 organization.

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

29 (3) An applicant for the following types of licenses for the
30 sports of boxing, kickboxing, and martial arts shall 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 shall 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 shall be designated by the department from among licensed
8 officials.

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

11 (7) The department shall 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 shall be
17 automatic upon the department's receipt of a release issued by the
18 department of social and health services stating that the licensee is
19 in compliance with the order.

20 ~~(8) ((The director shall suspend the license of any person who
21 has been certified by a lending agency and reported to the director
22 for nonpayment or default on a federally or state-guaranteed
23 educational loan or service conditional scholarship. Prior to the
24 suspension, the agency must provide the person an opportunity for a
25 brief adjudicative proceeding under RCW 34.05.485 through 34.05.494
26 and 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) This section shall not apply to contestants or
40 participants in events at which only amateurs are engaged in contests

1 and/or fraternal organizations and/or veterans' organizations
2 chartered by congress or the defense department excluding any
3 recognized amateur sanctioning body recognized by the department.
4 Upon request of the department, a promoter, contestant, or
5 participant shall provide sufficient information to reasonably
6 determine whether this chapter applies.

7 **PART III**

8 **PRIVATE STUDENT LOAN DEFAULT**

9 **Sec. 301.** RCW 4.56.110 and 2010 c 149 s 1 are each amended to
10 read as follows:

11 Interest on judgments shall accrue as follows:

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

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

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

32 (b) Except as provided in (a) of this subsection, judgments
33 founded on the tortious conduct of individuals or other entities,
34 whether acting in their personal or representative capacities, shall
35 bear interest from the date of entry at two percentage points above
36 the prime rate, as published by the board of governors of the federal
37 reserve system on the first business day of the calendar month
38 immediately preceding the date of entry. In any case where a court is

1 directed on review to enter judgment on a verdict or in any case
2 where a judgment entered on a verdict is wholly or partly affirmed on
3 review, interest on the judgment or on that portion of the judgment
4 affirmed shall date back to and shall accrue from the date the
5 verdict was rendered.

6 (4) Except as provided under subsection (1) of this section,
7 judgments for unpaid private student loan debt, as defined in RCW
8 6.01.060, shall bear interest from the date of entry at two
9 percentage points above the prime rate, as published by the board of
10 governors of the federal reserve system on the first business day of
11 the calendar month immediately preceding the date of entry.

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

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

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

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

30 (2) "Private student loan" means any loan not guaranteed by the
31 federal or state government that is used solely for personal use to
32 finance postsecondary education and costs of attendance at an
33 educational institution. A private student loan includes a loan made
34 solely to refinance a private student loan. A private student loan
35 does not include an extension of credit made under an open-end
36 consumer credit plan, a reverse mortgage transaction, a residential
37 mortgage transaction, or any other loan that is secured by real
38 property or a dwelling.

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

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

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

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

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

14 (d) To each individual or, as to community property of spouses
15 maintaining a single household as against a creditor of the
16 community, to the community:

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

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

27 (A) Until January 1, 2018:

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

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

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

7 (B) After January 1, 2018:

8 (I) For all debts except private student loan debt, five hundred
9 dollars in value may consist of bank accounts, savings and loan
10 accounts, stocks, bonds, or other securities. The maximum exemption
11 under this subsection ~~(1)((e))~~ (d)(ii)(B)(I) may not exceed five
12 hundred dollars, regardless of the number of existing separate bank
13 accounts, savings and loan accounts, stocks, bonds, or other
14 securities.

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

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

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

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

31 (vi) To any individual, the right to or proceeds of a payment not
32 to exceed twenty thousand dollars on account of personal bodily
33 injury, not including pain and suffering or compensation for actual
34 pecuniary loss, of the debtor or an individual of whom the debtor is
35 a dependent; or the right to or proceeds of a payment in compensation
36 of loss of future earnings of the debtor or an individual of whom the
37 debtor is or was a dependent, to the extent reasonably necessary for
38 the support of the debtor and any dependent of the debtor. The
39 exemption under this subsection ~~(1)((e))~~ (d)(vi) does not apply to

1 the right of the state of Washington, or any agent or assignee of the
2 state, as a lienholder or subrogee under RCW 43.20B.060.

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

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

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

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

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

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

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

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

34 (a) If the writ is issued under an order or judgment for child
35 support, the following statement shall appear conspicuously in the
36 caption: "This garnishment is based on a judgment or order for child
37 support";

38 (b) If the writ is issued under an order or judgment for private
39 student loan debt, the following statement shall appear conspicuously

1 in the caption: "This garnishment is based on a judgment or order for
2 private student loan debt"; and

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

5 "IN THE COURT
6 OF THE STATE OF WASHINGTON IN AND FOR
7 THE COUNTY OF

8 ,
9 Plaintiff, No.

10 vs.

11 , WRIT OF
12 Defendant, GARNISHMENT

13 ,
14 Garnishee

15 THE STATE OF WASHINGTON TO:
16 Garnishee

17 AND TO:
18 Defendant

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

24	Balance on Judgment or Amount of Claim	\$
25	Interest under Judgment from to	\$
26	Per Day Rate of Estimated Interest	\$
27		per day
28	Taxable Costs and Attorneys' Fees	\$
29	Estimated Garnishment Costs:	
30	Filing and Ex Parte Fees	\$
31	Service and Affidavit Fees	\$
32	Postage and Costs of Certified Mail	\$
33	Answer Fee or Fees	\$
34	Garnishment Attorney Fee	\$
35	Other	\$

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

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

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

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

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

30 Witness, the Honorable, Judge of the above-
31 entitled Court, and the seal thereof, this day
32 of, ((20)). . . . (year)

33 [Seal]

34
35 Attorney for Clerk of
36 Plaintiff (or the Court
37 Plaintiff, if no
38 attorney)

1
 2 Address By
 3
 4 Name of Defendant Address"
 5
 6 Address of Defendant

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

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

15 Dated thisday of....., ((20))....
 16 (year)
 17
 18 Attorney for Plaintiff
 19
 20 Address Address of the Clerk of the
 21 Court"
 22
 23 Name of Defendant
 24
 25 Address of Defendant
 26

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

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

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

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

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

7 "IN THE COURT
8 OF THE STATE OF WASHINGTON IN AND FOR
9 THE COUNTY OF

10 ,
11 Plaintiff, No.
12 vs.
13 , WRIT OF
14 Defendant GARNISHMENT FOR
15 CONTINUING LIEN ON
16 , EARNINGS
17 Garnishee

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

20 AND TO:.....
21 Defendant

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

27	Balance on Judgment or Amount of Claim	\$
28	Interest under Judgment from to	\$
29	Per Day Rate of Estimated Interest	\$
30		per day
31	Taxable Costs and Attorneys' Fees	\$
32	Estimated Garnishment Costs:	
33	Filing and Ex Parte Fees	\$
34	Service and Affidavit Fees	\$
35	Postage and Costs of Certified Mail	\$
36	Answer Fee or Fees	\$

1 other periodic payment. As more fully explained in the answer, the
2 basic exempt amount is the greater of seventy-five percent of
3 disposable earnings or a minimum amount determined by reference to
4 the employee's pay period, to be calculated as provided in the
5 answer. However, if this writ carries a statement in the heading
6 (~~that~~) of either: "This garnishment is based on a judgment or order
7 for child support," the basic exempt amount is fifty percent of
8 disposable earnings; or "This garnishment is based on a judgment or
9 order for private student loan debt," the basic exempt amount is the
10 greater of eighty-five percent of disposable earnings or fifty times
11 the minimum hourly wage of the highest minimum wage law in the state
12 at the time the earnings are payable.

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

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

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

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

30 Witness, the Honorable, Judge of the above-
31 entitled Court, and the seal thereof, this day
32 of, ((20)). . . . (year)

33 [Seal]

34
35 Attorney for Clerk of
36 Plaintiff (or the Court
37 Plaintiff, if no
38 attorney)

1
 2 Address By
 3
 4 Name of Defendant Address"
 5
 6 Address of Defendant

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

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

15 Dated thisday of, ((20))....
 16 (year)
 17
 18
 19 Attorney for Plaintiff
 20
 21 Address Address of the Clerk of the
 22 Court"
 23
 24 Name of Defendant
 25
 26 Address of Defendant

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

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

33 NOTICE OF GARNISHMENT
 34 AND OF YOUR RIGHTS

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

8 YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

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

27 BANK ACCOUNTS. If the garnishee is a bank or other
28 institution with which you have an account in which you have
29 deposited benefits such as Temporary Assistance for Needy
30 Families, Supplemental Security Income (SSI), Social
31 Security, veterans' benefits, unemployment compensation, or
32 any federally qualified pension, such as a state or federal
33 pension, individual retirement account (IRA), or 401K plan,
34 you may claim the account as fully exempt if you have
35 deposited only such benefit funds in the account. It may be
36 partially exempt even though you have deposited money from
37 other sources in the same account. An exemption is also
38 available under RCW 26.16.200, providing that funds in a

1 community bank account that can be identified as the earnings
2 of a stepparent are exempt from a garnishment on the child
3 support obligation of the parent.

4 OTHER EXEMPTIONS. If the garnishee holds other property of
5 yours, some or all of it may be exempt under RCW 6.15.010, a
6 Washington statute that exempts certain property of your
7 choice (including money in a bank account up to \$200.00 for
8 debts owed to state agencies, up to \$2,500.00 for private
9 student loan debts, or up to \$500.00 for all other debts) and
10 certain other property such as household furnishings, tools
11 of trade, and a motor vehicle (all limited by differing
12 dollar values).

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

23 THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY,
24 AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS,
25 BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY
26 DELAY.

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

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

34
35 Name of Court
36 No
37 Plaintiff,

1 vs.

2 EXEMPTION CLAIM

3 Defendant,

4
5 Garnishee Defendant

6 INSTRUCTIONS:

- 7 1. Read this whole form after reading the enclosed
- 8 notice. Then put an X in the box or boxes that
- 9 describe your exemption claim or claims and write
- 10 in the necessary information on the blank lines. If
- 11 additional space is needed, use the bottom of the
- 12 last page or attach another sheet.

- 13 2. Make two copies of the completed form. Deliver
- 14 the original form by first-class mail or in person to
- 15 the clerk of the court, whose address is shown at
- 16 the bottom of the writ of garnishment. Deliver one
- 17 of the copies by first-class mail or in person to the
- 18 plaintiff or plaintiff's attorney, whose name and
- 19 address are shown at the bottom of the writ. Keep
- 20 the other copy. YOU SHOULD DO THIS AS
- 21 QUICKLY AS POSSIBLE, BUT NO LATER
- 22 THAN 28 DAYS (4 WEEKS) AFTER THE
- 23 DATE ON THE WRIT.

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

25 IF BANK ACCOUNT IS GARNISHED:

- 26 [] The account contains payments from:
- 27 [] Temporary assistance for needy families, SSI, or
- 28 other public assistance. I receive \$
- 29 monthly.
- 30 [] Social Security. I receive \$ monthly.
- 31 [] Veterans' Benefits. I receive \$ monthly.

1 [] Pensions and retirement accounts including, but
2 not limited to, U.S. Government Pension,
3 federally qualified pension, individual retirement
4 account (IRA), 401K, 403(b), and any state
5 retirement system listed in RCW 41.50.030. I
6 receive \$ monthly.

7 [] Unemployment Compensation. I receive \$
8 monthly.

9 [] Child support. I receive \$ monthly.

10 [] Other. Explain
11

12 [] \$200 exemption if debt is to state agency.

13 [] \$2,500 exemption for private student loan debt.

14 [] \$500 exemption for all other debts.

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

17 [] No money other than from above payments are in
18 the account.

19 [] Moneys in addition to the above payments have
20 been deposited in the account. Explain
21
22

23 OTHER PROPERTY:

24 [] Describe property
25

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

29

30 Print: Your name If married or in a state
31 registered domestic
32 partnership,
33 name of husband/wife/
34 state registered domestic
35 partner
36

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 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,

1		name of husband/wife/state
2		registered domestic partner
3
4	Your signature	Signature of husband,
5		wife, or state registered
6		domestic partner
7
8
9	Address	Address
10		(if different from yours)
11
12	Telephone number	Telephone number
13		(if different from yours)

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

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

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

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

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

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

35 NOTICE OF GARNISHMENT

1 AND OF YOUR RIGHTS

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

9 YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

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

28 BANK ACCOUNTS. If the garnishee is a bank or other
29 institution with which you have an account in which you have
30 deposited benefits such as Temporary Assistance for Needy
31 Families, Supplemental Security Income (SSI), Social
32 Security, veterans' benefits, unemployment compensation, or
33 any federally qualified pension, such as a state or federal
34 pension, individual retirement account (IRA), or 401K plan,
35 you may claim the account as fully exempt if you have
36 deposited only such benefit funds in the account. It may be
37 partially exempt even though you have deposited money from
38 other sources in the same account. An exemption is also

1 available under RCW 26.16.200, providing that funds in a
2 community bank account that can be identified as the earnings
3 of a stepparent are exempt from a garnishment on the child
4 support obligation of the parent.

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

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

23 THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY,
24 AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS,
25 BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY
26 DELAY.

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

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

34
35 Name of Court
36 No
37 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.
 - 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.

- 1 Child support. I receive \$ monthly.
- 2 Other. Explain
- 3
- 4 \$2,500 exemption for private student loan debts.
- 5 \$500 exemption for all other debts.

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

- 8 No money other than from above payments are in
- 9 the account.
- 10 Moneys in addition to the above payments have
- 11 been deposited in the account. Explain
- 12
- 13

14 OTHER PROPERTY:

- 15 Describe property
- 16
- 17 (If you claim other personal property as exempt,
- 18 you must attach a list of all other personal property
- 19 that you own.)

20

21 Print: Your name 22 23 24 25 26 27 	If married or in a state registered domestic partnership, name of husband/wife/ state registered domestic partner Signature of husband, wife, or state registered domestic partner
28 Your signature 29 30 31 32 	
33 Address 34 35 	Address (if different from yours)
36 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:

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.

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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.

