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HOUSE BILL 2731

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State of Washington

65th Legislature

2018 Regular Session

By Representatives Jenkins, Macri, Cody, Tharinger, Kilduff, Slatter, Clibborn, Stonier, Valdez, Robinson, Riccelli, Hansen, Orwall, Stanford, Gregerson, Doglio, and Frame

Read first time 01/15/18. Referred to Committee on Judiciary.

1 AN ACT Relating to collection of medical debt; and amending RCW  
2 19.52.010, 19.52.020, 6.01.060, 6.15.010, 6.27.100, 6.27.105,  
3 6.27.140, 6.27.150, 19.16.100, and 19.16.250.

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

5 **Sec. 1.** RCW 19.52.010 and 2011 c 336 s 542 are each amended to  
6 read as follows:

7 (1) Except as provided in subsection (2) of this section, every  
8 loan or forbearance of money, goods, or thing in action shall bear  
9 interest at the rate of twelve percent per annum where no different  
10 rate is agreed to in writing between the parties: PROVIDED, That with  
11 regard to any transaction heretofore or hereafter entered into  
12 subject to this section, if an agreement in writing between the  
13 parties evidencing such transaction provides for the payment of money  
14 at the end of an agreed period of time or in installments over an  
15 agreed period of time, then such agreement shall constitute a writing  
16 for purposes of this section and satisfy the requirements thereof.  
17 The discounting of commercial paper, where the borrower makes himself  
18 or herself liable as maker, guarantor, or indorser, shall be  
19 considered as a loan for the purposes of this chapter.

20 (2)(a) No prejudgment interest shall be charged or collected on  
21 any alleged medical debt by any hospital or other medical services

1 provider, or by any collection agency that collects or attempts to  
2 collect on such obligations.

3 (b) For any alleged medical debt, if any, for which prejudgment  
4 interest has accrued or may be accruing as of the effective date of  
5 this section, no prejudgment interest shall accrue thereafter.

6 (c) Any postjudgment interest for medical debt is limited to the  
7 rate of interest equal to the weekly average one-year constant  
8 maturity treasury yield, but not less than two percent per annum nor  
9 more than five percent per annum, as published by the board of  
10 governors of the federal reserve system, for the calendar week  
11 preceding the date when the consumer was first provided with a bill.  
12 Patients eligible for charity care under RCW 70.170.060 must not be  
13 charged any interest or late fees on the amount covered by charity  
14 care.

15 (d) "Medical debt" as used in this subsection (2) means any  
16 alleged debt or payment obligation arising from the provision of  
17 medical goods or services, and does not include dental goods or  
18 services.

19 (3) A lease shall not be considered a loan or forbearance for the  
20 purposes of this chapter if:

21 (a) It constitutes a "consumer lease" as defined in RCW  
22 63.10.020;

23 (b) It constitutes a lease-purchase agreement under chapter 63.19  
24 RCW; or

25 (c) It would constitute such "consumer lease" but for the fact  
26 that:

27 (i) The lessee was not a natural person;

28 (ii) The lease was not primarily for personal, family, or  
29 household purposes; or

30 (iii) The total contractual obligation exceeded twenty-five  
31 thousand dollars.

32 **Sec. 2.** RCW 19.52.020 and 1989 c 14 s 3 are each amended to read  
33 as follows:

34 (1) Except as provided in subsection (4) of this section, any  
35 rate of interest shall be legal so long as the rate of interest does  
36 not exceed the higher of: (a) Twelve percent per annum; or (b) four  
37 percentage points above the equivalent coupon issue yield (as  
38 published by the Board of Governors of the Federal Reserve System) of  
39 the average bill rate for twenty-six week treasury bills as

1 determined at the first bill market auction conducted during the  
2 calendar month immediately preceding the later of (i) the  
3 establishment of the interest rate by written agreement of the  
4 parties to the contract, or (ii) any adjustment in the interest rate  
5 in the case of a written agreement permitting an adjustment in the  
6 interest rate. No person shall directly or indirectly take or receive  
7 in money, goods, or things in action, or in any other way, any  
8 greater interest for the loan or forbearance of any money, goods, or  
9 things in action.

10 (2)(a) In any loan of money in which the funds advanced do not  
11 exceed the sum of five hundred dollars, a setup charge may be charged  
12 and collected by the lender, and such setup charge shall not be  
13 considered interest hereunder.

14 (b) The setup charge shall not exceed four percent of the amount  
15 of funds advanced, or fifteen dollars, whichever is the lesser,  
16 except that on loans of under one hundred dollars a minimum not  
17 exceeding four dollars may be so charged.

18 (3) Any loan made pursuant to a commitment to lend at an interest  
19 rate permitted at the time the commitment is made shall not be  
20 usurious. Credit extended pursuant to an open-end credit agreement  
21 upon which interest is computed on the basis of a balance or balances  
22 outstanding during a billing cycle shall not be usurious if on any  
23 one day during the billing cycle the rate at which interest is  
24 charged for the billing cycle is not usurious.

25 (4)(a) No prejudgment interest shall be charged or collected on  
26 any alleged medical debt by any hospital or other medical services  
27 provider, or by any collection agency that collects or attempts to  
28 collect on such obligations.

29 (b) For any alleged medical debt, if any, for which prejudgment  
30 interest has accrued or may be accruing as of the effective date of  
31 this section, no prejudgment interest shall accrue thereafter.

32 (c) Any postjudgment rate of interest for medical debt is limited  
33 to the rate of interest equal to the weekly average one-year constant  
34 maturity treasury yield, but not less than two percent per annum nor  
35 more than five percent per annum, as published by the board of  
36 governors of the federal reserve system, for the calendar week  
37 preceding the date when the consumer was first provided with a bill.

38 (d) Patients eligible for charity care under RCW 70.170.060 must  
39 not be charged any interest or late fees on the amount covered by  
40 charity care.

1 (e) The rate of interest provided in this subsection applies to  
2 any judgments on medical debt, notwithstanding any agreement to the  
3 contrary.

4 (f) "Medical debt" as used in this subsection (4) means any  
5 alleged debt or payment obligation arising from the provision of  
6 medical goods or services, and does not include dental goods or  
7 services.

8 **Sec. 3.** RCW 6.01.060 and 1988 c 231 s 1 are each amended to read  
9 as follows:

10 ~~((The term))~~ The definitions in this section apply throughout  
11 this title unless the context clearly requires otherwise.

12 (1) "Certified ((mail," as used in this title,)) mail" includes,  
13 for mailings to a foreign country, any form of mail that requires or  
14 permits a return receipt.

15 (2) "Medical debt" means any alleged debt or payment obligation  
16 arising from the provision of medical goods or services, and does not  
17 include dental goods or services.

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

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

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

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

30 (c) To each individual or, as to community property of spouses  
31 maintaining a single household as against a creditor of the  
32 community, to the community:

33 (i) The individual's or community's household goods, appliances,  
34 furniture, and home and yard equipment, not to exceed six thousand  
35 five hundred dollars in value for the individual or thirteen thousand  
36 dollars for the community, no single item to exceed seven hundred  
37 fifty dollars, said amount to include provisions and fuel for the  
38 comfortable maintenance of the individual or community;

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

5 ~~(A) ((Until January 1, 2018:~~

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

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

18 ~~(B) After January 1, 2018:~~) For all debts except as provided in  
19 (c)(ii)(B) of this subsection, five hundred dollars in value may  
20 consist of bank accounts, savings and loan accounts, stocks, bonds,  
21 or other securities. The maximum exemption under this subsection  
22 (1)(c)(ii)((~~B~~)) (A) may not exceed five hundred dollars, regardless  
23 of the number of existing separate bank accounts, savings and loan  
24 accounts, stocks, bonds, or other securities.

25 (B) After the effective date of this section: For all medical  
26 debt, two thousand five hundred dollars in value may consist of bank  
27 accounts, savings and loan accounts, stocks, bonds, or other  
28 securities. The maximum exemption under this subsection (1)(c)(ii)(B)  
29 may not exceed two thousand five hundred dollars, regardless of the  
30 number of existing separate bank accounts, savings and loan accounts,  
31 stocks, bonds, or other securities;

32 (iii) For an individual, a motor vehicle used for personal  
33 transportation, not to exceed three thousand two hundred fifty  
34 dollars or for a community two motor vehicles used for personal  
35 transportation, not to exceed six thousand five hundred dollars in  
36 aggregate value;

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

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

1 (vi) To any individual, the right to or proceeds of a payment not  
2 to exceed twenty thousand dollars on account of personal bodily  
3 injury, not including pain and suffering or compensation for actual  
4 pecuniary loss, of the debtor or an individual of whom the debtor is  
5 a dependent; or the right to or proceeds of a payment in compensation  
6 of loss of future earnings of the debtor or an individual of whom the  
7 debtor is or was a dependent, to the extent reasonably necessary for  
8 the support of the debtor and any dependent of the debtor. The  
9 exemption under this subsection (1)(c)(vi) does not apply to the  
10 right of the state of Washington, or any agent or assignee of the  
11 state, as a lienholder or subrogee under RCW 43.20B.060.

12 (d) To each qualified individual, one of the following  
13 exemptions:

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

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

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

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

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

37 **Sec. 5.** RCW 6.27.100 and 2012 c 159 s 3 are each amended to read  
38 as follows:

1 (1) A writ issued for a continuing lien on earnings shall be  
2 substantially in the form provided in RCW 6.27.105. All other writs  
3 of garnishment shall be substantially in the following form, but if  
4 the writ is issued under an order or judgment for child support, the  
5 following statement shall appear conspicuously in the caption: "This  
6 garnishment is based on a judgment or order for child support"; and  
7 if the writ is issued under an order or judgment for medical debt,  
8 the following statement must appear conspicuously in the caption:  
9 "This garnishment is based on a judgment or order for medical debt";  
10 and if the writ is issued by an attorney, the writ shall be revised  
11 as indicated in subsection (2) of this section:

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

15 ..... ,  
16 Plaintiff, No. ....  
17 vs.  
18 ..... , WRIT OF  
19 Defendant, GARNISHMENT  
20 ..... ,  
21 Garnishee

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

24 AND TO: .....  
25 Defendant

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

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

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

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

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

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

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

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

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

1 [Seal]

2 .....

3 Attorney for Clerk of

4 Plaintiff (or the Court

5 Plaintiff, if no

6 attorney)

7 .....

8 Address By

9 .....

10 Name of Defendant Address"

11 .....

12 Address of Defendant

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

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

21 Dated this .....day of ....., ((20.....))

22 (year)....

23 .....

24 .....

25 Attorney for Plaintiff

26 .....

27 Address Address of the Clerk of the

28 Court"

29 .....

30 Name of Defendant

31 .....

32 Address of Defendant

33 **Sec. 6.** RCW 6.27.105 and 2012 c 159 s 4 are each amended to read  
34 as follows:

1 (1) A writ that is issued for a continuing lien on earnings shall  
2 be substantially in the following form, but if the writ is issued  
3 under an order or judgment for child support, the following statement  
4 shall appear conspicuously in the caption: "This garnishment is based  
5 on a judgment or order for child support"; and if the writ is issued  
6 under an order or judgment for medical debt, the following statement  
7 must appear conspicuously in the caption: "This garnishment is based  
8 on a judgment or order for medical debt"; and if the writ is issued  
9 by an attorney, the writ shall be revised as indicated in subsection  
10 (2) of this section:

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

14 .....  
15 Plaintiff, No. ....  
16 vs.  
17 ..... WRIT OF  
18 Defendant GARNISHMENT FOR  
19 CONTINUING LIEN ON  
20 ..... EARNINGS  
21 Garnishee  
22 THE STATE OF WASHINGTON TO:.....  
23 Garnishee  
24 AND TO:.....  
25 Defendant

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

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

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

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

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

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

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

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

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

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

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

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

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

39 [Seal]

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

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

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

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

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

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

4 NOTICE OF GARNISHMENT  
5 AND OF YOUR RIGHTS

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

13 YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

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

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

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

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

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

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

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

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

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

INSTRUCTIONS:

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

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

IF BANK ACCOUNT IS GARNISHED:

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





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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 MEDICAL 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,
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wife, or state registered

domestic partner

.....

.....

Address

Address

(if different from yours)

.....

Telephone number

Telephone number

(if different from yours)

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

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

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

23 **Sec. 8.** RCW 6.27.150 and 2012 c 159 s 9 are each amended to read  
24 as follows:

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

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

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

33 (2) In the case of a garnishment based on a judgment or other  
34 order for child support or court order for spousal maintenance, other  
35 than a mandatory wage assignment order pursuant to chapter 26.18 RCW,  
36 or a mandatory assignment of retirement benefits pursuant to chapter

1 41.50 RCW, the exemption shall be fifty percent of the disposable  
2 earnings of the defendant.

3 (3) In the case of a garnishment based on a judgment or other  
4 order for the collection of medical debt, for each week of such  
5 earnings, an amount is exempt from garnishment which is the greater  
6 of the following: (a) Fifty times the minimum hourly wage of the  
7 highest minimum wage law in the state at the time the earnings are  
8 payable; or (b) Eighty-five percent of the disposable earnings of the  
9 defendant.

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

14 ~~((+4))~~ (5) Unless directed otherwise by the court, the garnishee  
15 shall determine and deduct exempt amounts under this section as  
16 directed in the writ of garnishment and answer, and shall pay these  
17 amounts to the defendant.

18 ~~((+5))~~ (6) No money due or earned as earnings as defined in RCW  
19 6.27.010 shall be exempt from garnishment under the provisions of RCW  
20 6.15.010, as now or hereafter amended.

21 **Sec. 9.** RCW 19.16.100 and 2015 c 201 s 3 are each amended to  
22 read as follows:

23 Unless a different meaning is plainly required by the context,  
24 the following words and phrases as hereinafter used in this chapter  
25 shall have the following meanings:

26 (1) "Board" means the Washington state collection agency board.

27 (2) "Claim" means any obligation for the payment of money or  
28 thing of value arising out of any agreement or contract, express or  
29 implied.

30 (3) "Client" or "customer" means any person authorizing or  
31 employing a collection agency to collect a claim.

32 (4) "Collection agency" means and includes:

33 (a) Any person directly or indirectly engaged in soliciting  
34 claims for collection, or collecting or attempting to collect claims  
35 owed or due or asserted to be owed or due another person;

36 (b) Any person who directly or indirectly furnishes or attempts  
37 to furnish, sells, or offers to sell forms represented to be a  
38 collection system or scheme intended or calculated to be used to  
39 collect claims even though the forms direct the debtor to make

1 payment to the creditor and even though the forms may be or are  
2 actually used by the creditor himself or herself in his or her own  
3 name;

4 (c) Any person who in attempting to collect or in collecting his  
5 or her own claim uses a fictitious name or any name other than his or  
6 her own which would indicate to the debtor that a third person is  
7 collecting or attempting to collect such claim;

8 (d) Any person or entity that is engaged in the business of  
9 purchasing delinquent or charged off claims for collection purposes,  
10 whether it collects the claims itself or hires a third party for  
11 collection or an attorney for litigation in order to collect such  
12 claims;

13 (e) Any person or entity attempting to enforce a lien under  
14 chapter 60.44 RCW, other than the person or entity originally  
15 entitled to the lien.

16 (5) "Collection agency" does not mean and does not include:

17 (a) Any individual engaged in soliciting claims for collection,  
18 or collecting or attempting to collect claims on behalf of a licensee  
19 under this chapter, if said individual is an employee of the  
20 licensee;

21 (b) Any individual collecting or attempting to collect claims for  
22 not more than one employer, if all the collection efforts are carried  
23 on in the name of the employer and if the individual is an employee  
24 of the employer;

25 (c) Any person whose collection activities are carried on in his,  
26 her, or its true name and are confined and are directly related to  
27 the operation of a business other than that of a collection agency,  
28 such as but not limited to: Trust companies; savings and loan  
29 associations; building and loan associations; abstract companies  
30 doing an escrow business; real estate brokers; property management  
31 companies collecting assessments, charges, or fines on behalf of  
32 condominium unit owners associations, associations of apartment  
33 owners, or homeowners' associations; public officers acting in their  
34 official capacities; persons acting under court order; lawyers;  
35 insurance companies; credit unions; loan or finance companies;  
36 mortgage banks; and banks;

37 (d) Any person who on behalf of another person prepares or mails  
38 monthly or periodic statements of accounts due if all payments are  
39 made to that other person and no other collection efforts are made by  
40 the person preparing the statements of account;

1 (e) An "out-of-state collection agency" as defined in this  
2 chapter; or

3 (f) Any person while acting as a debt collector for another  
4 person, both of whom are related by common ownership or affiliated by  
5 corporate control, if the person acting as a debt collector does so  
6 only for persons to whom it is so related or affiliated and if the  
7 principal business of the person is not the collection of debts.

8 (6) "Commercial claim" means any obligation for payment of money  
9 or thing of value arising out of any agreement or contract, express  
10 or implied, where the transaction which is the subject of the  
11 agreement or contract is not primarily for personal, family, or  
12 household purposes.

13 (7) "Debtor" means any person owing or alleged to owe a claim.

14 (8) "Director" means the director of licensing.

15 (9) "Licensee" means any person licensed under this chapter.

16 (10) "Medical debt" means any obligation for the payment of money  
17 arising out of any agreement or contract, express or implied, for the  
18 provision of medical goods or services, and does not include dental  
19 goods or services.

20 (11) "Out-of-state collection agency" means a person whose  
21 activities within this state are limited to collecting debts from  
22 debtors located in this state by means of interstate communications,  
23 including telephone, mail, or facsimile transmission, from the  
24 person's location in another state on behalf of clients located  
25 outside of this state, but does not include any person who is  
26 excluded from the definition of the term "debt collector" under the  
27 federal fair debt collection practices act (15 U.S.C. Sec. 1692a(6)).

28 ~~((11))~~ (12) "Person" includes individual, firm, partnership,  
29 trust, joint venture, association, or corporation.

30 ~~((12))~~ (13) "Statement of account" means a report setting forth  
31 only amounts billed, invoices, credits allowed, or aged balance due.

32 **Sec. 10.** RCW 19.16.250 and 2016 c 86 s 4 are each amended to  
33 read as follows:

34 No licensee or employee of a licensee shall:

35 (1) Directly or indirectly aid or abet any unlicensed person to  
36 engage in business as a collection agency in this state or receive  
37 compensation from such unlicensed person: PROVIDED, That nothing in  
38 this chapter shall prevent a licensee from accepting, as forwarder,

1 claims for collection from a collection agency or attorney whose  
2 place of business is outside the state.

3 (2) Collect or attempt to collect a claim by the use of any means  
4 contrary to the postal laws and regulations of the United States  
5 postal department.

6 (3) Publish or post or cause to be published or posted, any list  
7 of debtors commonly known as "bad debt lists" or threaten to do so.  
8 For purposes of this chapter, a "bad debt list" means any list of  
9 natural persons alleged to fail to honor their lawful debts. However,  
10 nothing herein shall be construed to prohibit a licensee from  
11 communicating to its customers or clients by means of a coded list,  
12 the existence of a check dishonored because of insufficient funds,  
13 not sufficient funds or closed account by the financial institution  
14 servicing the debtor's checking account: PROVIDED, That the debtor's  
15 identity is not readily apparent: PROVIDED FURTHER, That the licensee  
16 complies with the requirements of subsection (10)(e) of this section.

17 (4) Have in his or her possession or make use of any badge, use a  
18 uniform of any law enforcement agency or any simulation thereof, or  
19 make any statements which might be construed as indicating an  
20 official connection with any federal, state, county, or city law  
21 enforcement agency, or any other governmental agency, while engaged  
22 in collection agency business.

23 (5) Perform any act or acts, either directly or indirectly,  
24 constituting the unauthorized practice of law.

25 (6) Advertise for sale or threaten to advertise for sale any  
26 claim as a means of endeavoring to enforce payment thereof or  
27 agreeing to do so for the purpose of soliciting claims, except where  
28 the licensee has acquired claims as an assignee for the benefit of  
29 creditors or where the licensee is acting under court order.

30 (7) Use any name while engaged in the making of a demand for any  
31 claim other than the name set forth on his or her or its current  
32 license issued hereunder.

33 (8) Give or send to any debtor or cause to be given or sent to  
34 any debtor, any notice, letter, message, or form, other than through  
35 proper legal action, process, or proceedings, which represents or  
36 implies that a claim exists unless it shall indicate in clear and  
37 legible type:

38 (a) The name of the licensee and the city, street, and number at  
39 which he or she is licensed to do business;

1 (b) The name of the original creditor to whom the debtor owed the  
2 claim if such name is known to the licensee or employee: PROVIDED,  
3 That upon written request of the debtor, the licensee shall provide  
4 this name to the debtor or cease efforts to collect on the debt until  
5 this information is provided;

6 (c) If the notice, letter, message, or form is the first notice  
7 to the debtor or if the licensee is attempting to collect a different  
8 amount than indicated in his or her or its first notice to the  
9 debtor, an itemization of the claim asserted must be made including:

10 (i) Amount owing on the original obligation at the time it was  
11 received by the licensee for collection or by assignment;

12 (ii) Interest or service charge, collection costs, or late  
13 payment charges, if any, added to the original obligation by the  
14 original creditor, customer or assignor before it was received by the  
15 licensee for collection, if such information is known by the licensee  
16 or employee: PROVIDED, That upon written request of the debtor, the  
17 licensee shall make a reasonable effort to obtain information on such  
18 items and provide this information to the debtor;

19 (iii) Interest or service charge, if any, added by the licensee  
20 or customer or assignor after the obligation was received by the  
21 licensee for collection;

22 (iv) Collection costs, if any, that the licensee is attempting to  
23 collect;

24 (v) Attorneys' fees, if any, that the licensee is attempting to  
25 collect on his or her or its behalf or on the behalf of a customer or  
26 assignor; and

27 (vi) Any other charge or fee that the licensee is attempting to  
28 collect on his or her or its own behalf or on the behalf of a  
29 customer or assignor;

30 (d) If the notice, letter, message, or form concerns a judgment  
31 obtained against the debtor, no itemization of the amounts contained  
32 in the judgment is required, except postjudgment interest, if  
33 claimed, and the current account balance;

34 (e) If the notice, letter, message, or form is the first notice  
35 to the debtor, an itemization of the claim asserted must be made  
36 including the following information:

37 (i) The original account number or redacted original account  
38 number assigned to the debt, if known to the licensee or employee:  
39 PROVIDED, That upon written request of the debtor, the licensee must

1 make a reasonable effort to obtain this information or cease efforts  
2 to collect on the debt until this information is provided; and

3 (ii) The date of the last payment to the creditor on the subject  
4 debt by the debtor, if known to the licensee or employee: PROVIDED,  
5 That upon written request of the debtor, the licensee must make a  
6 reasonable effort to obtain this information or cease efforts to  
7 collect on the debt until this information is provided;

8 (f) For any claim involving medical debt, upon written or oral  
9 request by the debtor, and without fee, the licensee shall provide an  
10 itemized bill to the debtor within sixty days of the request. The  
11 itemized bill must state:

12 (i) The name and address of the medical creditor;

13 (ii) The date or dates of service;

14 (iii) A detailed list of the specific health care services  
15 provided to the patient;

16 (iv) A list of all health care professionals who treated the  
17 patient;

18 (v) The amount of principal for any medical debt or debts  
19 incurred;

20 (vi) Any adjustment to the bill, such as negotiated insurance  
21 rates or other discounts;

22 (vii) The amount of any payments received, whether from the  
23 patient or any other party;

24 (viii) Any interest or fees;

25 (ix) Whether the patient was screened for financial assistance;

26 and

27 (x) Whether the patient was found eligible for financial  
28 assistance and, if so, the amount due after all financial assistance  
29 has been applied to the itemized bill;

30 (g) For any claim involving medical debt, if the notice, letter,  
31 message, or form is the first notice to the debtor, it must include a  
32 statement that informs the debtor of the debtor's rights to request  
33 the original account number or redacted original account number  
34 assigned to the debt, the date of the last payment to the creditor on  
35 the subject debt by the debtor, and an itemized bill as provided in  
36 (e) and (f) of this subsection.

37 (9) Communicate in writing with a debtor concerning a claim  
38 through a proper legal action, process, or proceeding, where such  
39 communication is the first written communication with the debtor,

1 without providing the information set forth in subsection (8)(c) of  
2 this section in the written communication.

3 (10) Communicate or threaten to communicate, the existence of a  
4 claim to a person other than one who might be reasonably expected to  
5 be liable on the claim in any manner other than through proper legal  
6 action, process, or proceedings except under the following  
7 conditions:

8 (a) A licensee or employee of a licensee may inform a credit  
9 reporting bureau of the existence of a claim. If the licensee or  
10 employee of a licensee reports a claim to a credit reporting bureau,  
11 the licensee shall, upon receipt of written notice from the debtor  
12 that any part of the claim is disputed, notify the credit reporting  
13 bureau of the dispute by written or electronic means and create a  
14 record of the fact of the notification and when the notification was  
15 provided;

16 (b) A licensee or employee in collecting or attempting to collect  
17 a claim may communicate the existence of a claim to a debtor's  
18 employer if the claim has been reduced to a judgment;

19 (c) A licensee or employee in collecting or attempting to collect  
20 a claim that has not been reduced to judgment, may communicate the  
21 existence of a claim to a debtor's employer if:

22 (i) The licensee or employee has notified or attempted to notify  
23 the debtor in writing at his or her last known address or place of  
24 employment concerning the claim and the debtor after a reasonable  
25 time has failed to pay the claim or has failed to agree to make  
26 payments on the claim in a manner acceptable to the licensee, and

27 (ii) The debtor has not in writing to the licensee disputed any  
28 part of the claim: PROVIDED, That the licensee or employee may only  
29 communicate the existence of a claim which has not been reduced to  
30 judgment to the debtor's employer once unless the debtor's employer  
31 has agreed to additional communications;

32 (d) A licensee may for the purpose of locating the debtor or  
33 locating assets of the debtor communicate the existence of a claim to  
34 any person who might reasonably be expected to have knowledge of the  
35 whereabouts of a debtor or the location of assets of the debtor if  
36 the claim is reduced to judgment, or if not reduced to judgment,  
37 when:

38 (i) The licensee or employee has notified or attempted to notify  
39 the debtor in writing at his or her last known address or last known  
40 place of employment concerning the claim and the debtor after a

1 reasonable time has failed to pay the claim or has failed to agree to  
2 make payments on the claim in a manner acceptable to the licensee,  
3 and

4 (ii) The debtor has not in writing disputed any part of the  
5 claim;

6 (e) A licensee may communicate the existence of a claim to its  
7 customers or clients if the claim is reduced to judgment, or if not  
8 reduced to judgment, when:

9 (i) The licensee has notified or attempted to notify the debtor  
10 in writing at his or her last known address or last known place of  
11 employment concerning the claim and the debtor after a reasonable  
12 time has failed to pay the claim or has failed to agree to make  
13 payments on the claim in a manner acceptable to the licensee, and

14 (ii) The debtor has not in writing disputed any part of the  
15 claim.

16 (11) Threaten the debtor with impairment of his or her credit  
17 rating if a claim is not paid: PROVIDED, That advising a debtor that  
18 the licensee has reported or intends to report a claim to a credit  
19 reporting agency is not considered a threat if the licensee actually  
20 has reported or intends to report the claim to a credit reporting  
21 agency.

22 (12) Communicate with the debtor after notification in writing  
23 from an attorney representing such debtor that all further  
24 communications relative to a claim should be addressed to the  
25 attorney: PROVIDED, That if a licensee requests in writing  
26 information from an attorney regarding such claim and the attorney  
27 does not respond within a reasonable time, the licensee may  
28 communicate directly with the debtor until he or she or it again  
29 receives notification in writing that an attorney is representing the  
30 debtor.

31 (13) Communicate with a debtor or anyone else in such a manner as  
32 to harass, intimidate, threaten, or embarrass a debtor, including but  
33 not limited to communication at an unreasonable hour, with  
34 unreasonable frequency, by threats of force or violence, by threats  
35 of criminal prosecution, and by use of offensive language. A  
36 communication shall be presumed to have been made for the purposes of  
37 harassment if:

38 (a) It is made with a debtor or spouse in any form, manner, or  
39 place, more than three times in a single week, unless the licensee is  
40 responding to a communication from the debtor or spouse;

1 (b) It is made with a debtor at his or her place of employment  
2 more than one time in a single week, unless the licensee is  
3 responding to a communication from the debtor;

4 (c) It is made with the debtor or spouse at his or her place of  
5 residence between the hours of 9:00 p.m. and 7:30 a.m. A call to a  
6 telephone is presumed to be received in the local time zone to which  
7 the area code of the number called is assigned for landline numbers,  
8 unless the licensee reasonably believes the telephone is located in a  
9 different time zone. If the area code is not assigned to landlines in  
10 any specific geographic area, such as with toll-free telephone  
11 numbers, a call to a telephone is presumed to be received in the  
12 local time zone of the debtor's last known place of residence, unless  
13 the licensee reasonably believes the telephone is located in a  
14 different time zone.

15 (14) Communicate with the debtor through use of forms or  
16 instruments that simulate the form or appearance of judicial process,  
17 the form or appearance of government documents, or the simulation of  
18 a form or appearance of a telegraphic or emergency message.

19 (15) Communicate with the debtor and represent or imply that the  
20 existing obligation of the debtor may be or has been increased by the  
21 addition of attorney fees, investigation fees, service fees, or any  
22 other fees or charges when in fact such fees or charges may not  
23 legally be added to the existing obligation of such debtor.

24 (16) Threaten to take any action against the debtor which the  
25 licensee cannot legally take at the time the threat is made.

26 (17) Send any telegram or make any telephone calls to a debtor or  
27 concerning a debt or for the purpose of demanding payment of a claim  
28 or seeking information about a debtor, for which the charges are  
29 payable by the addressee or by the person to whom the call is made:  
30 PROVIDED, That:

31 (a) This subsection does not prohibit a licensee from attempting  
32 to communicate by way of a cellular telephone or other wireless  
33 device: PROVIDED, That a licensee cannot cause charges to be incurred  
34 to the recipient of the attempted communication more than three times  
35 in any calendar week when the licensee knows or reasonably should  
36 know that the number belongs to a cellular telephone or other  
37 wireless device, unless the licensee is responding to a communication  
38 from the debtor or the person to whom the call is made.

39 (b) The licensee is not in violation of (a) of this subsection if  
40 the licensee at least monthly updates its records with information

1 provided by a commercial provider of cellular telephone lists that  
2 the licensee in good faith believes provides reasonably current and  
3 comprehensive data identifying cellular telephone numbers, calls a  
4 number not appearing in the most recent list provided by the  
5 commercial provider, and does not otherwise know or reasonably should  
6 know that the number belongs to a cellular telephone.

7 (c) This subsection may not be construed to increase the number  
8 of communications permitted pursuant to subsection (13)(a) of this  
9 section.

10 (18) Call, or send a text message or other electronic  
11 communication to, a cellular telephone or other wireless device more  
12 than twice in any day when the licensee knows or reasonably should  
13 know that the number belongs to a cellular telephone or other  
14 wireless device, unless the licensee is responding to a communication  
15 from the debtor or the person to whom the call, text message, or  
16 other electronic communication is made. The licensee is not in  
17 violation of this subsection if the licensee at least monthly updates  
18 its records with information provided by a commercial provider of  
19 cellular telephone lists that the licensee in good faith believes  
20 provides reasonably current and comprehensive data identifying  
21 cellular telephone numbers, calls a number not appearing in the most  
22 recent list provided by the commercial provider, and does not  
23 otherwise know or reasonably should know that the number belongs to a  
24 cellular telephone. Nothing in this subsection may be construed to  
25 increase the number of communications permitted pursuant to  
26 subsection (13)(a) of this section.

27 (19) Intentionally block its telephone number from displaying on  
28 a debtor's telephone.

29 (20) In any manner convey the impression that the licensee is  
30 vouched for, bonded to or by, or is an instrumentality of the state  
31 of Washington or any agency or department thereof.

32 (21) Collect or attempt to collect in addition to the principal  
33 amount of a claim any sum other than allowable interest, collection  
34 costs or handling fees expressly authorized by statute, and, in the  
35 case of suit, attorney's fees and taxable court costs. A licensee may  
36 collect or attempt to collect collection costs and fees, including  
37 contingent collection fees, as authorized by a written agreement or  
38 contract, between the licensee's client and the debtor, in the  
39 collection of a commercial claim. The amount charged to the debtor

1 for collection services shall not exceed thirty-five percent of the  
2 commercial claim.

3 (22) Procure from a debtor or collect or attempt to collect on  
4 any written note, contract, stipulation, promise or acknowledgment  
5 under which a debtor may be required to pay any sum other than  
6 principal, allowable interest, except as noted in subsection (21) of  
7 this section, and, in the case of suit, attorney's fees and taxable  
8 court costs.

9 (23) Bring an action or initiate an arbitration proceeding on a  
10 claim when the licensee knows, or reasonably should know, that such  
11 suit or arbitration is barred by the applicable statute of  
12 limitations.

13 (24) Upon notification by a debtor that the debtor disputes all  
14 debts arising from a series of dishonored checks, automated  
15 clearinghouse transactions on a demand deposit account, or other  
16 preprinted written instruments, initiate oral contact with a debtor  
17 more than one time in an attempt to collect from the debtor debts  
18 arising from the identified series of dishonored checks, automated  
19 clearinghouse transactions on a demand deposit account, or other  
20 preprinted written instruments when: (a) Within the previous one  
21 hundred eighty days, in response to the licensee's attempt to collect  
22 the initial debt assigned to the licensee and arising from the  
23 identified series of dishonored checks, automated clearinghouse  
24 transactions on a demand deposit account, or other preprinted written  
25 instruments, the debtor in writing notified the licensee that the  
26 debtor's checkbook or other series of preprinted written instruments  
27 was stolen or fraudulently created; (b) the licensee has received  
28 from the debtor a certified copy of a police report referencing the  
29 theft or fraudulent creation of the checkbook, automated  
30 clearinghouse transactions on a demand deposit account, or series of  
31 preprinted written instruments; (c) in the written notification to  
32 the licensee or in the police report, the debtor identified the  
33 financial institution where the account was maintained, the account  
34 number, the magnetic ink character recognition number, the full bank  
35 routing and transit number, and the check numbers of the stolen  
36 checks, automated clearinghouse transactions on a demand deposit  
37 account, or other preprinted written instruments, which check numbers  
38 included the number of the check that is the subject of the  
39 licensee's collection efforts; (d) the debtor provides, or within the  
40 previous one hundred eighty days provided, to the licensee a legible

1 copy of a government-issued photo identification, which contains the  
2 debtor's signature and which was issued prior to the date of the  
3 theft or fraud identified in the police report; and (e) the debtor  
4 advised the licensee that the subject debt is disputed because the  
5 identified check, automated clearinghouse transaction on a demand  
6 deposit account, or other preprinted written instrument underlying  
7 the debt is a stolen or fraudulently created check or instrument.

8 The licensee is not in violation of this subsection if the  
9 licensee initiates oral contact with the debtor more than one time in  
10 an attempt to collect debts arising from the identified series of  
11 dishonored checks, automated clearinghouse transactions on a demand  
12 deposit account, or other preprinted written instruments when: (i)  
13 The licensee acted in good faith and relied on their established  
14 practices and procedures for batching, recording, or packeting debtor  
15 accounts, and the licensee inadvertently initiates oral contact with  
16 the debtor in an attempt to collect debts in the identified series  
17 subsequent to the initial debt assigned to the licensee; (ii) the  
18 licensee is following up on collection of a debt assigned to the  
19 licensee, and the debtor has previously requested more information  
20 from the licensee regarding the subject debt; (iii) the debtor has  
21 notified the licensee that the debtor disputes only some, but not all  
22 the debts arising from the identified series of dishonored checks,  
23 automated clearinghouse transactions on a demand deposit account, or  
24 other preprinted written instruments, in which case the licensee  
25 shall be allowed to initiate oral contact with the debtor one time  
26 for each debt arising from the series of identified checks, automated  
27 clearinghouse transactions on a demand deposit account, or written  
28 instruments and initiate additional oral contact for those debts that  
29 the debtor acknowledges do not arise from stolen or fraudulently  
30 created checks or written instruments; (iv) the oral contact is in  
31 the context of a judicial, administrative, arbitration, mediation, or  
32 similar proceeding; or (v) the oral contact is made for the purpose  
33 of investigating, confirming, or authenticating the information  
34 received from the debtor, to provide additional information to the  
35 debtor, or to request additional information from the debtor needed  
36 by the licensee to accurately record the debtor's information in the  
37 licensee's records.

38 (25) Bring an action or initiate an arbitration proceeding on a  
39 claim for any amounts related to a transfer of sale of a vehicle  
40 when:

1           (a) The licensee has been informed or reasonably should know that  
2 the department of licensing transfer of sale form was filed in  
3 accordance with RCW 46.12.650 (1) through (3);

4           (b) The licensee has been informed or reasonably should know that  
5 the transfer of the vehicle either (i) was not made pursuant to a  
6 legal transfer or (ii) was not voluntarily accepted by the person  
7 designated as the purchaser/transferee; and

8           (c) Prior to the commencement of the action or arbitration, the  
9 licensee has received from the putative transferee a copy of a police  
10 report referencing that the transfer of sale of the vehicle either  
11 (i) was not made pursuant to a legal transfer or (ii) was not  
12 voluntarily accepted by the person designated as the purchaser/  
13 transferee.

14           (26) Submit an affidavit or other request pursuant to chapter  
15 6.32 RCW asking a superior or district court to transfer a bond  
16 posted by a debtor subject to a money judgment to the licensee, when  
17 the debtor has appeared as required.

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