CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1805

60th Legislature 2007 Regular Session

Passed by the House April 17, 2007 Yeas 85 Nays 13

Speaker of the House of Representatives

Passed by the Senate April 11, 2007 Yeas 48 Nays 1 CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1805** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

President of the Senate

Approved

FILED

Secretary of State State of Washington

Governor of the State of Washington

SUBSTITUTE HOUSE BILL 1805

AS AMENDED BY THE SENATE

Passed Legislature - 2007 Regular Session

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Judiciary (originally sponsored by Representatives Morrell, Lantz, Linville, Wallace, Rodne, Conway, Kessler, Hudgins, Hunt, Chase, Hasegawa, VanDeWege, Campbell, Ericks, Green, Simpson and Schual-Berke)

READ FIRST TIME 02/23/07.

1 AN ACT Relating to increasing the homestead exemption amount; and 2 amending RCW 6.13.030, 6.13.080, and 6.13.090.

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

4 Sec. 1. RCW 6.13.030 and 1999 c 403 s 4 are each amended to read 5 as follows:

A homestead may consist of lands, as described in RCW 6.13.010, 6 regardless of area, but the homestead exemption amount shall not exceed 7 8 the lesser of (1) the total net value of the lands, manufactured homes, mobile home, improvements, and other personal property, as described in 9 10 RCW 6.13.010, or (2) the sum of ((forty)) one hundred twenty-five thousand dollars in the case of lands, manufactured homes, mobile home, 11 12 and improvements, or the sum of fifteen thousand dollars in the case of other personal property described in RCW 6.13.010, except where the 13 homestead is subject to execution, attachment, or seizure by or under 14 any legal process whatever to satisfy a judgment in favor of any state 15 for failure to pay that state's income tax on benefits received while 16 a resident of the state of Washington from a pension or other 17 retirement plan, in which event there shall be no dollar limit on the 18 19 value of the exemption.

1 Sec. 2. RCW 6.13.080 and 2005 c 292 s 4 are each amended to read
2 as follows:

3 The homestead exemption is not available against an execution or 4 forced sale in satisfaction of judgments obtained:

5 (1) On debts secured by mechanic's, laborer's, construction, 6 maritime, automobile repair, materialmen's or vendor's liens arising 7 out of and against the particular property claimed as a homestead;

8 (2) On debts secured (a) by security agreements describing as 9 collateral the property that is claimed as a homestead or (b) by 10 mortgages or deeds of trust on the premises that have been executed and 11 acknowledged by the husband and wife or by any unmarried claimant;

(3) On one spouse's or the community's debts existing at the time of that spouse's bankruptcy filing where (a) bankruptcy is filed by both spouses within a six-month period, other than in a joint case or a case in which their assets are jointly administered, and (b) the other spouse exempts property from property of the estate under the bankruptcy exemption provisions of 11 U.S.C. Sec. 522(d);

18 (4) On debts arising from a lawful court order or decree or 19 administrative order establishing a child support obligation or 20 obligation to pay spousal maintenance;

(5) On debts owing to the state of Washington for recovery of medical assistance correctly paid on behalf of an individual consistent with 42 U.S.C. Sec. 1396p; ((or))

24 (6) On debts secured by a condominium's or homeowner association's 25 lien. In order for an association to be exempt under this provision, the association must have provided a homeowner with notice that 26 27 nonpayment of the association's assessment may result in foreclosure of the association lien and that the homestead protection under this 28 chapter shall not apply. An association has complied with this notice 29 requirement by mailing the notice, by first class mail, to the address 30 of the owner's lot or unit. The notice required in this subsection 31 32 shall be given within thirty days from the date the association learns of a new owner, but in all cases the notice must be given prior to the 33 initiation of a foreclosure. The phrase "learns of a new owner" in 34 this subsection means actual knowledge of the identity of a homeowner 35 acquiring title after June 9, 1988, and does not require that an 36 37 association affirmatively ascertain the identity of a homeowner.

Failure to give the notice specified in this subsection affects an association's lien only for debts accrued up to the time an association complies with the notice provisions under this subsection; or

4 (7) On debts owed for taxes collected under chapters 82.08, 82.12, 5 and 82.14 RCW but not remitted to the department of revenue.

6 **Sec. 3.** RCW 6.13.090 and 1988 c 231 s 4 are each amended to read 7 as follows:

A judgment against the owner of a homestead shall become a lien on 8 the value of the homestead property in excess of the homestead 9 exemption from the time the judgment creditor records the judgment with 10 11 the recording officer of the county where the property is located. 12 However, if a judgment of a district court of this state has been transferred to a superior court, the judgment becomes a lien from the 13 time of recording with such recording officer a duly certified abstract 14 15 of the record of such judgment as it appears in the office of the clerk 16 in which the transfer was originally filed. <u>A department of revenue</u> 17 tax warrant filed pursuant to RCW 82.32.210 shall become a lien on the value of the homestead property in excess of the homestead exemption 18 from the time of filing in superior court. 19

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