**5321-S.E AMH BFS H2424.1 - NOT FOR FLOOR USE**

**ESSB 5321** - H COMM AMD

By Committee on Business & Financial Services

On page 4, beginning on line 10, after "relationship" strike all material through "business" on line 12 and insert "while performing services solely incidental to the practice of their professions"

Beginning on page 12, line 40, after "debt." strike all material through "payment." on page 13, line 6

On page 13, line 7, after "(6)" insert "The sum of all fees charged pursuant to either subsection (5)(c)(i) or (ii) of this section may not exceed thirty percent of the principal amount of the debt.

(7)"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 22, at the beginning of line 32, strike "((~~or~~)) and" and insert "or"

On page 22, line 34, after "debtor." insert ""Debt adjusting" does not include services provided by a debt settlement company licensed under chapter 18.--- RCW (the new chapter created in section 38 of this act) and acting as an intermediary between an individual and one or more unsecured creditors of the individual for the purpose of (a) obtaining negotiated concessions involving a reduction in principal of the individual's unsecured debt, and (b) securing the discharge of such debt upon the individual's performance of the negotiated concessions."

EFFECT: Amends the exemption for attorneys to apply only when the services are solely incidental to the attorney's practice rather than when the attorney does not solicit debt settlement business.

Caps fees a debt settlement services provider may collect at 30 percent of the debt at the time the client entered the debt settlement program.

Restores existing language in the definition of "debt adjusting" such that the definition applies to persons either managing or settling a debt or receiving money for distribution to creditors.

Expressly excludes debt settlement services by a licensed provider from the definition of debt adjusting.