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**SUBSTITUTE SENATE BILL 5173**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Senate Law & Justice (originally sponsored by Senators Stanford, Hasegawa, Kuderer, Pedersen, Saldaña, and Trudeau)

READ FIRST TIME 01/20/23.

1 AN ACT Relating to property exempt from execution; amending RCW  
2 6.15.010, 6.15.010, and 51.32.040; providing an effective date; and  
3 providing an expiration date.

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

5 **Sec. 1.** RCW 6.15.010 and 2021 c 50 s 2 are each amended to read  
6 as follows:

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

9 (a) All wearing apparel of every individual and family, but not  
10 to exceed (~~three thousand five hundred dollars~~) \$3,500 in value in  
11 furs, jewelry, and personal ornaments for any individual.

12 (b) All private libraries including electronic media, which  
13 includes audiovisual, entertainment, or reference media in digital or  
14 analogue format, of every individual, but not to exceed (~~three  
15 thousand five hundred dollars~~) \$3,500 in value, and all family  
16 pictures and keepsakes.

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

18 (d) To each individual or, as to community property of spouses  
19 maintaining a single household as against a creditor of the  
20 community, to the community, provided that each spouse is entitled to  
21 his or her own exemptions in this subsection (1)(d):

1 (i) ~~((The individual's or community's))~~ All household goods,  
2 appliances, furniture, and home and yard equipment, not to exceed  
3 ~~((six thousand five hundred dollars))~~ \$6,500 in value for the  
4 individual ~~((or thirteen thousand dollars for the community, no  
5 single item to exceed seven hundred fifty dollars))~~, said amount to  
6 include provisions and fuel for ~~((the))~~ comfortable maintenance ~~((of  
7 the individual or community))~~;

8 (ii) In a bankruptcy case, any other personal property, except  
9 personal earnings as provided under RCW 6.15.050(1), not to exceed  
10 \$10,000 in value. The value shall be determined as of the date the  
11 bankruptcy petition is filed;

12 (iii) Other than in a bankruptcy case as described in (d)(ii) of  
13 this subsection, other personal property, except personal earnings as  
14 provided under RCW 6.15.050(1), not to exceed ~~((three thousand  
15 dollars))~~ \$3,000 in value, ~~((of which not more than one thousand five  
16 hundred dollars in value may consist of cash, and))~~ of which not more  
17 than:

18 (A) For all debts except private student loan debt and consumer  
19 debt, ~~((five hundred dollars))~~ \$500 in value may consist of bank  
20 accounts, savings and loan accounts, stocks, bonds, or other  
21 securities. The maximum exemption under this subsection (1)(d)  
22 ~~((+ii))~~ (iii)(A) shall be automatically protected and may not exceed  
23 ~~((five hundred dollars))~~ \$500, regardless of the number of existing  
24 separate bank accounts, savings and loan accounts, stocks, bonds, or  
25 other securities.

26 (B) For all private student loan debt, ~~((two thousand five  
27 hundred dollars))~~ \$2,500 in value may consist of bank accounts,  
28 savings and loan accounts, stocks, bonds, or other securities. \$1,000  
29 in value shall be automatically protected. The maximum exemption  
30 under this subsection (1)(d) ~~((+ii))~~ (iii)(B) may not exceed ~~((two  
31 thousand five hundred dollars))~~ \$2,500, regardless of the number of  
32 existing separate bank accounts, savings and loan accounts, stocks,  
33 bonds, or other securities.

34 (C) For all consumer debt, ~~((two thousand dollars))~~ \$2,000 in  
35 value may consist of bank accounts, savings and loan accounts,  
36 stocks, bonds, or other securities. \$1,000 in value shall be  
37 automatically protected. The maximum exemption under this subsection  
38 (1)(d) ~~((+ii))~~ (iii)(C) may not exceed ~~((two thousand dollars))~~  
39 \$2,000, regardless of the number of existing separate bank accounts,  
40 savings and loan accounts, stocks, bonds, or other securities;

1       ~~((iii) For an individual, a)~~ (iv) A motor vehicle ((used for  
2 personal transportation,)) not to exceed ~~((three thousand two hundred~~  
3 fifty dollars or for a community two motor vehicles used for personal  
4 transportation, not to exceed six thousand five hundred dollars))  
5 \$15,000 in aggregate value;

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

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

10 ~~(vi))~~ (vii) To any individual, the right to or proceeds of a  
11 payment not to exceed twenty thousand dollars on account of personal  
12 bodily injury, not including pain and suffering or compensation for  
13 actual pecuniary loss, of the debtor or an individual of whom the  
14 debtor is a dependent; or the right to or proceeds of a payment in  
15 compensation of loss of future earnings of the debtor or an  
16 individual of whom the debtor is or was a dependent, to the extent  
17 reasonably necessary for the support of the debtor and any dependent  
18 of the debtor; and

19       (viii) In a bankruptcy case, the right to or proceeds of personal  
20 injury of the debtor or an individual of whom the debtor is a  
21 dependent; or the right to or proceeds of a payment in compensation  
22 of loss of future earnings of the debtor or an individual of whom the  
23 debtor is or was a dependent are free of the enforcement of the  
24 claims of creditors, except to the extent such claims are for the  
25 satisfaction of any liens or subrogation claims arising out of the  
26 claims for personal injury or death. The exemption under this  
27 subsection (1)(d) ~~((vi))~~ (viii) does not apply to the right of the  
28 state of Washington, or any agent or assignee of the state, as a  
29 lienholder or subrogee under RCW 43.20B.060.

30       (e) ~~((To each qualified individual, one of the following~~  
31 exemptions:

32       ~~(i) To a farmer, farm trucks, farm stock, farm tools, farm~~  
33 equipment, supplies and seed, not to exceed ten thousand dollars in  
34 value;

35       ~~(ii) To a physician, surgeon, attorney, member of the clergy, or~~  
36 other professional person, the individual's library, office  
37 furniture, office equipment and supplies, not to exceed ten thousand  
38 dollars in value;

39       ~~(iii))~~ To any ~~((other))~~ individual, the tools ~~((and))~~,  
40 instruments ((and)), materials, and supplies used to carry on his or

1 her trade (~~((for the support of himself or herself or family,))~~) not to  
2 exceed (~~((ten thousand dollars))~~) \$15,000 in value.

3 (f) Tuition units, under chapter 28B.95 RCW, purchased more than  
4 two years prior to the date of a bankruptcy filing or court judgment,  
5 and contributions to any other qualified tuition program under 26  
6 U.S.C. Sec. 529 of the internal revenue code of 1986, as amended, and  
7 to a Coverdell education savings account, also known as an education  
8 individual retirement account, under 26 U.S.C. Sec. 530 of the  
9 internal revenue code of 1986, as amended, contributed more than two  
10 years prior to the date of a bankruptcy filing or court judgment.

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

15 (3) In the case of married persons, each spouse is entitled to  
16 the exemptions provided in this section, which may be combined with  
17 the other spouse's exemption in the same property or taken in  
18 different exempt property.

19 (4)(a) Beginning April 2026, and each April on a three-year  
20 interval thereafter, the department of revenue must adjust the  
21 applicable amounts for the following three-year interval by  
22 multiplying the current applicable amounts by one plus the percentage  
23 by which the most current consumer price index available on January  
24 31st of the year of such April exceeds the consumer price index for  
25 the prior three-year period, and rounding the result to the nearest  
26 \$25. If an adjustment under this subsection (4) would reduce the  
27 applicable amounts under this section, the department of revenue must  
28 not adjust the applicable amounts for use in the three-year interval.  
29 The department of revenue must publish the adjusted applicable  
30 amounts on its public website by April 1st of the first year of the  
31 three-year interval in which the applicable amounts are adjusted. The  
32 adjusted applicable amounts calculated under this subsection (4) take  
33 effect on April 1st of the calendar year in which they are adjusted  
34 under this subsection (4).

35 (b) For purposes of this subsection (4):

36 (i) "Applicable amounts" means each dollar amount in effect under  
37 this section.

38 (ii) "Consumer price index" means the consumer price index for  
39 all urban consumers, all items, for the Seattle area as calculated by  
40 the United States bureau of labor statistics or its successor agency.

1 (iii) "Seattle area" means the geographic area sample that  
2 includes Seattle and surrounding areas.

3 **Sec. 2.** RCW 6.15.010 and 2019 c 371 s 3 are each amended to read  
4 as follows:

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

7 (a) All wearing apparel of every individual and family, but not  
8 to exceed (~~three thousand five hundred dollars~~) \$3,500 in value in  
9 furs, jewelry, and personal ornaments for any individual.

10 (b) All private libraries including electronic media, which  
11 includes audiovisual, entertainment, or reference media in digital or  
12 analogue format, of every individual, but not to exceed (~~three~~  
13 ~~thousand five hundred dollars~~) \$3,500 in value, and all family  
14 pictures and keepsakes.

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

16 (d) To each individual or, as to community property of spouses  
17 maintaining a single household as against a creditor of the  
18 community, to the community, provided that each spouse is entitled to  
19 his or her own exemptions in this subsection (1)(d):

20 (i) (~~The individual's or community's~~) All household goods,  
21 appliances, furniture, and home and yard equipment, not to exceed  
22 (~~six thousand five hundred dollars~~) \$6,500 in value for the  
23 individual (~~or thirteen thousand dollars for the community, no~~  
24 ~~single item to exceed seven hundred fifty dollars~~), said amount to  
25 include provisions and fuel for (~~the~~) comfortable maintenance (~~of~~  
26 ~~the individual or community~~);

27 (ii) In a bankruptcy case, any other personal property, except  
28 personal earnings as provided under RCW 6.15.050(1), not to exceed  
29 \$10,000 in value. The value shall be determined as of the date the  
30 bankruptcy petition is filed;

31 (iii) Other than in a bankruptcy case as described in (d)(ii) of  
32 this subsection, other personal property, except personal earnings as  
33 provided under RCW 6.15.050(1), not to exceed (~~three thousand~~  
34 dollars)) \$3,000 in value, (~~of which not more than one thousand five~~  
35 hundred dollars in value may consist of cash, and)) of which not more  
36 than:

37 (A) For all debts except private student loan debt and consumer  
38 debt, (~~five hundred dollars~~) \$500 in value may consist of bank  
39 accounts, savings and loan accounts, stocks, bonds, or other

1 securities. The maximum exemption under this subsection (1)(d)  
2 (~~((ii))~~) (iii)(A) may not exceed (~~(five hundred dollars)~~) \$500,  
3 regardless of the number of existing separate bank accounts, savings  
4 and loan accounts, stocks, bonds, or other securities.

5 (B) For all private student loan debt, (~~(two thousand five~~  
6 ~~hundred dollars)~~) \$2,500 in value may consist of bank accounts,  
7 savings and loan accounts, stocks, bonds, or other securities. The  
8 maximum exemption under this subsection (1)(d) (~~((ii))~~) (iii)(B) may  
9 not exceed (~~(two thousand five hundred dollars)~~) \$2,500, regardless  
10 of the number of existing separate bank accounts, savings and loan  
11 accounts, stocks, bonds, or other securities.

12 (C) For all consumer debt, (~~(two thousand dollars)~~) \$2,000 in  
13 value may consist of bank accounts, savings and loan accounts,  
14 stocks, bonds, or other securities. The maximum exemption under this  
15 subsection (1)(d) (~~((ii))~~) (iii)(C) may not exceed (~~(two thousand~~  
16 ~~dollars)~~) \$2,000, regardless of the number of existing separate bank  
17 accounts, savings and loan accounts, stocks, bonds, or other  
18 securities;

19 (~~((iii) For an individual, a)~~) (iv) A motor vehicle (~~(used for~~  
20 ~~personal transportation,)~~) not to exceed (~~(three thousand two hundred~~  
21 ~~fifty dollars or for a community two motor vehicles used for personal~~  
22 ~~transportation, not to exceed six thousand five hundred dollars)~~)  
23 \$15,000 in aggregate value;

24 (~~((iv))~~) (v) Any past due, current, or future child support paid  
25 or owed to the debtor, which can be traced;

26 (~~((v))~~) (vi) All professionally prescribed health aids for the  
27 debtor or a dependent of the debtor; (~~and~~

28 ~~(vi))~~) (vii) To any individual, the right to or proceeds of a  
29 payment not to exceed twenty thousand dollars on account of personal  
30 bodily injury, not including pain and suffering or compensation for  
31 actual pecuniary loss, of the debtor or an individual of whom the  
32 debtor is a dependent; or the right to or proceeds of a payment in  
33 compensation of loss of future earnings of the debtor or an  
34 individual of whom the debtor is or was a dependent, to the extent  
35 reasonably necessary for the support of the debtor and any dependent  
36 of the debtor; and

37 (viii) In a bankruptcy case, the right to or proceeds of personal  
38 injury of the debtor or an individual of whom the debtor is a  
39 dependent; or the right to or proceeds of a payment in compensation  
40 of loss of future earnings of the debtor or an individual of whom the

1 debtor is or was a dependent are free of the enforcement of the  
2 claims of creditors, except to the extent such claims are for the  
3 satisfaction of any liens or subrogation claims arising out of the  
4 claims for personal injury or death. The exemption under this  
5 subsection (1)(d) ~~((vi))~~ (viii) does not apply to the right of the  
6 state of Washington, or any agent or assignee of the state, as a  
7 lienholder or subrogee under RCW 43.20B.060.

8 (e) ~~((To each qualified individual, one of the following~~  
9 ~~exemptions:~~

10 ~~(i) To a farmer, farm trucks, farm stock, farm tools, farm~~  
11 ~~equipment, supplies and seed, not to exceed ten thousand dollars in~~  
12 ~~value;~~

13 ~~(ii) To a physician, surgeon, attorney, member of the clergy, or~~  
14 ~~other professional person, the individual's library, office~~  
15 ~~furniture, office equipment and supplies, not to exceed ten thousand~~  
16 ~~dollars in value;~~

17 ~~((iii))~~ To any ~~((other))~~ individual, the tools ~~((and))~~,  
18 instruments ~~((and))~~, materials, and supplies used to carry on his or  
19 her trade ~~((for the support of himself or herself or family,))~~ not to  
20 exceed ~~((ten thousand dollars))~~ \$15,000 in value.

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

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

33 (3) In the case of married persons, each spouse is entitled to  
34 the exemptions provided in this section, which may be combined with  
35 the other spouse's exemption in the same property or taken in  
36 different exempt property.

37 (4)(a) Beginning April 2026, and each April on a three-year  
38 interval thereafter, the department of revenue must adjust the  
39 applicable amounts for the following three-year interval by  
40 multiplying the current applicable amounts by one plus the percentage

1 by which the most current consumer price index available on January  
2 31st of the year of such April exceeds the consumer price index for  
3 the prior three-year period, and rounding the result to the nearest  
4 \$25. If an adjustment under this subsection (4) would reduce the  
5 applicable amounts under this section, the department of revenue must  
6 not adjust the applicable amounts for use in the three-year interval.  
7 The department of revenue must publish the adjusted applicable  
8 amounts on its public website by April 1st of the first year of the  
9 three-year interval in which the applicable amounts are adjusted. The  
10 adjusted applicable amounts calculated under this subsection (4) take  
11 effect on April 1st of the calendar year in which they are adjusted  
12 under this subsection (4).

13 (b) For purposes of this subsection (4):

14 (i) "Applicable amounts" means each dollar amount in effect under  
15 this section.

16 (ii) "Consumer price index" means the consumer price index for  
17 all urban consumers, all items, for the Seattle area as calculated by  
18 the United States bureau of labor statistics or its successor agency.

19 (iii) "Seattle area" means the geographic area sample that  
20 includes Seattle and surrounding areas.

21 **Sec. 3.** RCW 51.32.040 and 2013 c 125 s 6 are each amended to  
22 read as follows:

23 (1) Except as provided in RCW 43.20B.720, 72.09.111, 74.20A.260,  
24 and 51.32.380, no money paid or payable under this title shall,  
25 (~~before the issuance and delivery of the payment,~~) be assigned,  
26 charged, or taken in execution, attached, garnished, or pass or be  
27 paid to any other person by operation of law, any form of voluntary  
28 assignment, or power of attorney. Any such assignment or charge is  
29 void unless the transfer is to a financial institution at the request  
30 of a worker or other beneficiary and made in accordance with RCW  
31 51.32.045. Payments retain their exempt status even after issuance.

32 (2) (a) If any worker suffers (i) a permanent partial injury and  
33 dies from some other cause than the accident which produced the  
34 injury before he or she receives payment of the award for the  
35 permanent partial injury or (ii) any other injury before he or she  
36 receives payment of any monthly installment covering any period of  
37 time before his or her death, the amount of the permanent partial  
38 disability award or the monthly payment, or both, shall be paid to  
39 the surviving spouse or the child or children if there is no



1 surviving spouse. If there is no surviving spouse and no child or  
2 children, the award or the amount of the monthly payment shall be  
3 paid by the department or self-insurer and distributed consistent  
4 with the terms of the decedent's will or, if the decedent dies  
5 intestate, consistent with the terms of RCW 11.04.015.

6 (b) If any worker suffers an injury and dies from it before he or  
7 she receives payment of any monthly installment covering time loss  
8 for any period of time before his or her death, the amount of the  
9 monthly payment shall be paid to the surviving spouse or the child or  
10 children if there is no surviving spouse. If there is no surviving  
11 spouse and no child or children, the amount of the monthly payment  
12 shall be paid by the department or self-insurer and distributed  
13 consistent with the terms of the decedent's will or, if the decedent  
14 dies intestate, consistent with the terms of RCW 11.04.015.

15 (c) Any application for compensation under this subsection (2)  
16 shall be filed with the department or self-insuring employer within  
17 one year of the date of death. The department or self-insurer may  
18 satisfy its responsibilities under this subsection (2) by sending any  
19 payment due in the name of the decedent and to the last known address  
20 of the decedent.

21 (3)(a) Any worker or beneficiary receiving benefits under this  
22 title who is subsequently confined in, or who subsequently becomes  
23 eligible for benefits under this title while confined in, any  
24 institution under conviction and sentence shall have all payments of  
25 the compensation canceled during the period of confinement. After  
26 discharge from the institution, payment of benefits due afterward  
27 shall be paid if the worker or beneficiary would, except for the  
28 provisions of this subsection (3), otherwise be entitled to them.

29 (b) If any prisoner is injured in the course of his or her  
30 employment while participating in a work or training release program  
31 authorized by chapter 72.65 RCW and is subject to the provisions of  
32 this title, he or she is entitled to payments under this title,  
33 subject to the requirements of chapter 72.65 RCW, unless his or her  
34 participation in the program has been canceled, or unless he or she  
35 is returned to a state correctional institution, as defined in RCW  
36 72.65.010(3), as a result of revocation of parole or new sentence.

37 (c) If the confined worker has any beneficiaries during the  
38 confinement period during which benefits are canceled under (a) or  
39 (b) of this subsection, they shall be paid directly the monthly  
40 benefits which would have been paid to the worker for himself or

1 herself and the worker's beneficiaries had the worker not been  
2 confined.

3 (4) Any lump sum benefits to which a worker would otherwise be  
4 entitled but for the provisions of this section shall be paid on a  
5 monthly basis to his or her beneficiaries.

6 NEW SECTION. **Sec. 4.** Section 1 of this act expires July 1,  
7 2025.

8 NEW SECTION. **Sec. 5.** Section 2 of this act takes effect July 1,  
9 2025.

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