
ENGROSSED SUBSTITUTE SENATE BILL 5173

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
39 seasonally adjusted for all urban consumers, all items, for the

1 United States as calculated by the United States bureau of labor
2 statistics or its successor agency.

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
17 seasonally adjusted for all urban consumers, all items, for the
18 United States as calculated by the United States bureau of labor
19 statistics or its successor agency.

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

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

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

1 children, the award or the amount of the monthly payment shall be
2 paid by the department or self-insurer and distributed consistent
3 with the terms of the decedent's will or, if the decedent dies
4 intestate, consistent with the terms of RCW 11.04.015.

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

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

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

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

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