

FINAL BILL REPORT

SB 5181

C 138 L 97

Synopsis as Enacted

Brief Description: Making certain debtors liable for any deficiency after default.

Sponsors: Senators Roach, Fairley, Prentice, Benton and Winsley.

Senate Committee on Law & Justice

House Committee on Law & Justice

Background: Currently, a creditor holding a purchase money security interest in consumer goods— taken or retained by the seller of such goods is not able to collect any deficiency from the debtor after default and repossession if the collateral is sold or disposed of for less than the full amount of the outstanding debt.

Summary: The restriction against collecting deficiencies is removed, so that debtors are liable for the full amount of any outstanding debt when collateral secured by a purchase money security interest in consumer goods— is sold by the creditor after default for less than the full amount of any outstanding debt.

Votes on Final Passage:

Senate	43	4
House	97	1

Effective: July 27, 1997