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As debt collection lawsuits [surge to pre-pandemic highs](#), more and more families will see their cash and property seized by debt collectors. All states protect some of a family's property from seizure by debt collectors to enforce a court ruling for a debt, but in some states the protection is minimal or is so difficult to claim that it is essentially a dead letter.

Protecting a basic amount in a bank account is particularly important. Most wages are direct-deposited, so allowing a debt collector to seize a family's bank account means seizure of the breadwinner's paycheck that the family was relying on to pay for rent, food, transportation to work, and utility bills. It also means that all the family's outstanding checks and debits are likely to bounce. No family should be made homeless or destitute because of an old credit card debt.

HOW TO MAKE A BANK ACCOUNT PROTECTION EFFECTIVE

Many states either have no protection for a family bank account or have a protection so minimal, or so complicated to assert, that it might as well not exist. The solution is a protection with three key elements:

- 1. Flat Amount Sufficient to Cover Rent and Other Necessities:** While the optimal number may vary from state to state, \$3,000 is a good starting point.
- 2. Self Executing:** Because the current laws are complex and many people don't even know they have been sued until their bank account is emptied, the protection should be applied automatically—so banks know not to freeze or seize any amount under \$3,000 in an account.
- 3. Indexing to Inflation:** As the affordability crisis has made clear, prices are always increasing. An effective bank account protection will have to go up periodically to reflect inflation (every three years is a good benchmark) if it is to continue to protect rent and other necessities.

A protection like this still allows creditors ways to collect a debt. For example, in most states they can still require a worker's employer to turn over a portion—25% in many states—of the worker's paycheck.

WHICH STATES HAVE IMPLEMENTED SOME OR ALL OF THE ELEMENTS OF A STRONG BANK ACCOUNT PROTECTION?

Thirteen states (CA, CT, DE, MD, MA, NV, NM, NY, OH, OR, PA, WA, WI) provide self-executing protections for an exempt amount in a bank account. In 11 of these states, a statute mandates that the exemption be self-executing. In one state, Pennsylvania, the exemption is self-executing by court rule, and in Wisconsin an exemption form created by the court system makes the exemption self-executing.

State	Amount Protected	Automatic?	Mechanism	Periodic Increase?
CA	\$2,244	Yes	Statute	Amount is increased each July based on the “minimum basic standard of adequate care” for a family of four for Region 1, as established and adjusted annually under Cal. Welf. & Inst. Code §§ 11452, 11453 (West).
CT	\$1,000	Yes	Statute	No
DE	Prohibits garnishment	Yes	Statute	No
MD	\$500	Yes	Statute	No
MA	\$2,500	Yes	Statute	No
NV	\$400 (up to \$10,000 more if a form is filed)	Yes	Statute	No
NM	\$2,400	Yes	Statute	No
NY	\$4,050 (as of 1/1/26)	Yes	Statute	240 times the state or federal minimum hourly wage, whichever is higher—so rises as state minimum wage rises.
OH	\$625	Yes	Statute	Adjusted every 3 years by CPI
OR	\$2,500	Yes	Statute	Adjusted every year for inflation
PA	\$300	Yes	Court Rule	No
WA	\$2,000 (additional \$1,000 can be claimed with form)	Yes	Statute	Adjusted every three years for inflation starting in July 2027
WI	\$5,000	Yes	Court Form	No

See [No Fresh Start: Will States Protect Families from Wage and Asset Seizures as Debt Levels Soar? \(2025\)](#) for broader analysis of exemption laws.

STATES ACROSS THE GEOGRAPHIC AND POLITICAL SPECTRUM HAVE INSTITUTED SELF EXECUTING BANK PROTECTIONS

Protecting a basic amount in a bank account to ensure constituents can pay their rent and keep working even if they have fallen behind on their credit card bills can be a non-partisan issue that consumer advocates, banks, the debt collection industry, and courts can work on together. While most states have implemented these common-sense protections through legislation, court rules or forms can also be used. It's ultimately in everyone's interest to keep families housed and working even if they have hit a bump in the road.

Questions on how to get started? Contact: Carolyn Carter (ccarter@nclc.org) or Michael Best (mbest@nclc.org). For more information about debt collection protections, see [NCLC's debt collection resources](#).

The nonprofit National Consumer Law Center® (NCLC®) works for economic justice for low-income and other disadvantaged people in the U.S. through policy analysis and advocacy, publications, litigation, and training.