



State of Wisconsin
2017 - 2018 LEGISLATURE

LRBa1442/1
TKK:jld&wlj

**ASSEMBLY AMENDMENT 2,
TO ASSEMBLY BILL 476**

October 30, 2017 – Offered by Representative HUTTON.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 2, line 12: delete lines 12 to 24 and substitute:

3 “**SECTION 3m.** 812.35 (6) of the statutes is amended to read:

4 812.35 (6) If the garnishee may become obligated to the debtor for earnings
5 earned within pay periods beginning ~~within 13 weeks~~ after the date of service, but
6 one or more earnings garnishments against the debtor have already been served on
7 the garnishee and not terminated, the garnishee shall ~~retain the earnings~~
8 ~~garnishment form and place the garnishment into effect the pay period after the last~~
9 ~~of any prior earnings garnishments terminates.~~ The garnishee shall notify the
10 debtor of the amount of the garnishment and shall notify the creditor ~~of the amount~~
11 ~~owed on the pending garnishments~~ that one or more earnings garnishments are in
12 effect against the debtor by the end of the 7th business day after receipt of the
13 garnishment form under sub. (3). The garnishee shall recalculate the amount to pay

1 to each creditor for which an earnings garnishment remains in effect using the
2 procedure under s. 812.39 (1) and shall place the garnishment into effect for the pay
3 period falling after the 7th business day after receipt of the garnishment form. If,
4 before the earnings garnishment takes effect, the garnishee determines that it is
5 unlikely that the garnishee will continue to be obligated to the debtor for earnings,
6 the garnishee shall notify the creditor and court under sub. (5) within 7 business days
7 after making that determination.”.

8 **2.** Page 3, line 11: after that line insert:

9 “**SECTION 4b.** 812.39 (1) of the statutes is renumbered 812.39 (1) (intro.) and
10 amended to read:

11 812.39 (1) (intro.) Between 5 and 10 business days after the payday of each pay
12 period in which the debtor’s earnings are subject to the earnings garnishment, the
13 garnishee shall, subject to subs. (1m) and (2), pay the creditor that portion of the
14 debtor’s nonexempt disposable earnings to which the creditor is entitled. If the
15 debtor’s earnings are already being garnished by one or more earnings garnishments
16 when the garnishee is served under s. 812.35 (3) (b) by a creditor with a garnishment
17 form to recover an amount owed by that debtor, the garnishee shall, subject to subs.
18 (1m) and (2), do all of the following:

19 **SECTION 4f.** 812.39 (1) (a) of the statutes is created to read:

20 812.39 (1) (a) Determine 20 percent of the debtor’s disposable earnings.

21 **SECTION 4k.** 812.39 (1) (b) of the statutes is created to read:

22 812.39 (1) (b) Divide the quotient under par. (a) by the total number of
23 creditors.

24 **SECTION 4p.** 812.39 (1) (c) of the statutes is created to read:

1 812.39 (1) (c) Pay each creditor the amount determined under par. (b).

2 **SECTION 4s.** 812.39 (1m) of the statutes is created to read:

3 812.39 (1m) (a) Court-ordered garnishment of the debtor's earnings to satisfy
4 an order for restitution under s. 973.20 (1r), regardless of the date the garnishee first
5 receives notice of the court-ordered garnishment, takes priority over an earnings
6 garnishment under this subchapter. Subject to sub. (2), and except as provided in
7 par. (b), if the debtor's earnings are subject to garnishment under s. 973.20 (1r), the
8 creditor shall not be entitled to an amount greater than 20 percent of the debtor's
9 disposable earnings less the amount to be garnished pursuant to court order under
10 s. 973.20 (1r).

11 (b) If one or more earnings garnishments are in effect for a debtor who owes
12 restitution under s. 973.20 (1r), the garnishee shall, if the amount to be garnished
13 pursuant to court order under s. 973.20 (1r) is less than 20 percent of the debtor's
14 disposable earnings, determine the amount to which each creditor is entitled from
15 the difference between 20 percent of the debtor's disposable income and the amount
16 to be garnished to satisfy an order for restitution under s. 973.20 (1r) in the manner
17 under sub. (1).

18 **SECTION 4w.** 812.39 (2) of the statutes is renumbered 812.39 (2) (a) and
19 amended to read:

20 812.39 (2) (a) Court-ordered assignments of the debtor's earnings for support
21 or maintenance under ch. 767, regardless of the date the garnishee first receives
22 notice of the assignment, take priority over an earnings garnishment under this
23 subchapter. If and take priority over a garnishment to satisfy an order for restitution
24 under s. 973.20 (1r). Except as provided in par. (b), if the debtor's earnings are subject
25 to assignment under s. 767.75, the creditor shall not be entitled to an amount greater

1 than 25 percent of the debtor's disposable earnings less the amount assigned under
2 s. 767.75.

3 **SECTION 4y.** 812.39 (2) (b) of the statutes is created to read:

4 812.39 (2) (b) If one or more earnings garnishments are in effect for a debtor
5 whose earnings are subject to assignment under s. 767.75, the garnishee shall, if the
6 sum of the amount assigned under s. 767.75 and the amount to be garnished to
7 satisfy an order for restitution under s. 973.20 (1r) are less than 25 percent of the
8 debtor's disposable earnings, determine the amount to which each creditor is entitled
9 from the difference between 25 percent of the debtor's disposable income and the sum
10 of the amount assigned under s. 767.75 and the amount to be garnished to satisfy an
11 order for restitution under s. 973.20 (1r) in the manner under sub. (1).”

12 **3.** Page 5, line 11: delete lines 11 to 18 and substitute:

13 “5. If the debtor's earnings are already being garnisheed when you receive this
14 earnings garnishment, ~~place this earnings garnishment into effect the pay period~~
15 ~~after the last of any prior earnings garnishments terminates.~~ Notify ~~notify~~ the
16 debtor of the amount of the garnishment and notify the creditor of the amount owed
17 on the pending garnishments by the end of the 7th business day after you receive
18 these forms. ~~If there are no prior pending earnings garnishments against the~~
19 ~~debtor's earnings,~~ Determine the amount you will pay to each creditor using the
20 method described in the section titled “PAYING THE CREDITOR; PAYING
21 MULTIPLE CREDITORS” and place this earnings garnishment into effect the pay
22 period that begins at the end of the 7th business day after you receive it.”

23 **4.** Page 6, line 10: after “CREDITOR” insert “; PAYING MULTIPLE
24 CREDITORS”.

1 **5.** Page 6, line 13: after “pay period.” insert “If this earnings garnishment is
2 one of 2 or more earnings garnishments issued for this debtor, before paying any
3 creditor, first determine 20% of the debtor’s disposable earnings for the pay period
4 and then divide that amount equally between all creditors.”.

5 **6.** Page 6, line 22: delete “and” and substitute “and”.

6 **7.** Page 6, line 23: delete “garnisheed” and substitute “garnisheed, earnings
7 garnished to satisfy an order for restitution under s. 973.20 (1r), this wage
8 garnishment, and all other wage garnishments in effect for this debtor”.

9 **8.** Page 6, line 24: after “EXTENSIONS” insert “EFFECT OF A
10 GARNISHMENT TO SATISFY AN ORDER FOR RESTITUTION”.

11 **9.** Page 7, line 1: delete “9.” and substitute “9.”.

12 **10.** Page 7, line 3: delete “If” and substitute “If”.

13 **11.** Page 7, line 7: delete “the party who paid it to you.” and substitute “the
14 party who paid it to you earnings payable to a debtor who owes restitution under s.
15 973.20 (1r) are being garnished to satisfy an order for restitution, those restitution
16 payments take priority over this earnings garnishment. If 20% or more of the
17 debtor’s disposable earnings are being garnished to satisfy an order for restitution,
18 do not pay any part of the debtor’s earnings to the creditor. Instead, send the creditor
19 a statement of that fact by the end of the 7th business day after you receive these
20 forms. If less than 20% of the debtor’s earnings are being garnished to satisfy an
21 order for restitution, the amount the creditor must be paid is reduced so that the total
22 of earnings garnished for restitution and garnished under this earnings

1 garnishment and any other earnings garnishments in effect for this debtor does not
2 exceed 20% of the debtor's disposable earnings."

3 (END)