



1999 ASSEMBLY BILL 391

June 24, 1999 - Introduced by Representatives GUNDERSON, MUSSER, TOWNSEND, TURNER, SYKORA, HAHN, PETROWSKI, HUNDERTMARK, SPILLNER, GRONEMUS, KELSO, ALBERS and POWERS, cosponsored by Senator DARLING. Referred to Committee on Judiciary and Personal Privacy.

1 **AN ACT to amend** 812.34 (1) (a) of the statutes; **relating to:** disposable earning
2 exempt from garnishment.

Analysis by the Legislative Reference Bureau

Under current law, if a person's earnings are garnished in this state, generally 80% of the person's disposable earnings are exempt that garnishment. If the person garnished is part of a household whose income is below the poverty line, if the garnishment would result in the household income being below the poverty line or if the person is receiving need-based public assistance, all of the person's earnings are exempt from garnishment. The exemptions do not apply for judgment debts for the support of a person or for unpaid taxes. These exemptions do not apply if the judgment debt being recovered by the garnishment action was ordered under a voluntary wage earner plan approved by a circuit court or ordered by a federal bankruptcy court.

This bill limits the bankruptcy court judgment exception to the 80% and 100% wage exemptions to those judgments ordered by a federal court under a voluntary wage earner plan approved under chapter 13 of the federal bankruptcy law.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 812.34 (1) (a) of the statutes is amended to read:

