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ASSEMBLY SUBSTITUTE AMENDMENT 2, TO 2005 ASSEMBLY BILL 149

April 12, 2005 - Offered by Representative Kessler.

- AN ACT to amend 814.04 (6) of the statutes; relating to: attorney fees in civil
- 2 actions.

Analysis by the Legislative Reference Bureau

Under current law, generally in civil actions the amount a prevailing party may recover in attorney fees is limited by law. If the amount recovered is greater than \$5,000, the attorney fees are \$500. If the amount recovered is from \$1,000 to \$5,000, the attorney fees are \$300. If the amount recovered is less than \$1,000, the attorney fees are \$100. If there is no specific amount recovered or if the action does not involve property, the attorney fees are \$300. Current law reduces these attorney fee awards by half if there is a default judgment or if the action is voluntarily dismissed by the adverse party.

This substitute amendment reduces the attorney fees by half when the action is brought by a debt collector who has purchased the debt and there is a default judgment or the action is voluntarily dismissed by the adverse party.

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

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814.04 **(6)** JUDGMENT BY DEFAULT. If an action is brought by a debt collector, as defined in s. 427.103 (3), who has purchased the debt and the judgment is by default or upon voluntary dismissal by the adverse party the costs taxed under sub. (1) shall be one-half what they would have been had the matter been contested.

5 (END)