



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-0946/1

KRP:cdc

2025 ASSEMBLY BILL 296

May 30, 2025 - Introduced by Representatives TUSLER, DITTRICH, GUNDRUM, KAUFERT, KITCHENS, KNODL, MAXEY, MELOTIK, MURPHY, O'CONNOR, PIWOWARCZYK, STEFFEN and WICHGERS, cosponsored by Senators HUTTON and WANGGAARD. Referred to Committee on State Affairs.

1 **AN ACT** *to repeal* 812.40, 812.405 and 812.42 (2) (b); *to renumber and amend*
2 812.39 (2); *to amend* 812.33 (1), 812.35 (5), 812.35 (6), 812.38 (2), 812.39 (1),
3 812.44 (3) and 812.44 (4); *to create* 812.35 (7), 812.39 (2) (b), 812.39 (2m) and
4 812.395 of the statutes; **relating to:** eliminating the 13-week limit on the
5 garnishment of earnings of certain debtors.

Analysis by the Legislative Reference Bureau

This bill eliminates the 13-week limit imposed on the garnishment of earnings of certain debtors. Under current law, a creditor may file a garnishment notice with a court and pay a fee to a garnishee for the purpose of collecting an unsatisfied judgment for money damages from earnings owed to the debtor by the garnishee. Current law limits the number of weeks in which the earnings of a debtor, other than a debtor who is an employee of the state or a political subdivision of the state, may be garnished to 13 weeks.

Under current law, a court-ordered assignment of a debtor's earnings for support or maintenance in a family law matter takes priority over an earnings garnishment. The bill provides that a court-ordered earnings garnishment to satisfy an order for restitution in a criminal matter takes priority over other

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earnings garnishments but does not have priority over an assignment in a family law matter.

The bill makes various other changes, including changes to account for the increased length of time a garnishment may continue. For example, the bill requires a creditor to provide additional notices to a debtor when a garnishment extends beyond a 13-week period.

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

SECTION 1. 812.33 (1) of the statutes is amended to read:

812.33 (1) The creditor shall pay a \$15 fee to the garnishee for each earnings garnishment ~~or each stipulated extension of that earnings garnishment, except that~~ there is no fee for a garnishment to satisfy an order for restitution under s. 973.20 (1r). This fee shall be included as a cost in the creditor's claim in the earnings garnishment.

SECTION 2. 812.35 (5) of the statutes is amended to read:

812.35 (5) Upon being served, the garnishee shall determine whether the garnishee may become obligated to the debtor for earnings earned within pay periods beginning ~~within 13 weeks~~ after the date of service. If it is unlikely that the garnishee will become so obligated, the garnishee shall send a statement of that fact to the creditor by the end of the 7th business day after receiving the earnings garnishment form under sub. (3). The creditor shall send a copy of this statement to the court within 7 business days after receipt of the statement.

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

812.35 (6) If the garnishee may become obligated to the debtor for earnings earned within pay periods beginning ~~within 13 weeks~~ after the date of service, but one or more earnings garnishments against the debtor have already been served on

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1 the garnishee and not terminated, the garnishee shall retain the earnings
2 garnishment form and place the garnishment into effect the pay period after the
3 last of any prior earnings garnishments terminates. The garnishee shall notify the
4 debtor of the amount of the garnishment and shall notify the creditor of the amount
5 owed on the pending garnishments by the end of the 7th business day after receipt
6 of the garnishment form under sub. (3). If, before the earnings garnishment takes
7 effect, the garnishee determines that it is unlikely that the garnishee will continue
8 to be obligated to the debtor for earnings, the garnishee shall notify the creditor and
9 court under sub. (5) within 7 business days after making that determination.

10 **SECTION 4.** 812.35 (7) of the statutes is created to read:

11 812.35 (7) Upon being served, the garnishee shall determine whether the
12 debtor's address as shown in the earnings garnishment form received under sub. (3)
13 is consistent with the debtor's address in the garnishee's records, and, if it is not
14 consistent, the garnishee shall notify the creditor in writing by the end of the 7th
15 business day after receiving the earnings garnishment form of the current address
16 of the debtor in the garnishee's records. If the creditor is notified of a different
17 address of the debtor under this subsection, the creditor shall serve on the debtor at
18 that address, by one of the means listed under sub. (3) (a) 1. to 3., copies of the
19 information required to be served under subs. (3) (a) and (4) (b).

20 **SECTION 5.** 812.38 (2) of the statutes is amended to read:

21 812.38 (2) A motion or petition under sub. (1) may be made at any time during
22 the pendency of the earnings garnishment. Within 5 business days after a motion
23 or petition is filed under sub. (1), the court shall schedule the matter for a hearing
24 to be held as promptly as practicable. The court shall notify the parties of the time

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1 and place of the hearing. Upon conclusion of the hearing, the court shall make
2 findings of fact and conclusions of law. The court shall make such order as required
3 by these findings and conclusions. ~~If the order permits the garnishment to proceed,~~
4 ~~the date on which the order is served upon the garnishee shall substitute for the~~
5 ~~original date of service of the garnishment upon the garnishee under s. 812.35 (3)~~
6 ~~for the purpose of determining any 13-week period under s. 812.35 (5) or (6).~~ A
7 court order shall bind the garnishee from the time the order is served upon ~~him or~~
8 ~~her~~ the garnishee.

9 **SECTION 6.** 812.39 (1) of the statutes is amended to read:

10 812.39 (1) Between 5 and 10 business days after the payday of each pay period
11 in which the debtor's earnings are subject to the earnings garnishment, the
12 garnishee shall subject to the exemption under s. 812.34 (2) and except as provided
13 in subs. (2) and (2m), pay the creditor that portion of the debtor's nonexempt
14 disposable earnings to which the creditor is entitled.

15 **SECTION 7.** 812.39 (2) of the statutes is renumbered 812.39 (2) (a) and
16 amended to read:

17 812.39 (2) (a) Court-ordered assignments of the debtor's earnings for support
18 or maintenance under ch. 767, regardless of the date the garnishee first receives
19 notice of the assignment, take priority over an earnings garnishment under this
20 subchapter. ~~If~~ and take priority over a garnishment to satisfy an order for
21 restitution under s. 973.20 (1r). Except as provided in par. (b), if the debtor's
22 earnings are subject to assignment under s. 767.75, the creditor, including a
23 creditor entitled to an earnings garnishment to satisfy an order for restitution
24 under s. 973.20 (1r), shall not be entitled to an amount greater than 25 percent of

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1 the debtor's disposable earnings less the amount assigned under s. 767.75. If the
2 garnishee determines that the amount to be garnisheed pursuant to an order under
3 s. 767.75 is equal to or greater than 25 percent of the debtor's disposable earnings,
4 the garnishee shall notify the creditor and the court under s. 812.35 (5) within 7
5 business days after making that determination.

6 **SECTION 8.** 812.39 (2) (b) of the statutes is created to read:

7 812.39 (2) (b) If an earnings garnishment is in effect for a debtor whose
8 earnings are subject to assignment under s. 767.75, the garnishee shall, if the
9 amount assigned under s. 767.75 is less than 25 percent of the debtor's disposable
10 earnings, do all of the following:

11 1. Determine the difference between 25 percent of the debtor's disposable
12 income and the sum of the following:

13 a. The amount assigned under s. 767.75.

14 b. The amount, if any, to be garnisheed to satisfy an order for restitution
15 under s. 973.20 (1r).

16 2. If the difference determined under subd. 1. is less than 25 percent of the
17 debtor's disposable income, pay the difference under subd. 1. to the creditor.

18 3. If the difference determined under subd. 1. is 25 percent or more of the
19 debtor's disposable income, notify the creditor and the court under s. 812.35 (5)
20 within 7 business days after making that determination.

21 **SECTION 9.** 812.39 (2m) of the statutes is created to read:

22 812.39 (2m) (a) Court-ordered garnishment of the debtor's earnings to satisfy
23 an order for restitution under s. 973.20 (1r), regardless of the date the garnishee

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1 first receives notice of the court-ordered garnishment, takes priority over an
2 earnings garnishment under this subchapter. Subject to sub. (2), and except as
3 provided in pars. (b) and (c), if the debtor's earnings are subject to garnishment
4 under s. 973.20 (1r), the creditor shall not be entitled to an amount greater than 20
5 percent of the debtor's disposable earnings less the amount to be garnisheed
6 pursuant to court order under s. 973.20 (1r).

7 (b) If an earnings garnishment is in effect for a debtor who owes restitution
8 under s. 973.20 (1r), the garnishee shall, subject to sub. (2) and except as provided
9 in par. (c), do all of the following:

10 1. Determine the difference between 20 percent of the debtor's disposable
11 income and the amount to be garnisheed to satisfy an order for restitution under s.
12 973.20 (1r).

13 2. Pay the creditor the amount determined under subd. 1.

14 (c) If the garnishee determines that the amount to be garnisheed pursuant to
15 court order under s. 973.20 (1r) is equal to or greater than 20 percent of the debtor's
16 disposable earnings, the garnishee shall notify the creditor and the court under s.
17 812.35 (5) within 7 business days after making that determination.

18 **SECTION 10.** 812.395 of the statutes is created to read:

19 **812.395 Garnishment of earnings remains in effect; notices to debtor.**

20 (1) A garnishment of earnings payable to a debtor, including a debtor who owes
21 victim restitution ordered under s. 973.20 (1r), remains valid and effective until the
22 judgment is satisfied, unless sooner terminated by order of the court.

23 (2) For a garnishment of earnings that extends beyond a 13-week period,

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1 following the first 13-week period the creditor shall, at least 3 business days before
2 the payday of the first pay period of each subsequent 13-week period during the
3 effective period of a garnishment and until the judgment is satisfied or the
4 garnishment is terminated by order of the court, serve the earnings garnishment
5 form issued by the clerk of courts under s. 812.35 (2) upon the debtor by one of the
6 following means:

7 (a) First class mail.

8 (b) Certified mail, return receipt requested.

9 (c) Any means permissible for the service of a summons in a civil action, other
10 than publication.

11 (3) No later than 180 days after an earnings garnishment proceeding is
12 commenced, and every 180 days thereafter until the judgment is satisfied, the
13 garnishment is terminated by order of the court, or 5 years has elapsed since the
14 garnishment takes effect, whichever occurs first, the creditor shall send to the
15 debtor by first class mail to the debtor's last known address all of the following:

16 (a) An exemption notice that is substantially in the form of the notice under s.
17 812.44 (4) but that omits the information regarding the total amount of the
18 creditor's claim.

19 (b) An answer form under s. 812.44 (5).

20 (c) The schedules and worksheets adopted under s. 812.34 (3).

21 **SECTION 11.** 812.40 of the statutes is repealed.

22 **SECTION 12.** 812.405 of the statutes is repealed.

23 **SECTION 13.** 812.42 (2) (b) of the statutes is repealed.

24 **SECTION 14.** 812.44 (3) of the statutes is amended to read:

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812.44 (3) The earnings garnishment form issued by the clerk under s. 812.35
(2) shall be in substantially the following form:

STATE OF WISCONSIN

CIRCUIT COURT: County

A.B., Creditor

vs.

File or Reference Number

C.D., Debtor

EARNINGS

and

GARNISHMENT

E.F., Garnishee

THE STATE OF WISCONSIN, To the garnishee:

The creditor has been awarded a court judgment that has not been paid. As a
result, the creditor claims that a total of \$.... is owed by the debtor, as follows:

A. Unpaid balance on judgment	\$....
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B. Unpaid postjudgment interest	\$....
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C. Costs of this earnings garnishment	
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(estimated)	\$....
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TOTAL	\$....
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The creditor believes that you will owe the debtor for earnings ~~within the next~~
~~13 weeks.~~ after the date on which you receive this form. The address last known to
the creditor of the debtor is as follows:

Address:

If that information is not consistent with your records, notify the creditor in

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1 writing of the current address of the debtor in your records by the end of the 7th
2 business day after receiving this form.

3 If the \$15 fee is tendered with these papers, you are directed by the court to do
4 the following:

5 **DETERMINE WHETHER YOU WILL**

6 **OWE THE DEBTOR EARNINGS**

7 1. Determine if you are likely to owe the debtor for earnings ~~in pay periods~~
8 ~~beginning within the next 13 weeks~~ earned on or after the date on which you receive
9 this form.

10 2. If you are not likely to owe the debtor for earnings ~~in pay periods beginning~~
11 ~~within the next 13 weeks~~ earned on or after the date on which you receive this form,
12 send a statement stating that fact to the creditor by the end of the 7th business day
13 after receiving the earnings garnishment forms.

14 **IF THE DEBTOR SENDS YOU AN ANSWER**

15 3. Whenever you receive a debtor's answer form from the debtor, mail a copy of
16 the answer form to the creditor by the end of the 3rd business day after receipt of
17 that form. Include the date you received the answer form on the copy sent to the
18 creditor.

19 4. If the debtor's answer form claims a complete exemption or defense, do not
20 withhold or pay to the creditor any part of the debtor's earnings under this
21 garnishment unless you receive an order of the court directing you to do so.

22 **MULTIPLE EARNINGS GARNISHMENTS**

23 5. If the debtor's earnings are already being garnisheed when you receive this

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1 earnings garnishment, place this earnings garnishment into effect the pay period
2 after the last of any prior earnings garnishments terminates. Notify the debtor of
3 the amount of the garnishment and notify the creditor of the amount owed on the
4 pending garnishments by the end of the 7th business day after you receive these
5 forms. If there are no prior pending earnings garnishments against the debtor's
6 earnings, place this earnings garnishment into effect the pay period after you
7 receive it.

EARNINGS GARNISHMENTS

~~LAST 13 WEEKS, EXCEPT~~

~~FOR PUBLIC EMPLOYEES AND~~

~~EXCEPT FOR GARNISHMENTS TO~~

~~SATISFY AN ORDER FOR VICTIM~~

~~RESTITUTION REMAIN IN EFFECT~~

~~UNTIL THE JUDGMENT IS SATISFIED~~

15 6. The garnishment of the earnings of employees ~~of the state of Wisconsin and~~
16 ~~its political subdivisions,~~ and a garnishment to satisfy an order for victim
17 restitution under s. 973.20 (1r) for victim restitution remains in effect until the
18 judgment is satisfied. ~~The garnishment of earnings of other employees will affect~~
19 ~~the debtor's earnings for all pay periods beginning within 13 weeks after you~~
20 ~~receive it, unless the debtor's earnings are already being garnished.~~ If this
21 earnings garnishment is delayed under paragraph 5, above, it will affect the
22 debtor's earnings for all pay periods beginning ~~within 13 weeks~~ after the first day of
23 the pay period that you put this earnings garnishment into effect. ~~If the amount~~

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1 ~~claimed by the creditor is fully paid before the end of the 13 weeks, this earnings~~
2 ~~garnishment will terminate at that point.~~

3 **PAYING THE CREDITOR**

4 7. Between 5 and 10 business days after each payday of a pay period affected
5 by this earnings garnishment, pay the creditor 20% of the debtor's disposable
6 earnings for that pay period. Payment is complete upon mailing.

7 **EFFECT OF COURT-ORDERED**

8 **ASSIGNMENTS FOR SUPPORT**

9 8. If the debtor has assigned ~~his or her~~ the debtor's earnings for support by
10 court order, those support payments take priority over this earnings garnishment
11 and a garnishment to satisfy an order for restitution under s. 973.20 (1r). If 25% or
12 more of the debtor's disposable earnings is assigned for support by court order, do
13 not pay any part of the debtor's earnings to the creditor. Instead, send the creditor
14 a statement of that fact by the end of the 7th business day after you receive these
15 forms. If less than 25% of the debtor's disposable earnings is assigned for support
16 by court order, the amount the creditor must be paid is reduced so that the total of
17 earnings assigned ~~and garnisheed,~~ earnings garnisheed to satisfy an order for
18 restitution under s. 973.20 (1r), and this wage garnishment does not exceed 25% of
19 the debtor's disposable earnings. Determine the amount the creditor must be paid
20 by subtracting from 25% of the debtor's disposable earnings the sum of the amount
21 assigned for support by court order and the amount garnisheed to satisfy an order
22 for restitution, if any.

23 **EXTENSIONS EFFECT OF A GARNISHMENT**

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TO SATISFY AN ORDER FOR RESTITUTION

~~9. The debtor and creditor may agree in writing to extend this earnings garnishment for additional pay periods beginning within 13 weeks after this earnings garnishment would otherwise terminate. If you receive a written extension stipulation, and an additional garnishee fee for each extension, you must honor it unless a different garnishment against this debtor's earnings is served upon you before the extension takes effect. In that case, the extension is void and you must return the extension fee to the party who paid it to you.~~ If the earnings payable to a debtor who owes restitution under a court order are being garnisheed to satisfy that order for restitution, those restitution payments take priority over this earnings garnishment. If 20% or more of the debtor's disposable earnings is being garnisheed to satisfy an order for restitution, do not pay any part of the debtor's earnings to the creditor. Instead, send the creditor a statement of that fact by the end of the 7th business day after you receive these forms. If less than 20% of the debtor's disposable earnings is being garnisheed to satisfy an order for restitution, the amount the creditor must be paid is reduced so that the total of earnings garnisheed for restitution and garnisheed under this earnings garnishment does not exceed 20% of the debtor's disposable earnings. Determine the amount the creditor must be paid by subtracting from 20% of the debtor's disposable earnings the amount being garnisheed to satisfy an order for restitution.

SECTION 15. 812.44 (4) of the statutes is amended to read:

812.44 (4) The notice of exemption served upon the garnishee debtor under s.

812.35 (4) shall be in substantially the following form:

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1 STATE OF WISCONSIN

2 CIRCUIT COURT: County

3

4 A.B., Creditor

5 vs.

File or Reference Number

6 C.D., Debtor

EXEMPTION NOTICE

7 and

EARNINGS GARNISHMENT

8 E.F., Garnishee

9

10 To the debtor:

11 The creditor was awarded a judgment against you or your spouse by
12 (County Circuit or Federal District) Court on the day of, (year). That
13 judgment not having been fully paid, the creditor has now filed a garnishment
14 proceeding against your earnings from the garnishee. This means that the creditor
15 is seeking to take some of your earnings to satisfy part or all of the judgment
16 against you or your spouse.

17 The total amount of the creditor's claim is as follows:

18 Unpaid balance on judgment \$....

19 Unpaid postjudgment interest \$....

20 Costs:

21 a. Garnishment filing fee \$....

22 b. Garnishee fee \$....

23 c. Service of process (estimate) \$....

24 TOTAL \$....

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1 By law, you are entitled to an exemption of not less than 80% of your
2 disposable earnings. Your “disposable earnings” are those remaining after social
3 security and federal and state income taxes are withheld.

4 Your earnings are completely exempt from garnishment if:

5 1. Your household income is below the federal poverty level. See the enclosed
6 schedules and worksheet to determine if you qualify for this exemption.

7 2. You receive aid to families with dependent children, relief funded by a relief
8 block grant under ch. 49, relief provided by counties under section s. 59.53 (21) of
9 the Wisconsin Statutes, medical assistance, supplemental security income, food
10 stamps, or veterans benefits based on need under 38 USC 1501 to 1562 or section
11 45.351 (1) of the Wisconsin Statutes, or have received these benefits within the past
12 6 months.

13 3. At least 25% of your disposable earnings are assigned by court order for
14 support.

15 If the garnishment of 20% of your disposable income would result in the
16 income of your household being below the poverty line, the garnishment is limited
17 to the amount of your household’s income in excess of the poverty line.

18 If you qualify for a complete exemption or for a limit on the amount of the
19 garnishment to the amount that your household’s income exceeds the poverty line,
20 you must give or mail a copy of the enclosed debtor’s answer form to the garnishee
21 in order to receive that increased exemption.

22 If your circumstances change while the garnishment is in effect, you may file a
23 new answer at any time.

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If you do not qualify for a complete exemption, but you will not be able to acquire the necessities of life for yourself and your dependents if your earnings are reduced by this earnings garnishment, you may ask the court in which this earnings garnishment was filed to increase your exemption or grant you other relief.

IF YOU NEED ASSISTANCE

CONSULT AN ATTORNEY

If you have earnings that are being garnisheed that are exempt or subject to a defense, the sooner you file your answer or seek relief from the court, the sooner such relief can be provided. This earnings garnishment affects your earnings in pay periods beginning ~~within 13 weeks~~ after it was served on the garnishee. ~~You may agree in writing with the creditor to extend it for additional 13-week periods until the debt is paid.~~

PENALTIES

If you wrongly claim an exemption or defense in bad faith, or if the creditor wrongly objects to your claim in bad faith, the court may order the person who acted in bad faith to pay court costs, actual damages, and reasonable attorney fees.

SECTION 16. Initial applicability.

(1) This act first applies to an earnings garnishment proceeding commenced on the effective date of this subsection.

(END)