

No. 355, S.]

[Published July 1, 1943.]

CHAPTER 378.

AN ACT to create 122.221 and 241.134 of the statutes, relating to deficiency judgments on obligations secured by chattel mortgages and conditional sales contracts.

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

SECTION 1. 122.221 of the statutes is created to read:

122.221 DEFICIENCY JUDGMENTS. (1) No deficiency judgment after foreclosure shall be taken upon an obligation secured by a conditional sales contract, either on cognovit or otherwise, except in an action brought for that purpose with process served in the manner by law provided upon all the persons to be charged with such deficiency judgment. In such action the court shall find the reasonable value of the chattels sold at the time of sale and the sum then due on such obligation, including all proper costs and charges, and upon such findings shall grant the deficiency or deny a deficiency if none appears due.

(2) On a judgment taken upon such an obligation prior to foreclosure, no execution, garnishment or other process shall issue after foreclosure of the conditional sales contract, unless prior to the issue of such process the holder of the judgment shall apply in that action for and have entered an order of the court determining the reasonable value of the chattels sold at the time of the sale. A 5-day written notice of such application shall be served on all the judgment creditors in the manner provided for serving notice in section 278.105. On such application the court shall order the judgment reduced by the amount it shall determine to have been the reasonable value of the chattels at the time of the foreclosure sale, less the costs and expenses of the sale.

(3) Any execution, garnishment or other process issued in violation of the preceding paragraph hereof shall be void, and in any proceedings to quash such process, the judgment debtor may be awarded an attorney fee not to exceed \$50 in addition to his costs and disbursements.

(4) No waiver of the provisions of this section shall be valid, except by written agreement, for consideration, after default.

SECTION 2. 241.134 of the statutes is created to read:

241.134 DEFICIENCY JUDGMENTS. (1) No deficiency judgment after foreclosure shall be taken upon an obligation secured by a

chattel mortgage, either on cognovit or otherwise, except in an action brought for that purpose with process served in the manner by law provided upon all the persons to be charged with such deficiency judgment. In such action the court shall find the reasonable value of the chattels sold at the time of sale and the sum then due on such obligation, including all proper costs and charges, and upon such findings shall grant the deficiency or deny a deficiency if none appears due.

(2) On a judgment taken upon such an obligation prior to foreclosure, no execution, garnishment or other process shall issue after foreclosure of the chattel mortgage, unless prior to the issue of such process, the holder of the judgment shall apply in that action for and have entered an order of the court determining the reasonable value of the chattels sold at the time of the sale. A 5-day written notice of such application shall be served on all the judgment creditors in the manner provided for serving notice in section 278.105. On such application the court shall order the judgment reduced by the amount it shall determine to have been the reasonable value of the chattels at the time of the foreclosure sale, less the costs and expenses of the sale.

(3) Any execution, garnishment or other process issued in violation of the preceding paragraph hereof shall be void, and in any proceeding to quash such process, the judgment debtor may be awarded an attorney fee not to exceed \$50 in addition to his costs and disbursements.

(4) No waiver of the provisions of this section shall be valid, except by written agreement, for consideration, after default.

Approved June 28, 1943.

No. 368, S.]

[Published July 1, 1943.]

CHAPTER 379.

AN ACT to create 20.17 (1) (aa) of the statutes, relating to the allotment from the appropriation of the department of public welfare for a petty cash fund for the payment of such items.

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

20.17 (1) (aa) of the statutes is created to read:

20.17 (1) (aa) Of the appropriation made in paragraph (a), there is allotted such sum as may be sufficient to maintain a