



2009 ASSEMBLY BILL 790

March 2, 2010 – Introduced by Representatives VRUWINK, A. OTT, CLARK, SUDER, SPANBAUER, TAUCHEN, TOWNSEND and VOS, cosponsored by Senators HARSDORF and VINEHOUT. Referred to Committee on Agriculture.

1 **AN ACT** *to create* 815.18 (3m) of the statutes; **relating to:** exemption from
2 execution for payments made to certain family farm businesses.

Analysis by the Legislative Reference Bureau

Under current law, certain assets of a debtor are immune from execution, including \$75,000 of the value of a person's homestead, consumer goods not to exceed \$12,000 in value, federal disability payments, and a motor vehicle not to exceed \$4,000 in value. Current law also exempts from execution 75 percent of the debtor's net income per week. This exemption is limited to the extent necessary to support the debtor and his or her dependents, but to not less than 30 times the greater of the federal or state minimum wage.

This bill creates an exemption from execution for 75 percent of the interest and right to receive payments by a family farm business from the sale of crops, livestock, dairy products, or other farm products. The bill includes the language in current law limiting the exemption to the extent necessary to support the debtor and his or her dependents, but to not less than 30 times the greater of the federal or state minimum wage. A family farm business is defined in the bill as a business whose members are related by blood, adoption, or marriage.

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

3 **SECTION 1.** 815.18 (3m) of the statutes is created to read:

ASSEMBLY BILL 790**SECTION 1**

1 815.18 (3m) EXEMPT FARM PAYMENTS. (a) In this subsection, “family farm
2 business” means a cooperative, corporation, limited liability company, or
3 partnership that is primarily engaged in a farming operation, as defined in s. 409.102
4 (1) (im), and whose sole members, shareholders, or partners are related as lineal
5 ancestors or lineal descendants, whether by blood or by adoption, or as spouses,
6 brothers, sisters, uncles, aunts, cousins, sons-in-law, daughters-in-law,
7 fathers-in-law, mothers-in-law, brothers-in-law, or sisters-in-law of such lineal
8 ancestors or lineal descendants.

9 (b) Seventy-five percent of the interest in and right to receive payments by a
10 family farm business from the sale of crops, livestock, dairy products, or other farm
11 products, as defined in s. 409.102 (1) (ig), are exempt from execution, except as
12 specifically provided in ss. 70.20 (2), 71.91 (5m) and (6), 74.55 (2), and 102.28 (5). The
13 benefits of this exemption are limited to the extent reasonably necessary for the
14 support of the members, shareholders, or partners and their dependents, but to not
15 less than 30 times the greater of the state or federal minimum wage.

SECTION 2. Initial applicability.

16
17 (1) This act first applies to sales made on the effective date of this subsection.

18 (END)