

HB0042/593224/1

BY: Judiciary Committee

AMENDMENTS TO HOUSE BILL 42  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 5, after “money;” insert “establishing procedures a depository institution is required to follow on receipt of a writ of garnishment or other levy or attachment under certain circumstances;”.

AMENDMENT NO. 2

On page 1, strike line 18 in its entirety and substitute:

**“(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(2) “DEPOSITORY INSTITUTION” MEANS A BANK, CREDIT UNION, TRUST COMPANY, SAVINGS BANK, OR SAVINGS AND LOAN ASSOCIATION, OR ANY OF THEIR AFFILIATES OR SUBSIDIARIES.**

**(3) “VALUE” MEANS FAIR MARKET VALUE AS OF THE DATE ON WHICH THE**.

On page 2, in line 14, strike “**UP**” and substitute “**SUBJECT TO SUBSECTION (C)(3) OF THIS SECTION, UP**”; strike beginning with “**BANK**” in line 15 down through “**SUBSIDIARIES**” in line 16 and substitute “**DEPOSITORY INSTITUTION**”.

On page 3, in line 6, after “**(2)**” insert “**(1)**”; strike beginning with “**BANK**” in line 7 down through “**SUBSIDIARIES**” in line 9 and substitute “**DEPOSITORY INSTITUTION**”; and after line 11, insert:

“(II) A DEPOSITORY INSTITUTION MAY NOT BE LIABLE TO THE JUDGMENT CREDITOR FOR ACTIONS TAKEN IN GOOD FAITH RELIANCE ON THE INSTRUCTIONS IN THE WRIT OF GARNISHMENT REQUIRED UNDER THIS PARAGRAPH.

(3) (I) A DEPOSITORY INSTITUTION SHALL, ON RECEIPT OF A WRIT OF GARNISHMENT OR OTHER LEVY OR ATTACHMENT, ANSWER THE WRIT OF GARNISHMENT OR OTHER LEVY OR ATTACHMENT AND, IF THE DEBTOR MAINTAINS ANY DEPOSIT ACCOUNTS WITH THE DEPOSITORY INSTITUTION, STATE:

1. THAT THE TOTAL AMOUNT DOES NOT EXCEED \$500; OR

2. THE AMOUNT OF FUNDS IN EXCESS OF \$500 THAT HAS BEEN HELD PENDING FURTHER ORDER OF COURT.

(II) FOR ANY FUNDS IN EXCESS OF \$500, THE DEPOSITORY INSTITUTION SHALL FOLLOW ALL OTHER CUSTOMARY PROCEDURES FOR HANDLING A WRIT OF GARNISHMENT OR OTHER LEVY OR ATTACHMENT, INCLUDING FREEZING OF FUNDS.

(III) 1. IF A DEBTOR HOLDS AN INTEREST IN MULTIPLE DEPOSIT ACCOUNTS AT A SINGLE DEPOSITORY INSTITUTION, THE DEPOSITORY INSTITUTION MAY DETERMINE HOW AND TO WHICH ACCOUNT OR ACCOUNTS THE \$500 EXEMPTION SHOULD BE APPLIED.

2. THIS SUBPARAGRAPH DOES NOT CREATE A CAUSE OF ACTION AGAINST A DEPOSITORY INSTITUTION THAT COMPLIES WITH A WRIT OF GARNISHMENT OR OTHER LEVY OR ATTACHMENT.

**(IV) THE EXEMPTION UNDER SUBSECTION (B)(5) OF THIS SECTION:**

**1. APPLIES SEPARATELY TO EACH DEPOSITORY INSTITUTION AND TO EACH WRIT OF GARNISHMENT DIRECTED TO A DEPOSITORY INSTITUTION; AND**

**2. DOES NOT PRECLUDE OR REDUCE A DEBTOR'S RIGHTS TO ANY OTHER EXEMPTION PROVIDED BY STATE OR FEDERAL LAW."**