SESSION OF 2012

SUPPLEMENTAL NOTE ON SENATE BILL NO. 366

As Amended by House Committee of the Whole

Brief*

SB 366, as amended, would amend the statutes governing non-earnings garnishment under KSA Chapter 60 and Chapter 61. The garnishee would be responsible for sending the garnishee's completed answer to the judgment creditor and judgment debtor. Under current law, the garnishee files the answer with the court clerk, who then sends it to the creditor and debtor.

The court would be required to direct the garnishee to pay the judgment creditor a specified amount directly, and the judgment creditor would be required to promptly refund to the judgment debtor any overpayment. Under current law, the garnishee pays the specified amount to the court, and the court refunds any overpayment to the judgment debtor.

The garnishee would not be liable to any judgment creditor or judgment debtor and would not be subject to any penalty for any good-faith action taken under these provisions.

The administrative fee a financial institution garnishee may withhold and retain to defray costs in complying with an order of garnishment would be raised from \$10 to \$15.

Background

SB 366 was introduced by the Senate Judiciary Committee at the request of the Kansas Judicial Branch. In

^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

the Senate Judiciary Committee, a representative of the Kansas Association of District Court Clerks and Administrators testified in support of the bill. A representative of the Kansas Bankers Association testified as a neutral conferee, and the Kansas Credit Attorneys Association provided written neutral testimony. The Committee amended the bill to retain court involvement in the garnishee payment process; retain a provision allowing a garnishee to release attached funds, credits, or indebtedness if no timely order to pay is received; and correct a printer's error. The Committee recommended the bill be passed as amended.

The House Committee of the Whole amended the bill to raise the administrative fee for a financial institution garnishee from \$10 to \$15.

The fiscal note on the bill, as introduced, indicates the Office of Judicial Administration states the bill would save the court time for copying and costs of mailing information regarding garnishments, but cannot accurately estimate the fiscal effect on expenditures. Any fiscal effect is not reflected in *The FY 2013 Governor's Budget Report*.