

# ARIZONA STATE SENATE

Fifty-Fifth Legislature, First Regular Session

### FACT SHEET FOR H.B. 2170

writs of garnishment; attorney fees

## **Purpose**

Allows specified attorney fees to be included in a writ of garnishment.

### **Background**

A writ of garnishment is issued after a judgment creditor or a person on the judgment creditor's behalf makes an application in writing. Statute specifies what must be included in the application for a writ of garnishment. An application may be made to garnish the debtor's monies or property as well as the debtor's earnings (A.R.S. §§ 12-1572 and 12-1598.03).

When the garnishee is discharged on the garnishee's answer, the cost of the proceeding, including reasonable compensation to the garnishee, is taxed against the judgment creditor. When there is no written objection to the answer of the garnishee and the garnishee is held on the garnishee's answer, the costs as outlined are taxed against the judgment debtor (A.R.S. § 12-1591).

Statute requires the judgment creditor to issue a report to the garnishee and the judgment debtor while the order of continuing lien is in effect. The report must be issued every quarter. In addition, the judgment creditor is required to report to the garnishee and the judgment debtor within 21 days after payment is received from the garnishee reducing the outstanding balance of the judgment to \$500 or less, and within the first 10 days of each calendar month thereafter, until the judgment is satisfied. Statute outlines what must be included in the reports (A.R.S. § 12-1598.12).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

### **Provisions**

- 1. Requires an application for a writ of garnishment for monies, property or earnings to include accrued attorney fees, including fees for the garnishment, if allowed by the judgment or contract.
- 2. Requires a writ of garnishment to state the amount of attorney fees within the amount of the outstanding balance due on the judgment.
- 3. Includes accrued attorney fees, including fees for the garnishment, as taxable costs.
- 4. Specifies that the award of attorney fees that are incurred due to an objection to garnishment are not assessed to a judgment debtor unless the sole reason for the objection is to delay or harass the judgment creditor.

- 5. Adds attorney fees and costs accrued during the reporting period to be included in specified reports required by statute that are issued by the judgment creditor to the garnishee and the judgment debtor.
- 6. Makes technical and conforming changes.
- 7. Becomes effective on the general effective date.

## **House Action**

JUD 2/3/21 DP 8-2-0-0 3<sup>rd</sup> Read 2/23/21 54-5-1

Prepared by Senate Research March 23, 2021 JA/kja