## ARIZONA HOUSE OF REPRESENTATIVES



Fifty-fifth Legislature First Regular Session

**House:** JUD DP 8-2-0-0 | 3<sup>rd</sup> Read 54-5-1-0 **Senate:** JUD DP 8-0-0-0 | 3<sup>rd</sup> Read 29-0-1-0

HB 2170: writs of garnishment; attorney fees Sponsor: Representative Blackman, LD 6
Transmitted to the Governor

## Overview

Allows accrued attorney fees to be added to the application for a writ of garnishment.

## <u>History</u>

A writ of garnishment must be issued if a judgment creditor does not receive monies from the judgment debtor voluntarily. The judgment creditor may apply for a writ of garnishment containing the following information:

- 1) The amount of the outstanding balance due on the judgment that includes interest;
- 2) The name and address of the garnishee or garnishee's agent, judgment creditor and creditor's attorney; and
- 3) The last mailing address of the judgment debtor known to the judgment creditor (A.R.S § 12-1574).

An award of attorney fees is not chargeable to the judgment debtor unless the judgment debtor is found to have objected solely for delay or harassment (A.R.S. § 12-1598.07).

If a timely objection to a writ of garnishment is filed, the court shall conduct a hearing and make the following determinations:

- 1) Whether the writ is valid against the judgment debtor;
- 2) The amount outstanding when the writ was served, plus accruing costs:
- 3) Whether the judgment debtor was employed by the garnishee at the time the writ was served:
- 4) Whether earnings were owed or would be owed by the garnishee to the judgment debtor within 60 days after the service of the writ; and
- 5) If the debt was subject to an effective agreement for debt scheduling between the judgment debtor and a qualified debt counseling organization (A.R.S § 12-1598.10).

## **Provisions**

- 1. Adds accrued attorney fees, including fees for garnishment, if allowed by judgment or contract, to the application for a writ of garnishment to be paid with interest. (Sec.1)
- 2. Adds accrued attorney fees to information required on the writ of garnishment. (Sec. 2)
- 3. States that the *award of attorney fees incurred due to the objection* shall not be assessed against the judgment debtor unless specific conditions apply. (Sec. 3)
- 4. States unless there is written objection to the writ of garnishment, then the attorney fees will be taxed against the judgment debtor. (Sec. 4)

□ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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- 5. Requires a writ of garnishment to be issued after the judgment creditor makes a written application stating the amount of the outstanding balance, *including the accrued attorney fees*, for garnishment. (Sec. 5)
- 6. Requires the court to conduct a hearing and determine the amount outstanding on the judgment at the time the writ was served, plus accruing attorney fees and costs. (Sec. 8).
- 7. States attorney fees accrued during a reporting period must be included in the judgment creditor's monthly report. (Sec. 9).
- 8. Permits the attorney fees to be charged to the debtor if there is no written objection. (Sec. 10).
- 9. Contains technical and conforming changes. (Sec. 1, 3, 4, 5, 6, 7, 9, 10)