

# One Hundred Third Legislature - First Session - 2013

## Introducer's Statement of Intent

### LB631

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**Chairperson: Senator Brad Ashford**

**Committee: Judiciary**

**Date of Hearing: February 21, 2013**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

**LB 631** would require judgment creditors to make payment of a “conditional” \$25 fee at the time of issuing a garnishment summons and interrogatories upon a financial institution. Under the bill, in the event an account exists, the “conditional” fee would be returned by the Court to the judgment creditor.

Conversely, if no account exists, the fee would be paid by the Court to the financial institution as compensation for responding to the garnishment summons and interrogatories. Under LB 631, a financial institution would only receive a fee from the judgment creditor if no account exists. In cases in which an account exists, the financial institution would be allowed to deduct the garnishment processing fee pursuant to the deposit agreement with the customer from the deposit account proceeds prior to forwarding the balance of the account to the court for application against the judgment.

**LB 631** would provide a method by which financial institution garnishees would be entitled to compensation for the time and expense incurred in responding to garnishment interrogatories which provide a valuable service and benefit to judgment creditors.

**Principal Introducer:** \_\_\_\_\_

**Senator Burke Harr**