

Sec. 18. Minnesota Statutes, 1975 Supplement, Chapter 290A, is amended by adding a section to read:

[290A.22] SUPPLEMENTAL HOUSING ALLOWANCE FOR AFDC RECIPIENTS. Recipients of the aid to families with dependent children program who receive a supplemental housing allowance under section 256.879 are not eligible for the tax credit set forth under sections 290A.01 to 290A.21. The commissioner of revenue shall assist the commissioner of public welfare in the administration of the supplemental housing allowance, and shall provide the commissioner of public welfare with such records and information as are necessary to administer the housing allowance.

Sec. 19. Laws 1975, Chapter 349, Section 32, is amended to read:

Sec. 32. Sections 9, 13, 17 and 26 are effective the day following final enactment. Sections 18, 19, and 20 are effective the day following final enactment of this chapter. The remainder of the act is effective for all taxable years beginning after December 31, 1974.

Sec. 20. **REPEALER.** Minnesota Statutes, 1975 Supplement, Section 124.03 is repealed.

Sec. 21. **EFFECTIVE DATE.** Sections 5, 6, 8, 10, 11, 13, 17 and 19 are effective the day following final enactment. Sections 12 and 15 are effective for taxable years beginning after December 31, 1975. Sections 7, 9 and 20 are effective for taxes payable in 1977 and subsequent years. Section 16 shall be effective for claims filed in 1977 and subsequent years. Section 14 is a declaration of law existing prior to enactment of Laws 1975, Chapter 349, Section 17, and is not a change in such preexisting law. Sections 1 and 18 are effective for taxable years beginning after December 31, 1974. Sections 2, 3 and 4 are effective for taxable years beginning after December 31, 1976.

Approved April 20, 1976.

CHAPTER 335—H.F.No.1326

[Coded in Part]

An act relating to garnishment, execution, and wage assignment; amending Minnesota Statutes 1974, Sections 550.041; 550.142; 550.37, Subdivisions 13, 14, 18, 19, and by adding a subdivision; 571.41, Subdivisions 1 and 2, and by adding subdivisions; 571.55, Subdivisions 1 and 2; 571.61, Subdivision 1; 571.67; and Chapters 181, by adding a section; 550, by adding a section; and 571, by adding sections; repealing Minnesota Statutes 1974, Sections 571.47; 571.48; and 571.49.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

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Section 1. **GARNISHMENT REFORM ACT; CITATION.** Sections 1 to 24 may be cited as the "Minnesota garnishment reform act of 1976."

Sec. 2. Minnesota Statutes 1974, Chapter 181, is amended by adding a section to read:

[181.041] ASSIGNMENT, SALE OR TRANSFER OR WAGES; NOT EFFECTIVE TO FRUSTRATE GARNISHMENT OR LEVY OF EXECUTION. No assignment, sale or transfer, however made or attempted, of any earned or unearned wages or salary is in any manner valid or effectual for the transfer of any salary or wages and should be disregarded if made following service of a Garnishment Exemption Notice and within 10 days prior to the receipt of the first garnishment or execution on a debt.

Sec. 3. Minnesota Statutes 1974, Section 550.041, is amended to read:

550.041 EXECUTION OF SMALL MONEY JUDGMENTS ON DEBTS. When a judgment creditor proposes to make execution on a judgment debt of not more than \$2,500 from money owed to the judgment debtor by a third party, the execution may be made by the attorney for the judgment creditor or sheriff through a registered or certified letter to the third party containing ~~the information prescribed by section 550.14~~ a copy of the execution . Upon receipt, the third party shall remit as much of the amount due under section 550.04 as his own debt equals to the sheriff or attorney who shall proceed in all other respects like the sheriff making a similar execution. The attorney shall be allowed no costs from any party other than the judgment creditor for execution in accordance with this section. The attorney making such execution shall endorse thereon partial satisfaction by amount or the total satisfaction and return the original execution to the clerk of that court for filing without charge.

Sec. 4. Minnesota Statutes 1974, Chapter 550, is amended by adding a section to read:

[550.141] LEVY ON EARNINGS; INDEBTEDNESS. Subdivision 1. Earnings may be levied upon in conformance with the procedures set forth in either sections 550.041 or 550.14 provided, however, the procedures set out in section 14 of this act are followed. Said levy shall attach all indebtedness owing by a third party to the debtor and all non-exempt disposable earnings earned or to be earned in the pay period within which the levy is served. If said levy attaches less than \$10, the third party shall not retain said sum.

Subd. 2. On any judgment prior to the first levy on earnings in the possession of an employer, the judgment creditor shall comply with the following notice requirements:

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(1) Serve upon the judgment debtor no less than ten days prior to the service of the execution, a notice that such execution may be served on the debtor's employer. Said notice may be served in the manner permitted by section 571.41 and shall be substantially in the form set out in section 571.41. Bad faith assertion or disregard of a judgment debtor's claim of exemption shall be subject to the procedures, remedies, and penalties set out in section 571.41.

(2) Serve upon the judgment debtor's employer with the execution an execution disclosure form, that shall be substantially in the form set out in section 17, subdivision 3 of this act.

(3) Serve by mail upon the judgment debtor not later than five days after service is made on his employer, a copy of the execution and copies of all other papers served on the debtor's employer.

(4) The notice requirement in clause (1) of this subdivision shall not apply to a levy on wages being held by an employer due to a garnishment served pursuant to chapter 571.

Sec. 5. Minnesota Statutes 1974, Section 550.142, is amended to read:

550.142 PUBLIC EMPLOYEES; WAGES, EXECUTION LEVY. The salary or wages of an officer or employee of a county, city, town, or school district, or of a department of any such subdivision,~~any public employee or officer~~ may be levied upon and disposed of on execution. Where the person is an officer, the writ shall be served upon the auditor, treasurer, or clerk of the subdivision or department of which he is an officer. Where the person is an employee other than an officer, the writ shall be served upon the person in charge of the office or department in which the employee works.

When payment has been made pursuant to levy, a copy of the execution with certificate of satisfaction shall be delivered to the treasurer as his voucher for such payment.

Sec. 6. Minnesota Statutes 1974, Section 550.37, Subdivision 13, is amended to read:

Subd. 13. Seventy-five percent of the disposable earnings of any individual for any pay period which may be subjected to attachment, garnishment or the levy of any execution for any services rendered by him for another, or an amount of such wages equal to the following product, whichever is greater: eight times the number of business days and paid holidays; not to exceed five per calendar week; in the pay period times the federal minimum hourly wage prescribed by Section 6(a) (1) of the Fair Labor Standards Act of 1938, Title 29, United States Code, Section 206(a) (1), in effect at the time such wages are payable. Disposable earnings means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required

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~~by law to be withheld.~~ All wages not subject to garnishment by the provisions of section 571.55. A subsequent attachment, garnishment or levy of execution shall impound only that pay period's non-exempt disposable earnings not subject to a prior attachment, garnishment or levy of execution, but in no instance shall more than an individual's total non-exempt disposable earnings in that pay period be subject to attachment, garnishment or levy of execution. Garnishments shall impound the non-exempt disposable earnings in the order of their service upon the employer. The disposable earnings exempt from garnishment are exempt as a matter of right, whether claimed or not by the person to whom due. Such exemptions may not be waived. Such exempt disposable earnings are payable by the employer when due. Such exempt disposable earnings shall also be exempt for 20 days after deposit in any financial institution. This 20 day exemption shall also apply to any contractual set-off or security interest asserted by a financial institution in which said earnings are deposited by the individual. In tracing said funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. As used in this section, the term "financial institution" shall include credit unions. Nothing in this paragraph shall be construed to void or supersede any valid assignment of wages made prior to the attachment, garnishment, or levy of execution.

Sec. 7. Minnesota Statutes 1974, Section 550.37, Subdivision 14, is amended to read:

Subd. 14. All relief based on need, and the wages or salary of a person who is a recipient of relief based on need, shall be exempt from all claims of creditors including any contractual set-off or security interest asserted by a financial institution. For the purposes of this chapter, relief based on need shall include AFDC, supplemental security income, medical assistance, Minnesota supplemental assistance, and general assistance. The salary or wages of any debtor who is or has been a recipient of relief based on need, or an inmate of a ~~state~~ correctional institution shall, upon his return to private employment after having been a recipient of ~~public~~ relief based on need, or an inmate of a ~~state~~ correctional institution, be exempt from attachment, garnishment, or levy of execution for a period of six months after his return to employment and after all public assistance has been terminated. He may take advantage of such six months salary or wage exemption provisions only once in every three years. The exemption provisions contained in this subdivision shall also apply for 60 days after deposit in any financial institution. In tracing said funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. Agencies distributing relief and the ~~commissioner of corrections~~ correctional institutions shall, at the request of creditors, inform them whether or not any debtor has been a recipient of relief based on need, or an inmate of a ~~state~~ correctional institution, within such period of six months.

Sec. 8. Minnesota Statutes 1974, Section 550.37, Subdivision 18, is

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amended to read:

Subd. 18. The exemptions provided for in subdivisions 3 to 15 extend only to debtors who are natural persons ~~having an actual residence in the state~~ .

Sec. 9. Minnesota Statutes 1974, Section 550.37, Subdivision 19, is amended to read:

Subd. 19. ~~The property exempted by subdivisions 2 to 11 is not exempt from attachment, garnishment, or execution in an action for the recovery of the purchase money of the same property. The exemption of the property listed in subdivisions 2, 3 and 5 to 11 may not be waived except by a statement in substantially the following form, in bold face type of a minimum size of 12 points, signed and dated by the debtor at the time of the execution of the contract surrendering the exemption, immediately adjacent to the listing of the property: "I understand that some or all of the above property is normally protected by law from the claims of creditors, and I voluntarily give up my right to that protection for the above listed property with respect to claims arising out of this contract."~~

Sec. 10. Minnesota Statutes 1974, Section 550.37, is amended by adding a subdivision to read:

Subd. 20. The exemption of funds from creditors' claims, provided by subdivisions 9, 10, 11, and 15, shall not be affected by the subsequent deposit of said funds in a bank or any other financial institution, whether in a single or joint account, so long as said funds can be traceable to their exempt source. In tracing said funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. No bank or other financial institution shall be liable for damages for complying with process duly issued out of any court for the collection of a debt even if the funds affected by said process are subsequently determined to have been exempt.

Sec. 11. Minnesota Statutes 1974, Section 571.41, Subdivision 1, is amended to read:

571.41 **GARNISHEE SUMMONS; EXCEPTIONS.** Subdivision 1. In any action in a court of record ~~or justice court~~ for the recovery of money, at any time ~~after default following service of the pleadings upon a party to the main action, unless an answer or reply has been interposed~~ or after the a judgment therein against the defendant , a garnishee summons may be issued against any third person as provided in this chapter. The judgment creditor and judgment debtor shall be so designated and the person against whom the summons issues shall be designated garnishee. Any individual, partnership or corporation within the state having property subject to garnishment may be named as garnishee. ~~Notwithstanding anything to the contrary herein~~

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contained; a plaintiff in any action in a court of record or justice court for the recovery of money may issue a garnishee summons before judgment therein if, upon application to the court, it shall appear that defendant is about to take property out of the state which might be necessary to satisfy any judgment awarded plaintiff and if the court shall order the issuance of such summons. If such an order shall issue such summons and attendant documents shall designate the parties plaintiff and defendant, respectively.

Sec. 12. Minnesota Statutes 1974, Section 571.41, Subdivision 2, is amended to read:

Subd. 2. Garnishment shall be permitted before judgment in the following instances only: Notwithstanding anything to the contrary herein contained, a plaintiff in any action in a court of record for the recovery of money may issue a garnishee summons before judgment therein in the following instances only:

(a) Following by at least 40 days service of the summons and complaint upon the debtor in the main action where judgment by default could be entered pursuant to Rule 55.01(1) of the Minnesota Rules of Civil Procedure; or

(b) If the court shall order the issuance of such summons, if a summons and complaint is filed with the appropriate court and either served on the defendant or delivered to a sheriff for service on the defendant not more than 30 days after the order is signed, and if, upon application to the court it shall appear that:

(1) Defendant is about to take property out of the state which might be necessary to satisfy any judgment awarded plaintiff, or

~~(1)-(2)~~ For The purpose of establishing the garnishment is to establish quasi in rem jurisdiction and that

(a) ~~when the defendant is a resident individual having departed from the state with intent to defraud his creditors, or to avoid service ; or keeps himself concealed therein with like intent ; or~~

(b) ~~the defendant is a resident individual who has departed from the state; or cannot be found therein; or~~

~~(c)-(b)~~ the defendant is a nonresident individual, or a foreign corporation, partnership or association.

~~(2)-(3)~~ When The garnishee and the debtor are parties to a contract of suretyship, guarantee, or insurance, because of which the garnishee may be held to respond to any person for the claim asserted against the debtor in the main action.

(4) The creditor has been unable to serve upon the debtor the
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summons and complaint in the main action because the debtor has been inaccessible due to residence and employment in buildings where access is restricted.

Sec. 13. Minnesota Statutes 1974, Section 571.41, is amended by adding a subdivision to read:

Subd. 4. If the court shall order the issuance of a garnishee summons before entry of judgment, such summons and attendant documents shall designate the parties plaintiff and defendant. To obtain such an order, the creditor shall file an affidavit stating that a cause of action exists, specifying the amount of the claim and the ground thereof, and setting forth in detail the specific facts upon which the creditor bases his claim of entitlement to garnishment before entry of judgment. Such an order shall provide that a hearing shall be held no later than seven days from the date of service of the garnishee summons for the purpose of determining whether probable cause exists for the continuation of the garnishment, unless the debtor knowingly waives in writing said hearing. Notice of said hearing shall be given to the debtor by such method as shall be prescribed by the court. At said hearing the burden of proving probable cause shall rest upon the creditor.

Sec. 14. Minnesota Statutes 1974, Section 571.41, is amended by adding a subdivision to read:

Subd. 5. If the garnishee summons is to be used to garnish the earnings of an individual to enforce a judgment, or to garnish earnings prior to entry of judgment pursuant to subdivision 2, clause (a), prior to the first garnishment on any debt, the creditor shall serve upon the debtor, no less than ten days prior to the service of the garnishee summons, a notice that such summons may be issued. Said notice shall be substantially in the form set out in this chapter. Said notice shall be served personally, in the manner of a summons and complaint, or by first class mail to the last known address of the debtor. Said notice shall inform the debtor that a garnishee summons may be served on the debtor's employer in ten days, and that the debtor may, within that time, cause to be served on the creditor a signed statement under penalties of perjury asserting an entitlement to an exemption from garnishment. Said notice shall further inform the debtor of the wage garnishment exemptions contained in section 550.37, subdivision 14. Said notice shall further advise the debtor of the relief set forth in chapter 571 to which he may be entitled if a creditor in bad faith disregards a valid claim and the fee, costs, and penalty which may be assessed against a debtor who in bad faith falsely claims an exemption or in bad faith takes action to frustrate the garnishment process. If no statement of exemption is received by the creditor within ten days from the service of the notice, he may proceed with the garnishment. Failure of the debtor to serve such a statement shall not constitute a waiver of any right he may have to an exemption. If said statement of exemption is received by the creditor, he may still cause a garnishee summons to be

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disregarded your claim of exemption in bad faith, you will be entitled to costs, reasonable attorney fees, actual damages, and an amount not to exceed \$100.

2. HOWEVER, BE WARNED if you claim an exemption, the creditor can also petition the court for a determination of your exemption, and if the court finds that you claimed an exemption in bad faith, you will be assessed costs and reasonable attorney's fees plus an amount not to exceed \$100.

3. If after receipt of this notice, you in bad faith take action to frustrate the garnishment, thus requiring the creditor to petition the court to resolve the problem, you will be liable to the creditor for costs and reasonable attorney fees plus an amount not to exceed \$100.

Dated:
.....
(Attorney for) Judgment Creditor
Address
Telephone

I hereby claim under penalty of perjury that my wages are exempt from garnishment because:

(1) I am presently a recipient of relief based on need. (Specify the program, case number, and the county from which relief is being received. There is no limit to the number of times this exemption may be claimed.)

.....
Program Case Number (if known) County

(2) I am not now receiving relief based on need, but I have received relief based on need within the last six months. (Specify the program, case number, and the county from which relief has been received.) I am aware that I am not permitted by law to use this exemption for more than one six month period every three years, and that I may be penalized if I violate this law.

.....
Program Case Number (if known) County

(3) I have been an inmate of a correctional institution within the last six months, and I have not claimed this exemption within the last three years. (Specify the correctional institution and location.)

.....
Correctional Institution Location

I hereby authorize any agency that has distributed relief to me or any correctional institution wherein I was an inmate to disclose to the above-named creditor or his attorney whether or not I was a recipient of relief based on need or an inmate of a correctional institution within the last six months.

.....
Judgment Debtor
Address

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Sec. 16. Minnesota Statutes 1974, Chapter 571, is amended by adding a section to read:

[571.471] COURT OF RECORD. Subdivision 1. PROCEDURE. To enforce a judgment arising from an action in a court of record, or, before entry of judgment in those instances permitted, a garnishee summons may be issued by a judgment creditor or his attorney and shall be served upon the garnishee in the same manner as other summons in that court of record except that service must be personal. The judgment creditor shall serve with the garnishee summons a garnishment disclosure form, which shall be substantially in the form set out in this chapter. The judgment creditor may also serve written interrogatories with the garnishee summons. The garnishee summons shall state that the garnishee shall serve upon the judgment creditor or his attorney within 20 days after service of the garnishee summons, a written disclosure, under oath, of his indebtedness to the judgment debtor and answers to all written interrogatories which are served with the garnishee summons. The judgment creditor shall not require disclosure of an indebtedness to him or property of judgment debtor in the garnishee's possession or under the garnishee's control in excess of 110 percent of the amount of the judgment which remains unpaid. The garnishee summons shall include the full name of the judgment debtor and his place of residence, the amount of the judgment which remains unpaid. The garnishee summons shall also state that the garnishee shall retain property or money in his possession pursuant to this chapter until the judgment creditor causes a writ of execution to be served upon the garnishee or until the judgment debtor authorizes release to the judgment creditor, and shall state that after the expiration of the period of time specified in section 23 of this act from the date of service of the garnishee summons, the garnishee shall release all such retained property and money to the judgment debtor and shall be discharged and relieved of all liability thereon. The garnishee summons shall also state that no employer may discharge any employee because the employee's earnings have been subject to garnishment. The garnishee summons shall further state that any assignment of wages made by the debtor or indebtedness to the garnishee incurred by the debtor within 10 days prior to the receipt of the first garnishment on a debt is void. The garnishee summons shall further state the date of the entry of judgment against the judgment debtor, or in those instances in which there is garnishment before judgment, the garnishee summons shall include for service a copy of the court order permitting said garnishment. A copy of the garnishee summons and copies of all other papers served on the garnishee shall be served by mail upon the judgment debtor not later than five days after service is made upon the garnishee. A single garnishee summons may be addressed to two or more garnishees but shall state whether each is summoned separately or jointly.

Subd. 2. FORMS, SUMMONS NOTICE, AND AFFIDAVIT. The
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garnishee summons and notice to judgment debtor, together with the affidavit of service, shall be substantially in the following form:

STATE OF MINNESOTA)
) ss
County of)
..... Court
..... (Judgment Creditor)
..... (Judgment Debtor)
..... (Garnishee)
Garnishment Summons
The State of Minnesota
To the above named Garnishee:

You are hereby summoned and required to serve upon the judgment creditor or his attorney, within 20 days after service of this summons upon you, written disclosure, under oath, setting forth your indebtedness to the judgment debtor above named, (Give full name and residence of judgment debtor) and any property, money or effects of said judgment debtor which are in your possession. Your disclosure need not exceed 110 percent of the amount of the judgment creditor's judgment which remains unpaid. Judgment was entered against the judgment debtor on in the amount of \$, and the amount of said judgment which remains unpaid is \$, your are further hereby required to retain in your possession such property, money and effects in an amount not exceeding 110 percent of the amount of the judgment which remains unpaid. You may not, however, pursuant to this summons, withhold from the debtor any earnings due to the debtor that are exempt from garnishment pursuant to Minnesota Statutes, Section 571.55.

Failure to disclose and withhold in accordance with this summons may render you liable to the judgment creditor for an amount not exceeding the judgment creditor's judgment against the judgment debtor or 110 percent of the amount claimed in the garnishee summons, whichever is smaller.

You shall retain such property, money and effects in your possession until such time as the judgment creditor causes a writ of execution to be served upon you, until the judgment debtor authorizes release to the judgment creditor, or until the expiration of days from the date of service of this summons upon you, when you shall return such property, money and effects to the judgment debtor.

Any assignment of wages made by the judgment debtor or indebtedness to you incurred by the judgment debtor within ten days prior to the receipt of the first garnishment on a debt is void and should be disregarded.

You are prohibited by law from discharging said judgment debtor because his earnings have been subjected to garnishment.

.....
Attorney for Judgment Creditor

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the judgment creditor's judgment which remains unpaid, after subtracting the total of set-offs, defenses, exemptions, ownerships, or other interest. The garnishment disclosure form and all written interrogatories may be served personally or by mail. If such disclosure is by a corporation, it shall be verified by some officer or agent having knowledge of the facts.

Subd. 2. CONTENTS OF DISCLOSURE. Such disclosure shall state:

(1) The amount of disposable earnings earned or to be earned within the judgment debtor's pay periods which may be subject to garnishment and all of the garnishee's indebtedness to the judgment debtor.

(2) Whether the judgment creditor held at the time aforesaid the title or possession of or any interest in any personal property or any instruments or papers relating to any such property belonging to the judgment debtor or in which he is interested. If he admits any such interest or any doubt respecting the same, he shall set forth a description of such property and the facts concerning the same, and the title, interest or claim of the judgment debtor in or to the same.

(3) If the garnishee claims any set-off or defense or claim or lien to such disposable earnings, indebtedness or property, he shall disclose the amount and the facts.

(4) Whether the judgment debtor claims any exemption from execution, or any other objection, known to the garnishee or the judgment debtor, against the right of the judgment creditor to apply upon his demand the debt or property disclosed.

(5) If other persons make claims to any disposable earnings, debt or property of the judgment debtor, the garnishee shall disclose the names and addresses of such other claimants and, so far as known, the nature of their claims.

Subd. 3. FORM OF DISCLOSURE. A garnishment disclosure form must be served upon the garnishee. The disclosure shall be substantially in the following form:

STATE OF MINNESOTA)	
County of)	ss
.....) Court
<u>Judgment Creditor</u>		
vs.		
.....		
<u>Judgment Debtor</u>		
and		
.....		
<u>Garnishee</u>		

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I am the, of the garnishee herein, and duly authorized to disclose for said garnishee.

On the day of, 19.., the time of service of garnishee summons herein on said garnishee, there was due and owing the judgment debtor above named from said garnishee the following:

(1) Earnings. For the purposes of garnishment, "earnings" means compensation paid or payable for personal service whether denominated as wages, salary, commission, bonus or otherwise, and includes periodic payments pursuant to a pension or retirement program. "Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld. If the garnishee summons was served upon you at a time when earnings from a prior completed pay period were owing but not paid, complete the following disclosure for earnings from both that past pay period and the current pay period.

(a) Enter on the line below the amount of disposable earnings earned or to be earned by the judgment debtor within the judgment debtor's pay periods which may be subject to garnishment.

.....

(b) Enter on the line below 40 times the hourly federal minimum wage times the number of work weeks within the judgment debtor's pay periods which may be subject to garnishment. When such pay periods consists of other than a whole number of work weeks, each day of a pay period in excess of the number of completed work weeks shall be counted as a fraction of a work week equal to the number of work days divided by the number of work days in the normal work week.

.....

(c) Enter on the line below the difference obtained (never less than zero) when line (b) is subtracted from line (a).

.....

(d) Enter on the line below 25 percent of line (a).

.....

(e) Enter on the line below the lesser of line (c) and line (d).

.....

(2) Money. Enter on the line below any amounts due and owing the judgment debtor, except earnings, from the garnishee.

.....

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(3) Property. Describe on the line below any personal property, instruments or papers belonging to the judgment debtor and in the possession of the garnishee.

.....

(4) Set-off. Enter on the line below the amount of any set-off, defense, lien or claim which the garnishee claims against the amount set forth on lines (1)(e), (2) and (3) above. Allege the facts by which such set-off, defense, lien or claim is claimed. (Any indebtedness to a garnishee-employer incurred by the judgment debtor within 10 days prior to the receipt of the first garnishment on a debt is void and should be disregarded.)

.....

(5) Exemption. Enter on the line below any amounts or property claimed by the judgment debtor to be exempt from execution.

.....

(6) Adverse Interest. Enter on the line below any amounts claimed by other persons by reason of ownership or interest in the judgment debtor's property. (Any assignment of wages made by the judgment debtor within 10 days prior to the receipt of the first garnishment on a debt is void and should be disregarded. State the names and addresses of such persons and the nature of their claim, if known.)

.....

(7) Enter on the line below the total of lines (4), (5) and (6).

.....

(8) Enter on the line below the difference obtained (never less than zero) when line (7) is subtracted from the sum of lines (1)(e), (2) and (3).

.....

(9) Enter on the line below 110 percent of the amount of the judgment creditor's judgment which remains unpaid.

.....

(10) Enter on the line below the lesser of line (8) and line (9). As garnishee, you are hereby instructed to retain this amount only if it is \$10 or more.

.....

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.....
Authorized Representative of Garnishee
.....

.....
Title
.....

Subscribed and sworn to before me
This day of 19...

.....
Notary Public

..... County, Minnesota.

Sec. 18. Minnesota Statutes 1974, Section 571.55, Subdivision 1, is amended to read:

571.55 LIMITATION ON GARNISHMENT. Subdivision 1. For the purposes of this section, "earnings" means compensation paid or payable for personal service, whether denominated as wages, salary, commissions, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program. "Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld.

Sec. 19. Minnesota Statutes 1974, Section 571.55, Subdivision 2, is amended to read:

Subd. 2. The maximum part of the aggregate disposable earnings of an individual for any pay period which may be subjected to garnishment may not exceed the lesser of

(a) 25 percent of his disposable earnings ~~for that pay period~~; or

(b) the amount by which his disposable earnings ~~for that pay period~~ exceeds the following product: ~~eight~~40 times the ~~number of business days and paid holidays~~; ~~not to exceed five per calendar week~~; in such pay period ~~times~~ the federal minimum hourly wage prescribed by Section 6(a) (1) of the Fair Labor Standards Act of 1938, Title 29, United States Code, Section 206(a) (1), in effect at the time the earnings are payable times the number of work weeks in such pay period. When a pay period consists of other than a whole number of work weeks, each day of that pay period in excess of the number of completed work weeks shall be counted as a fraction of a work week equal to the number of excess work days divided by the number of days in the normal work week.

Sec. 20. Minnesota Statutes 1974, Section 571.61, Subdivision 1, is amended to read:

571.61 NO DISCHARGE FROM EMPLOYMENT FOR GARNISHMENT OR EXECUTION. Subdivision 1. **PROHIBITION.** No employer may discharge any employee by reason of the fact that his earnings have been subjected to garnishment ~~unless there have been more than three garnishments within a 90 day period involving more than one in-~~

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~~debtedness or execution .~~

Sec. 21. Minnesota Statutes 1974, Section 571.67, is amended to read:

571.67 PENALTY IN CERTAIN GARNISHMENT PROCEEDINGS.
~~Subdivision 1:~~ A party who serves or causes to be served a garnishment summons prior to judgment in the main action , except where garnishment prior to entry of judgment is permitted, is liable to the ~~defendant~~-debtor named in the garnishment proceedings in the amount of \$50; except where the defendant is a nonresident-\$100 plus reasonable attorneys fees and costs .

~~Subd. 2:~~ The garnishment shall be ineffective and the garnishee shall be discharged and relieved of any liability thereon if the amount garnished and attached is less than \$10. Any garnishment shall lapse and the garnishee thereof shall be discharged and relieved of any liability thereon after the expiration of three years from the date of service of the garnishment summons; providing the garnishee shall have given a 30 day written notice following said three year period; by certified mail to the last known address of the attorney for the garnishing party; or if he has no attorney; to the garnishing party; and within 30 days thereafter neither the garnishing party nor his attorney has objected in writing to said discharge:

Sec. 22. Minnesota Statutes 1974, Chapter 571, is amended by adding a section to read:

[571.68] GARNISHMENTS AFFECTING LESS THAN TEN DOLLARS. If the amount required to be retained by the garnishee is less than \$10, the garnishee shall not retain said sum but shall make the disclosures otherwise required.

Sec. 23. Minnesota Statutes 1974, Chapter 571, is amended by adding a section to read:

[571.69] TERMINATION OF GARNISHMENTS. Subdivision 1. A garnishee summons shall lapse and the garnishee thereof shall be discharged and relieved of any liability thereon upon the expiration of the following periods of time after service of the summons, or such longer period of time either agreed to in writing by both the judgment creditor and the judgment debtor or ordered by a court:

(1) In the instance of a garnishee summons served before entry of judgment, 270 days;

(2) In the instance of a garnishee summons served after entry of judgment, 180 days.

Subd. 2. Immediately upon the lapse of the garnishee summons, all earnings, money, property, and effects which the garnishee has

Changes or additions indicated by underline deletions by ~~strikeout~~

been retaining pursuant to the garnishment shall be returned to the judgment debtor.

Sec. 24. **REPEALER.** Minnesota Statutes 1974, Sections 571.47, 571.48, and 571.49 are repealed.

Approved April 20, 1976.

CHAPTER 336—H.F.No.1909

[Coded]

An act relating to health; prohibiting sale and use of certain chemicals; restricting the application of pesticides; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[18A.48] PESTICIDES; RESTRICTIONS; SALE OR USE OF CERTAIN COMPOUND PROHIBITED.** [Subdivision 1.] No person shall sell, offer for sale, or use any pesticide as defined by Laws 1976, Chapter 53, Section 1, Subdivision 25, containing in excess of 0.1 parts per million of 2,3,7, 8-tetrachlorodibenzo-para-dioxin (TCDD).

Sec. 2. **[18A.48] [Subd. 2.]** The application of any pesticide containing TCDD shall be restricted to those licensed commercial applicators regulated by the commissioner of agriculture under the provisions of Laws 1976, Chapter 53, for any application to an area greater than 10 acres. An application to an area of less than 10 acres by a private applicator as defined in Laws 1976, Chapter 53, Section 1, Subdivision 27, shall be lawful.

Sec. 3. **[18A.48] [Subd. 3.]** No aerial application of a pesticide containing TCDD shall be made by other than a licensed commercial applicator. Prior to any such aerial application the applicator must obtain a special permit from the commissioner of agriculture who, with the concurrence of the commissioner of the department of natural resources, shall certify the proposed use is safe and that there is no feasible alternative.

Sec. 4. **[18A.48] [Subd. 4.]** A violation of this act is a misdemeanor. Each day of violation is a separate offense.

Approved April 20, 1976.

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