

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3958-01  
Bill No.: HB 1166  
Subject: Courts: Credit and Bankruptcy; Law Enforcement Officers and Agencies  
Type: Original  
Date: May 8, 2006

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### **FISCAL ANALYSIS**

#### **ASSUMPTION**

Officials from the **Office of State Courts Administrator (CTS)** assume this proposed legislation will increase the workload of the courts in several ways. After the garnishment is served, the debtor would have to submit a form to the clerk, who would then turn around and submit it to the garnishee so they know the amount to withhold from the first paycheck issued after the garnishment is served. Also, it would add about 25% to the time required by the clerks to process garnishments.

While CTS is unable to put a specific cost on this legislation at this time, any significant workload increase will be reflected in future budget requests.

<u><b>FISCAL IMPACT - State Government</b></u>	<b>FY 2007 (10 Mo.)</b>	<b>FY 2008</b>	<b>FY 2009</b>
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Local Government

FY 2007  
(10 Mo.)

FY 2008

FY 2009

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

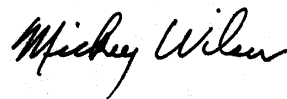
DESCRIPTION

Currently, if a debtor is the head of a family and a resident of this state, 90% of the debtor's income is protected from garnishment. This proposed legislation specifies that the court, and not the garnishee, will be responsible for making the determination of whether the debtor is the head of a family and a resident of the state.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Courts Administrator



Mickey Wilson, CPA  
Director  
May 8, 2006