

SENATE BILL 22

I3, D3

8lr0483

(PRE-FILED)

By: **Senator Smith**

Requested: August 10, 2017

Introduced and read first time: January 10, 2018

Assigned to: Finance and Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Debt Collection – Exemptions From Attachment**

3 FOR the purpose of altering the amount of wages of a judgment debtor that are exempt
4 from attachment; making a conforming change; making a stylistic change; providing
5 for the application of this Act; and generally relating to debt collection and
6 exemptions from an attachment of wages.

7 BY repealing and reenacting, with amendments,
8 Article – Commercial Law
9 Section 15–601.1
10 Annotated Code of Maryland
11 (2013 Replacement Volume and 2017 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Courts and Judicial Proceedings
14 Section 11–504(a) and (b)(7)
15 Annotated Code of Maryland
16 (2013 Replacement Volume and 2017 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
18 That the Laws of Maryland read as follows:

19 **Article – Commercial Law**

20 15–601.1.

21 (a) In this section, “disposable wages” means the part of wages that remain after
22 deduction of any amount required to be withheld by law.

23 (b) The following are exempt from attachment:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) [Except as provided in item (2) of this subsection, the] **THE** greater of:

2 (i) The product of \$145 multiplied by the number of weeks in which
3 the wages due were earned; or

4 (ii) 75 percent of the disposable wages due;

5 (2) In Caroline, Kent, Queen Anne's, and Worcester counties, for each
6 workweek, the greater of:]

7 (i) 75 percent of the disposable wages due; or

8 (ii) [30] **80** times the [federal] **STATE** minimum hourly wages under
9 the Fair Labor Standards Act in effect at the time the wages are due; and

10 [(3)] **(2)** Any medical insurance payment deducted from an employee's
11 wages by the employer.

12 (c) The amount subject to attachment shall be calculated per pay period.

13 **Article – Courts and Judicial Proceedings**

14 11–504.

15 (a) [(1)] In this section, [the following terms have the meanings indicated.

16 (2) “Value” **“VALUE”** means fair market value as of the date upon which
17 the execution or other judicial process becomes effective against the property of the debtor,
18 or the date of filing the petition under the federal Bankruptcy Code.

19 (b) The following items are exempt from execution on a judgment:

20 (7) Money payable or paid in accordance with an agreement or court order
21 for alimony to the same extent that wages are exempt from attachment under §
22 [15–601.1(b)(1)(ii) or (2)(i)] **15–601.1(B)(1)(I)** of the Commercial Law Article.

23 **SECTION 2. AND BE IT FURTHER ENACTED,** That this Act shall be construed to
24 apply only prospectively and may not be applied or interpreted to have any effect on or
25 application to any writ of garnishment or writ of execution issued before the effective date
26 of this Act.

27 **SECTION 3. AND BE IT FURTHER ENACTED,** That this Act shall take effect
28 October 1, 2018.