

Act 463 of the 1989 Regular Session.

Act 463

HB1276

By: Representatives Allen and Northcutt

"AN ACT TO PROVIDE THAT WHEN ANY EMPLOYER IS SERVED WITH A WRIT OF GARNISHMENT ON AN EMPLOYEE, AND THE EMPLOYER FAILS TO ANSWER WITHIN TWENTY DAYS AFTER SERVICE, THE EMPLOYER SHALL BE LIABLE FOR THE AMOUNT OF NONEXEMPT WAGES OWED THE EMPLOYEE AT THE TIME THE WRIT WAS SERVED; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Notwithstanding Ark. Code Ann. 16-110-407 or any other law to the contrary, if an employer garnishee fails to answer a writ of garnishment within twenty (20) days after the employer is served the writ, the employer garnishee shall only be liable for the amount of nonexempt wages owed the employee on the date the employer was served with the writ regardless whether the garnishment is for one pay period or is a continuing garnishment.

SECTION 2. Title 16, Chapter 110, Subchapter 4 of the Arkansas Code of 1987 is hereby amended by adding a new section to read as follows:

"16-110-416. In any garnishment of salaries, wages, or other compensation due from the employer garnishee, the plaintiff shall include the following notice to the employer garnishee:

NOTICE TO EMPLOYER GARNISHEE

The amount of wages available for withholding for this judgment and costs is subject to certain prior claims. Under Arkansas law, income withholding for child support has a priority over all other legal processes. Under federal law, the total amount to be withheld cannot exceed the maximum amount allowed under Section 303(b)."

SECTION 3. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 4. All laws and parts of laws in conflict with this Act are hereby repealed.

APPROVED: March 10, 1989

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