

April 11, 1979

LB 216

SENATOR JOHNSON: I assume that LB 216 covers the garnishment process which as you probably know occurs when a judgment creditor has a judgment against a judgment debtor and the judgment creditor believes that a bank has money belonging to the debtor and so the judgment creditor has the court garnishee the bank account of the debtor to pick up whatever money the debtor might have in that bank account to satisfy in full or in part that judgment. Now the customary practice of course, is for the judgment creditor to pay court costs for the execution of the garnishment and the court costs ultimately are signed against the debtor because after all it is against him whom the judgment runs. Now would LB 216 lay an additional cost on the judgment creditor for the bank completing the garnishment report and submitting the monies to the court?

SENATOR REUTZEL: Well, Senator Johnson, that applies to all disclosure of all information but it is not my intent that this would be an additional cost and I don't think... the problem, Senator Johnson, is several institutions, banking institutions run into the problem where they have to supply information, either under court order or to the Department of Banking when in the course of their investigations they need additional information. I have testimony here from individuals who have had to go to several hundred dollars in costs to supply microfilm and xerox copies of records seven years back or more and they are not recovering the cost and this is the intent of the bill, to recover that cost but it is not my intent to add an additional burden upon...in the situation you describe.

SENATOR JOHNSON: All right. Is there anything in the bill which you believe, Senator Reutzel, makes it relatively clear that in these fairly perfunctory and everyday occurrence transactions which really don't involve much time on the part of the bank to respond to that that bank will not be allowed to impose an additional cost on the process?

SENATOR REUTZEL: That is not the intent of the bill, Senator Johnson. Certainly those costs are already absorbed by the consumer anyway is the cost that I think you are referring to, just the two or three minute type of jobs and xeroxing and like that. We are talking about extensive investigations.

SENATOR JOHNSON: Okay, thank you, Senator.

SPEAKER MARVEL: Senator Murphy.