

Act No. 291
Public Acts of 1994
Approved by the Governor
June 19, 1994
Filed with the Secretary of State
June 20, 1994

**STATE OF MICHIGAN
87TH LEGISLATURE
REGULAR SESSION OF 1994**

Introduced by Rep Profit

ENROLLED HOUSE BILL No. 5287

AN ACT to amend sections 4012 and 8410a of Act No 236 of the Public Acts of 1961 entitled as amended An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state the powers and duties of such courts and of the judges and other officers thereof the forms and attributes of civil claims and actions the time within which civil actions and proceedings may be brought in said courts pleading evidence practice and procedure in civil and criminal actions and proceedings in said courts to provide remedies and penalties for the violation of certain provisions of this act and to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act as added by Act No 67 of the Public Acts of 1991 being sections 600 4012 and 600 8410a of the Michigan Compiled Laws

The People of the State of Michigan enact

Section 1 Sections 4012 and 8410a of Act No 236 of the Public Acts of 1961 as added by Act No 67 of the Public Acts of 1991 being sections 600 4012 and 600 8410a of the Michigan Compiled Laws are amended to read as follows

Sec 4012 (1) Subject to subsection (2) a writ of garnishment issued by a court remains in effect as to periodic payments until 1 or more of the following occur

(a) The amount withheld by the garnishee defendant and paid over to the clerk of the court equals or exceeds the amount of the judgment interest and costs or if the garnishee defendant does not pay the indebtedness to the court the amount required to be withheld by the garnishee defendant equals or exceeds the amount of the judgment interest and costs

(b) The expiration of 91 days after the date on which the writ of garnishment is issued

(c) As otherwise ordered by the court

(2) A garnishee defendant is not liable for a writ of garnishment of periodic payments under subsection (1) to the extent that the garnishee defendant is required to satisfy another writ of garnishment against the same principal defendant having a higher priority or having the same priority but received at an earlier date For purposes of this subsection the priority of writs of garnishment is as follows in the order stated

(a) A garnishment resulting from an obligation of court ordered support as defined in section 2 of the support and visitation enforcement act Act No 295 of the Public Acts of 1982 being section 552 602 of the Michigan Compiled Laws

(b) A levy of the state or a governmental unit of the state to satisfy a tax liability

(c) Any other garnishment

(3) A plaintiff shall pay a fee of \$6 00 to the garnishee defendant at the time a writ of garnishment of periodic payments is served upon the garnishee defendant

(4) As used in this section and section 8410a periodic payments means wages earnings land contract payments rent and other periodic debt or contract payments that are or become payable during the effective period of the writ of garnishment Periodic payments do not mean any of the following

(a) Payments by a financial institution of interest on a deposit account

(b) Charges made by a financial institution automatically against an account which applies to a debt pursuant to an automatic payment authorization executed by the account owner

(c) Payments made by a financial institution to honor a check or draft or to comply with an account holder s order of withdrawal of funds from an account

(d) Interest earned on a certificate of deposit that is paid into a deposit account

Sec 8410a A writ of garnishment issued by the small claims division of the district court remains in effect as to periodic payments as provided in section 4012

This act is ordered to take immediate effect

Co Clerk of the House of Representatives

-
Secretary of the Senate

Approved

Governor