

1.1 A bill for an act
1.2 relating to creditor remedies; modifying garnishment instructions, forms,
1.3 procedures, and exemptions; amending Minnesota Statutes 2008, sections
1.4 550.143; 550.37, subdivision 14; 551.05; 571.71; 571.72, by adding subdivisions;
1.5 571.911; 571.912; 571.913; 571.914; 571.925.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2008, section 550.143, is amended to read:

1.8 **550.143 LEVY ON FUNDS AT A FINANCIAL INSTITUTION.**

1.9 Subdivision 1. **Procedure.** When the sheriff is levying upon funds at a financial
1.10 institution, this section must be complied with, in addition to the general provisions set
1.11 forth in section 550.135.

1.12 Subd. 2. **Disclosure form.** Along with the writ of execution, the notice, instructions,
1.13 and the exemption notice described in subdivision 3, the sheriff shall serve upon the
1.14 financial institution an execution disclosure form which must be substantially in the
1.15 following form:

1.16 STATE OF MINNESOTA	DISTRICT COURT
1.17 COUNTY OF JUDICIAL DISTRICT
1.18 (Judgment Creditor)	
1.19 against	FINANCIAL INSTITUTIONS
1.20 (Judgment Debtor)	EXECUTION
1.21 and	DISCLOSURE
1.22 (Third Party)	

1.23 On the day of,, the time of service of execution herein, there was
1.24 due and owing the judgment debtor from the third party the following:

2.1 (1) Money. Enter on the line below any amounts due and owing the judgment debtor,
2.2 except earnings, from the third party.

2.3

2.4 (2) Setoff. Enter on the line below the amount of any setoff, defense, lien, or claim
2.5 which the third party claims against the amount set forth on line (1). State the facts by
2.6 which such setoff, defense, lien, or claim is claimed. (Any indebtedness to a third party
2.7 incurred by the judgment debtor within ten days prior to the receipt of the first execution
2.8 levy on a debt is void as to the judgment creditor.)

2.9

2.10 (3) Exemption. Enter on the line below any amounts or property claimed by the
2.11 judgment debtor to be exempt from execution.

2.12

2.13 (4) Adverse Interest. Enter on the line below any amounts claimed by other persons
2.14 by reason of ownership or interest in the judgment debtor's property.

2.15

2.16 (5) Enter on the line below the total of lines (2), (3), and (4).

2.17

2.18 (6) Enter on the line below the difference obtained (never less than zero) when line
2.19 (5) is subtracted from the amount on line (1).

2.20

2.21 (7) Enter on the line below 110 percent of the amount of the judgment creditor's
2.22 claim which remains unpaid.

2.23

2.24 (8) Enter on the line below the lesser of line (6) and line (7). You are hereby
2.25 instructed to remit this amount only if it is \$10 or more.

2.26

2.27 AFFIRMATION

2.28 I, (person signing Affirmation), am the third party or I am authorized
2.29 by the third party to complete this nonearnings disclosure, and have done so truthfully
2.30 and to the best of my knowledge.

2.31 Dated:

2.32 Signature

2.33

2.34 Title

3.1
3.2 Telephone Number

3.3 Subd. 3. Notice, instructions, and exemption notice. If the levy is on funds of a
3.4 judgment debtor who is a natural person and if the funds to be levied are held on deposit at
3.5 any financial institution, the judgment creditor or its attorney shall provide the sheriff with
3.6 a notice, instructions, and two copies of an exemption notice, which must be substantially
3.7 in the form set forth below. The sheriff shall serve the notice, instructions, and both copies
3.8 of the exemption notice on the financial institution, along with the writ of execution.
3.9 Failure of the sheriff to serve the notice, instructions, and the exemption notices renders
3.10 the levy void, and the financial institution shall take no action. However, if this subdivision
3.11 is being used to execute on funds that have previously been garnished in compliance with
3.12 section 571.71, the judgment creditor is not required to serve additional exemption notices.
3.13 In that event, the execution levy shall only be effective as to the funds that were subject
3.14 to the prior garnishment. Upon receipt of the writ of execution, notice, instructions, and
3.15 exemption notices, the financial institution shall retain as much of the amount due under
3.16 section 550.04 as the financial institution has on deposit owing to the judgment debtor, but
3.17 not more than 110 percent of the amount remaining due on the judgment.

3.18 STATE OF MINNESOTA DISTRICT COURT
3.19 COUNTY OF JUDICIAL DISTRICT
3.20 (Judgment
3.21 Creditor)
3.22 (Judgment Debtor)
3.23 ~~TO: Debtor~~ EXEMPTION NOTICE

3.24 ~~An order for attachment, garnishment summons, or levy of execution (strike~~
3.25 ~~inapplicable language) has been served on (Bank or other financial institution~~
3.26 ~~where you have an account.)~~

3.27 ~~Your account balance is \$.....~~

3.28 ~~The amount being held is \$.....~~

3.29 ~~However, all or a portion of the funds in your account will normally be exempt from~~
3.30 ~~creditors' claims if they are in one of the following categories:~~

- 3.31 ~~(1) relief based on need. This includes the Minnesota Family Investment Program~~
3.32 ~~(MFIP), Emergency Assistance (EA), Work First Program, Medical Assistance (MA),~~
3.33 ~~General Assistance (GA), General Assistance Medical Care (GAMC), Emergency General~~
3.34 ~~Assistance (EGA), Minnesota Supplemental Aid (MSA), MSA Emergency Assistance~~
3.35 ~~(MSA-EA), Supplemental Security Income (SSI), and Energy Assistance;~~
3.36 ~~(2) Social Security benefits (Old Age, Survivors, or Disability Insurance);~~
3.37 ~~(3) unemployment benefits, workers' compensation, or veterans' benefits;~~

- 4.1 ~~(4) an accident, disability, or retirement pension or annuity;~~
4.2 ~~(5) life insurance proceeds;~~
4.3 ~~(6) the earnings of your minor child and any child support paid to you; or~~
4.4 ~~(7) money from a claim for damage or destruction of exempt property (such as~~
4.5 ~~household goods, farm tools, business equipment, a mobile home, or a car).~~

4.6 ~~The following funds are also exempt:~~

- 4.7 ~~(8) all earnings of a person in category (1);~~
4.8 ~~(9) all earnings of a person who has received relief based on need, or who has been~~
4.9 ~~an inmate of a correctional institution, within the last six months;~~
4.10 ~~(10) 75 percent of every debtor's after tax earnings; and~~
4.11 ~~(11) all of a judgment debtor's after tax earnings below 40 times the federal~~
4.12 ~~minimum wage.~~

4.13 ~~TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:~~

4.14 ~~Categories (10) and (11): 20 days~~

4.15 ~~Categories (8) and (9): 60 days~~

4.16 ~~All others: no time limit, as long as funds are traceable to the exempt source. (In~~
4.17 ~~tracing funds, the first-in, first-out method is used. This means money deposited first~~
4.18 ~~is spent first.) The money being sought by the judgment creditor is being held in your~~
4.19 ~~account to give you a chance to claim an exemption.~~

4.20 ~~TO CLAIM AN EXEMPTION:~~

4.21 ~~Fill out, sign, and mail or deliver one copy of the attached exemption claim form to~~
4.22 ~~the institution which sent you this notice and mail or deliver one copy to the judgment~~
4.23 ~~creditor's attorney. In the event that there is no attorney for the judgment creditor, then~~
4.24 ~~the notice shall be sent directly to the judgment creditor. The address for the judgment~~
4.25 ~~creditor's attorney or the judgment creditor is set forth below. **Both copies must be**~~
4.26 ~~**mailed or delivered on the same day.**~~

4.27 ~~**NOTE: You may help resolve your claim faster if you send to the creditor's**~~
4.28 ~~**attorney written proof or documents that show why your money is exempt. If**~~
4.29 ~~**you have questions regarding the documents to send as proof of an exemption,**~~
4.30 ~~**call the creditor's attorney. If you do not send written proof and the creditor's**~~
4.31 ~~**attorney has questions about your exemption claim, the creditor's attorney**~~
4.32 ~~**may object to your claim which may result in a further delay in releasing your**~~
4.33 ~~**exempt funds.**~~

4.34 ~~If the financial institution does not get the exemption claim back from you within 14~~
4.35 ~~days of the date they mailed or gave it to you, they will be free to turn the money over to~~

5.1 ~~the sheriff or the judgment creditor. If you are going to claim an exemption, do so as soon~~
5.2 ~~as possible, because your money may be held until it is decided.~~

5.3 ~~IF YOU CLAIM AN EXEMPTION:~~

- 5.4 ~~(1) nonexempt money can be turned over to the judgment creditor or sheriff;~~
- 5.5 ~~(2) the financial institution will keep holding the money claimed to be exempt; and~~
- 5.6 ~~(3) seven days after receiving your exemption claim, the financial institution will~~
5.7 ~~release the money to you unless before then it receives an objection to your exemption~~
5.8 ~~claim.~~

5.9 ~~IF THE JUDGMENT CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:~~

5.10 ~~the institution will hold the money until a court decides if your exemption claim is~~
5.11 ~~valid, BUT ONLY IF the institution gets a copy of your court motion papers asserting~~
5.12 ~~the exemption WITHIN TEN DAYS after the objection is personally served on you, or~~
5.13 ~~within 13 days from the date the objection is mailed to you. You may wish to consult an~~
5.14 ~~attorney at once if the creditor objects to your exemption claim.~~

5.15 ~~MOTION TO DETERMINE EXEMPTION:~~

5.16 ~~At any time after your funds have been held, you may ask for a court decision on the~~
5.17 ~~validity of your exemption claim by filing a request for hearing which may be obtained~~
5.18 ~~at the office of the court administrator of the above court.~~

5.19 ~~PENALTIES:~~

5.20 ~~If you claim an exemption in bad faith, or if the judgment creditor wrongly objects~~
5.21 ~~to an exemption in bad faith, the court may order the person who acted in bad faith to pay~~
5.22 ~~costs, actual damages, attorney fees, and an additional amount of up to \$100.~~

5.23 _____
5.24 _____
5.25 _____
5.26 _____

5.27 ~~Name and address of (Attorney for) Judgment~~
5.28 ~~Creditor~~

5.29 ~~EXEMPTION:~~

5.30 ~~(a) Amount of exemption claim.~~

5.31 ~~// I claim ALL the funds being held are exempt.~~

5.32 ~~// I claim SOME of the funds being held are exempt.~~

5.33 ~~The exempt amount is \$ _____~~

5.34 ~~(b) Basis for exemption.~~

5.35 ~~Of the 11 categories listed above, I am in category number (If more than one~~
5.36 ~~category applies, you may fill in as many as apply.) The source of the exempt funds is~~
5.37 ~~the following:~~

6.1 _____
6.2 _____
6.3 _____

6.4 ~~(If the source is a type of relief based on need, list the case number and county:~~
6.5 ~~case number: _____;~~
6.6 ~~county: _____)~~

6.7 ~~I hereby authorize any agency that has distributed relief to me or any correctional~~
6.8 ~~institution in which I was an inmate to disclose to the above named creditor or its attorney~~
6.9 ~~only whether or not I am or have been a recipient of relief based on need or an inmate of a~~
6.10 ~~correctional institute within the last six months.~~

6.11 ~~I have mailed or delivered a copy of the exemption notice to the judgment creditor~~
6.12 ~~or judgment creditor's attorney if represented at the address indicated above.~~

6.13 _____
6.14 ~~DEBTOR~~

6.15 ~~DATED: _____~~ _____

6.16 _____

6.17 _____

6.18 ~~DEBTOR ADDRESS~~

6.19 _____

6.20 ~~DEBTOR TELEPHONE NUMBER~~

6.21 Subd. 3a. Form of notice. The notice required by subdivision 3 must be provided as
6.22 a separate form and must be substantially in the following form:

6.23 STATE OF MINNESOTA DISTRICT COURT
6.24 COUNTY OF _____ _____ JUDICIAL DISTRICT
6.25 _____ (Creditor)
6.26 _____ (Debtor)
6.27 _____ (Financial
6.28 _____ institution)

6.29 **IMPORTANT NOTICE**

6.30 **YOUR FUNDS HAVE BEEN LEVIED**

6.31 The Creditor has frozen money in your account at your financial institution.

6.32 **Your account balance is \$.....**

6.33 **The amount being held is \$.....**

6.34 The amount being held will be frozen for 14 days from the date of this notice.

6.35 **Some of your money in your account may be protected (the legal word is**

6.36 **exempt). You may be able to get it sooner than 14 days if you act quickly and follow**

6.37 **the instructions on the next page.**

7.1 The attached exemption form lists some different sources of money in your account
7.2 that may be protected. If your money is from one or more of these sources, place a
7.3 check on the line on the form next to the sources of your money. If it is from one of
7.4 these sources, the Creditor cannot take it.

7.5 **BUT, you must follow the instructions and return the exemption form and**
7.6 **copies of your bank statements from the last 60 days** to have the bank unfreeze your
7.7 money. If you do not follow the instructions, your financial institution will give the money
7.8 to the Sheriff. If that happens and it is protected, you can still get it back from the Creditor
7.9 later, but that is not as easy to do as filling in the form now.

7.10 See next pages for instructions and the exemption form.

7.11 Subd. 3b. **Form of instructions.** The instructions required by this section must be
7.12 in a separate form and must be substantially in the following form:

7.13 **INSTRUCTIONS**

7.14 **Note:** The creditor is who you owe the money to. You are the debtor.

7.15 1. Fill out both of the attached exemption forms in this packet.

7.16 **If you check one of the lines, you should also give proof that shows that some**
7.17 **or all of the money in your account is from one or more of the protected sources.**

7.18 **Creditors may ask for a hearing if they question your exemptions. To avoid a hearing:**

7.19 **Case numbers should be added to the form. Copies of documents should be**
7.20 **sent with the form.**

7.21 **NOTICE: YOU MUST SEND TO THE CREDITOR'S ATTORNEY (OR TO**
7.22 **THE CREDITOR, IF NO ATTORNEY) COPIES OF YOUR BANK STATEMENTS**
7.23 **FOR THE PAST 60 DAYS BEFORE THE LEVY. Keep a copy of your bank**
7.24 **statements in case there are questions about your claim. If you do not send to the**
7.25 **creditor's attorney (or to the creditor, if no attorney) bank statements with your**
7.26 **exemption claim, the financial institution may release your money to the sheriff.**

7.27 2. **Sign** the exemption forms. **Make one copy to keep for yourself.**

7.28 3. **Mail or deliver** the other copies of the form by (insert date).

7.29 **BOTH COPIES MUST BE MAILED OR DELIVERED THE SAME DAY.**

7.30 One copy of the form and the copies of your bank statements go to:

7.31
7.32 (Insert name of creditor or creditor's attorney)

7.33
7.34 (Insert address of creditor or creditor's attorney)

7.35 One copy goes to:

8.1
8.2 (Insert name of bank)

8.3
8.4 (Insert address of bank)

8.5 **HOW THE PROCESS WORKS**

8.6 **If You Do Not Send in the Exemption Form and Bank Statements:**

8.7 14 days after the date of this letter some or all of your money may be turned over
8.8 to the creditor or to the sheriff.

8.9 **If You Send in the Exemption Form and Bank Statements:**

8.10 Any money that is NOT protected can be turned over to the sheriff.

8.11 **If the Creditor Does Not Object:**

8.12 The financial institution will unfreeze your money six business days after the
8.13 institution gets your completed form.

8.14 **If the Creditor Objects:**

8.15 The money you have said is protected on the form will be held by the bank. The
8.16 creditor has six business days to object (disagree) and ask the court to hold a hearing. You
8.17 will receive a Notice of Objection and a Notice of Hearing.

8.18 The financial institution will hold the money until a court decides whether your
8.19 money is protected or not. Some reasons a creditor may object are because you did not
8.20 send copies of your bank statements or other proof of the benefits you received. Be sure to
8.21 include these when you send your exemption form.

8.22 You may want to talk to a lawyer for advice about this process. If you are low
8.23 income you can call Legal Aid.

8.24 **PENALTIES:**

8.25 If you claim that your money is protected and a court decides you made that claim
8.26 in bad faith, the court can order you to pay costs, actual damages, attorney fees, and an
8.27 additional amount of up to \$100. For example, it may be bad faith if you claim you receive
8.28 government benefits that you do not receive.

8.29 If the creditor made a bad faith objection to your claim that your money is protected,
8.30 the court can order them to pay costs, actual damages, attorney fees, and an additional
8.31 amount of up to \$100.

8.32 Subd. 3c. **Form of exemption form.** The exemption form required by this
8.33 subdivision must be sent as a separate form and must be in substantially the following
8.34 form:

8.35 STATE OF MINNESOTA
8.36 COUNTY OF

DISTRICT COURT
..... JUDICIAL DISTRICT

- 9.1 (Creditor)
- 9.2 (Debtor)
- 9.3 (Financial
- 9.4 institution)

9.5 **EXEMPTION FORM**

9.6 **A. HOW MUCH MONEY IS PROTECTED**

- 9.7 I claim ALL of the money being frozen by the bank is protected.
- 9.8 I claim SOME of the money is protected. The amount I claim is protected is \$.....

9.9 **B. WHY THE MONEY IS PROTECTED**

9.10 My money is protected because I get it from one or more of the following places:
9.11 **(Check all that apply)**

9.12 **Government benefits**

9.13 Government benefits include, but are not limited to, the following:

9.14 **MFIP - Minnesota family investment program,**

9.15 **MFIP Diversionary Work Program,**

9.16 **Work participation cash benefit,**

9.17 **GA - general assistance,**

9.18 **EA - emergency assistance,**

9.19 **MA - medical assistance,**

9.20 **GAMC - general assistance medical care,**

9.21 **EGA - emergency general assistance,**

9.22 **MSA - Minnesota supplemental aid,**

9.23 **MSA-EA - MSA emergency assistance,**

9.24 **Food Support,**

9.25 **SSI - Supplemental Security Income,**

9.26 **MinnesotaCare,**

9.27 **Medicare part B premium payments,**

9.28 **Medicare part D extra help,**

9.29 **Energy or fuel assistance.**

9.30 **LIST SOURCE(S) OF FUNDING IN YOUR ACCOUNT**

9.31

9.32 **LIST THE CASE NUMBER AND COUNTY**

9.33 Case Number:

9.34 County:

9.35 **Government benefits also include:**

9.36 **Social Security benefits**

9.37 **Unemployment benefits**

9.38 **Workers' compensation**

9.39 **Veterans benefits**

9.40 **If you receive any of these government benefits, include copies of any**
9.41 **documents you have that show you receive Social Security, unemployment,**
9.42 **workers' compensation, or veterans benefits.**

9.43 **Other assistance based on need**

10.1 You may have assistance based on need from another source that is not on the list. If you
10.2 do, check this box, and fill in the source of your money on the line below:

10.3 Source:

10.4 **Include copies of any documents you have that show the source of this money.**

10.5 **EARNINGS**

10.6 **ALL or SOME of your earnings (wages) may also be protected.**

10.7 **..... All of your earnings (wages) are protected if:**

10.8 **..... You get government benefits (see list of government benefits)**

10.9 **..... You currently receive other assistance based on need**

10.10 **..... You have received government benefits in the last six months**

10.11 **..... You were in jail or prison in the last six months**

10.12 **If you check one of these lines, your wages are only protected for 60 days after**
10.13 **they are deposited in your account so you MUST send the creditor a copy of**
10.14 **BANK STATEMENTS that show what was in your account for the 60 days right**
10.15 **before the bank froze your money.**

10.16 **..... Some of your earnings (wages) are protected.**

10.17 **If all of your earnings are not exempt, then some of your earnings are still protected**
10.18 **for 20 days after they were deposited in your account. The amount protected is the**
10.19 **larger amount of:**

10.20 **75 percent of your wages (after taxes are taken out); or**

10.21 **(insert the sum of the current federal minimum wage) multiplied by 40.**

10.22 **OTHER EXEMPT FUNDS**

10.23 **The money from the following are also completely protected after they are**
10.24 **deposited in your account.**

10.25 **..... An accident, disability, or retirement pension or annuity**

10.26 **..... Payments to you from a life insurance policy**

10.27 **..... Earnings of your child who is under 18 years of age**

10.28 **..... Child support**

10.29 **..... Money paid to you from a claim for damage or destruction of property**

10.30 **Property includes household goods, farm tools or machinery, tools for your job,**
10.31 **business equipment, a mobile home, a car, a musical instrument, a pew or burial lot,**
10.32 **clothes, furniture, or appliances.**

10.33 **..... Death benefits paid to you**

10.34 **I give permission to any agency that has given me cash benefits to give information**
10.35 **about my benefits to the above-named creditor, or its attorney. The information will ONLY**
10.36 **concern whether I get benefits or not, or whether I have gotten them in the past six months.**

10.37 **If I was an inmate in the last six months, I give my permission to the correctional**
10.38 **institution to tell the above-named creditor that I was an inmate there.**

10.39 **YOU MUST SIGN AND SEND THIS FORM BACK TO THE CREDITOR'S**
10.40 **ATTORNEY (OR TO THE CREDITOR, IF NO ATTORNEY) AND THE BANK.**

10.41 **REMEMBER TO INCLUDE A COPY OF YOUR BANK STATEMENTS FOR**

11.1 **THE PAST 60 DAYS. FILL IN THE BLANKS BELOW AND GO BACK TO THE**
11.2 **INSTRUCTIONS TO MAKE SURE YOU DO IT CORRECTLY.**

11.3 I have mailed or delivered a copy of this form to:

11.4

11.5 (Insert name of creditor or creditor's attorney)

11.6

11.7 (Insert address of creditor or creditor's attorney)

11.8 I have also mailed or delivered a copy of this exemption form to my bank at the
11.9 address listed in the instructions.

11.10 DATED:

11.11 DEBTOR

11.12

11.13 DEBTOR ADDRESS

11.14

11.15 DEBTOR TELEPHONE NUMBER

11.16 Subd. 4. **Effect of exemption notice.** Within two business days after receipt of the
11.17 writ of execution ~~and~~ notice, instructions, and two copies of the exemption notice,
11.18 the financial institution shall serve upon the judgment debtor the notice, instructions,
11.19 and two copies of the exemption notice. The financial institution shall serve ~~the notice~~
11.20 these forms by first class mail to the last known address of the judgment debtor. If no
11.21 claim of exemption is received by the financial institution within 14 days after the notice,
11.22 instructions, and exemption notices are mailed to the judgment debtor, the funds remain
11.23 subject to the execution levy and shall be remitted to the sheriff within ~~seven~~ six business
11.24 days. If the judgment debtor elects to claim an exemption, the judgment debtor shall
11.25 complete the exemption notice, sign it under penalty of perjury, and deliver one copy to
11.26 the financial institution and one copy to the attorney for the judgment creditor within
11.27 14 days of the date postmarked on the correspondence mailed to the debtor containing
11.28 the exemption notices. The judgment debtor is also required to include copies of bank
11.29 statements for the prior 60 days with the exemption notice delivered to the attorney for the
11.30 judgment creditor. In the event that there is no attorney for the judgment creditor, then the
11.31 notice and bank statements must be sent directly to the judgment creditor. Failure of the
11.32 judgment debtor to deliver the executed exemption notice or copies of the required bank
11.33 statements for the prior 60 days does not constitute a waiver of any claimed right to an
11.34 exemption. Upon timely receipt of a claim of exemption, funds not claimed to be exempt
11.35 by the debtor remain subject to the execution levy. All money claimed to be exempt shall
11.36 be released to the judgment debtor upon the expiration of ~~seven~~ six business days after
11.37 the date postmarked on the envelope containing the executed exemption notice mailed to

12.1 the financial institution, or the date of personal delivery of the executed exemption notice
12.2 to the financial institution, unless within that time the judgment creditor interposes an
12.3 objection to the exemption.

12.4 Subd. 5. **Objection to exemption claim and request for hearing.** (a) An objection
12.5 shall be interposed within six business days of receipt by the creditor of an exemption
12.6 claim from the debtor, by mailing or delivering one copy of the ~~written objection~~ Notice of
12.7 Objection and Notice of Hearing to the financial institution and one copy of the ~~written~~
12.8 ~~objection~~ Notice of Objection and Notice of Hearing to the judgment debtor ~~along with a~~
12.9 ~~copy of the judgment debtor's claimed exemption form. Both copies of an objection to an~~
12.10 ~~exemption claim shall be mailed or delivered on the same date.~~ The financial institution
12.11 may rely on the date of mailing or delivery of a notice to it in computing any time periods
12.12 in this section. The ~~written objection~~ Notice of Objection and Notice of Hearing must be
12.13 substantially in the form specified in subdivision 7.

12.14 (b) The court administrator may charge a fee of \$1 for the filing of a Notice of
12.15 Objection and Notice of Hearing. Upon the filing of a Notice of Objection and Notice of
12.16 Hearing, the court administrator shall schedule the matter for hearing no sooner than five
12.17 business days but no later than seven business days from the date of filing. A debtor may
12.18 request continuance of the hearing by notifying the creditor and the court. The court shall
12.19 schedule the continued hearing within seven days of the original hearing date.

12.20 (c) An order stating whether the debtor's funds are exempt must be issued by the
12.21 court within three days of the date of the hearing.

12.22 Subd. 6. **Duties of financial institution if objection is made to exemption claim.**
12.23 Upon receipt of a ~~written objection~~ Notice of Objection and Notice of Hearing from
12.24 the ~~judgment~~ creditor or its attorney within the specified ~~seven-day~~ six-day period, the
12.25 financial institution shall retain the funds claimed to be exempt. ~~Unless the financial~~
12.26 ~~institution receives a request for hearing and notice of hearing from the judgment debtor~~
12.27 ~~asserting exemption rights within ten days after receipt of a written objection to the~~
12.28 ~~exemption, the funds remain subject to the execution levy as if no claim of exemption~~
12.29 ~~had been made and shall be remitted to the sheriff within seven days. If a request for~~
12.30 ~~hearing and notice of hearing to determine the validity of a claim of exemption is received~~
12.31 ~~by the financial institution within the period provided, it~~ The financial institution shall
12.32 retain the funds claimed to be exempt until otherwise ordered by the court or upon mutual
12.33 agreement of the parties.

12.34 Subd. 7. **Form of Notice of Objection and Notice of Hearing.** (a) The ~~written~~
12.35 ~~objection to the judgment debtor's claim of exemption~~ Written Objection and Notice of
12.36 Hearing must be in substantially the following form:

13.1 STATE OF MINNESOTA DISTRICT COURT
13.2 COUNTY OF JUDICIAL DISTRICT
13.3 (Judgment OBJECTION
13.4 Creditor) TO
13.5 (Judgment Debtor) EXEMPTION CLAIM
13.6 (Garnishee) (Third
13.7 Party)

13.8 The judgment creditor objects to your claim for exemption from garnishment,
13.9 levy of execution, order for attachment (strike inapplicable language) for the following
13.10 reason(s):
13.11
13.12

13.13 Because of this objection, your financial institution will retain the funds you claimed
13.14 to be exempt for an additional ten days. If you wish to request a hearing on your exemption
13.15 claim, you need to do so within ten days from the date the objection was personally served
13.16 on you, or within 13 days of the date the objection was mailed to you. You may request a
13.17 hearing by completing the attached form and filing it with the court administrator.

13.18 1. The court administrator's office shall provide clerical assistance to help with the
13.19 writing and filing of a Request for Hearing by any person not represented by counsel. The
13.20 court administrator may charge a fee of \$1 for the filing of a Request for Hearing.

13.21 2. Upon the filing of a Request for Hearing, the court administrator shall schedule
13.22 the matter for a hearing no later than five business days from the date of filing. The court
13.23 administrator shall forthwith send a completed copy of the request, including the hearing
13.24 date, time, and place to the adverse party and to the financial institution by first class mail.

13.25 3. If it is possible that the financial institution might not receive the request mailed
13.26 from the court administrator within ten days, then you may want to personally deliver a
13.27 copy of the request to the financial institution after you have filed your request with the
13.28 court.

13.29 4. An order stating whether your funds are exempt shall be issued by the court
13.30 within three days of the date of the hearing.

13.31 If you do not file a Request for Hearing within ten days of the date the objection was
13.32 personally served on you, or within 13 days from the date the objection was mailed to you,
13.33 your financial institution may turn your funds over to your creditor.

13.34 If you file a Request for Hearing and your financial institution receives it within ten
13.35 days of the date it received this objection, your financial institution will retain your funds
13.36 claimed to be exempt until otherwise ordered by the court.

14.1 _____
14.2 Judgment Creditor or Attorney

14.3 STATE OF MINNESOTA DISTRICT COURT
14.4 COUNTY OF _____ _____ JUDICIAL DISTRICT

14.5 _____

14.6 (Creditor)

14.7 _____
14.8 CREDITOR'S NOTICE OF
14.9 OBJECTION AND NOTICE OF
14.10 HEARING ON EXEMPTION
14.11 CLAIM

14.11 _____

14.12 (Debtor)

14.13 _____

14.14 (Financial Institution)

14.15 (DEBTOR)

14.16 _____

14.17 ADDRESS

14.18 _____

14.19 _____

14.20 _____

14.21 _____

14.22 _____

14.23 (CREDITOR OR CREDITOR'S
14.24 ATTORNEY)

14.25 NOTICE OF HEARING

14.26 The creditor objects to your exemption
14.27 claim. This hearing is to resolve your
14.28 exemption claim.

14.29 Hearing Date: _____

14.30 Time: _____

14.31 Hearing Place: _____

14.32 The creditor objects to your claim of exemption from levy of execution for the
14.33 following reason(s):

14.34 _____

14.35 _____

14.36 _____

14.37 **(Note: Bring with you to the hearing all documents and materials supporting**
14.38 **your exemption claim. Failure to do so could delay the court's decision.)**

14.39 If the creditor receives all documents and materials supporting your exemption
14.40 claim before the hearing date, the creditor may agree with your exemption claim and
14.41 you might still be able to avoid a hearing.

15.1 Because a court hearing will be held on your claim that your funds are protected,
15.2 your financial institution will retain the funds until it receives an order from the court or
15.3 upon mutual agreement between you and your creditor.

15.4 ~~Subd. 8. Request for hearing and notice for hearing.~~ The request for hearing
15.5 accompanying the objection notice must be in substantially the following form:

15.6 STATE OF MINNESOTA DISTRICT COURT
15.7 COUNTY OF JUDICIAL DISTRICT
15.8 (Judgment
15.9 Creditor) REQUEST FOR HEARING
15.10 (Judgment Debtor) AND
15.11 (Third Party) NOTICE FOR HEARING

15.12 ~~I hereby request a hearing to resolve the exemption claim which has been made~~
15.13 ~~in this case regarding funds in the account of (Judgment Debtor) at the~~
15.14 ~~(Financial Institution).~~

15.15 ~~I believe the property being held is exempt because~~
15.16
15.17

15.18 ~~Dated:~~
15.19 (JUDGMENT DEBTOR)
15.20
15.21 (ADDRESS)
15.22
15.23 (DEBTOR PHONE NUMBER)
15.24

15.25 ~~HEARING DATE: TIME:~~
15.26 ~~HEARING PLACE:~~

15.27 ~~(Note to both parties: Bring with you to the hearing all documents and materials~~
15.28 ~~relevant to the exemption claim and objection. Failure to do so could delay the court's~~
15.29 ~~decision.)~~

15.30 Subd. 9. **Release of funds.** At any time during the procedure specified in this
15.31 section, the judgment debtor or the judgment creditor may, by a writing dated after the
15.32 service of the execution, direct the sheriff or the financial institution to release the funds in
15.33 question to the other party. Upon receipt of a release, the sheriff or the financial institution
15.34 shall release the funds as directed.

15.35 Subd. 10. **Subsequent proceedings; bad faith claims.** If in subsequent proceedings
15.36 brought by the judgment debtor or the judgment creditor, the claim of exemption is not
15.37 upheld, and the court finds that it was asserted in bad faith, the judgment creditor shall be

16.1 awarded actual damages, costs, and reasonable attorney fees resulting from the additional
16.2 proceedings, and an amount not to exceed \$100. If the claim of exemption is upheld, and
16.3 the court finds that the judgment creditor disregarded the claim of exemption in bad faith,
16.4 the judgment debtor shall be awarded costs, reasonable attorney fees, actual damages, and
16.5 an amount not to exceed \$100. The underlying judgment must be modified to reflect
16.6 assessment of damages, costs, and attorney fees. However, if the party in whose favor a
16.7 penalty assessment is made is not actually indebted to the party's attorney for fees, the
16.8 attorney's fee award shall be made directly to the attorney and, if not paid, an appropriate
16.9 judgment in favor of the attorney shall be entered. Upon motion of any party in interest,
16.10 on notice, the court shall determine the validity of any claim of exemption, and may make
16.11 any order necessary to protect the rights of those interested. No financial institution is
16.12 liable for damages for complying with this section. Both copies of an exemption claim
16.13 or an objection to an exemption claim must be mailed or delivered on the same date.
16.14 The financial institution may rely on the date of mailing or delivery of a notice to it in
16.15 computing any time periods in this section.

16.16 Sec. 2. Minnesota Statutes 2008, section 550.37, subdivision 14, is amended to read:

16.17 Subd. 14. **Public assistance.** All ~~relief~~ government assistance based on need,
16.18 and the earnings or salary of a person who is a recipient of ~~relief~~ government assistance
16.19 based on need, shall be exempt from all claims of creditors including any contractual
16.20 setoff or security interest asserted by a financial institution. For the purposes of this
16.21 chapter, ~~relief~~ government assistance based on need includes ~~MFIP, work first, general~~
16.22 ~~assistance medical care, supplemental security income, medical assistance, Minnesota~~
16.23 ~~supplemental assistance, and general assistance~~ but is not limited to Minnesota family
16.24 investment program, general assistance medical care, Supplemental Security Income,
16.25 medical assistance, MinnesotaCare, payment of Medicare part B premiums or receipt of
16.26 part D extra help, MFIP diversionary work program, work participation cash benefit,
16.27 Minnesota supplemental assistance, emergency Minnesota supplemental assistance,
16.28 general assistance, emergency general assistance, emergency assistance or county crisis
16.29 funds, energy or fuel assistance, and food support. The salary or earnings of any debtor
16.30 who is or has been an eligible recipient of ~~relief~~ government assistance based on need, or
16.31 an inmate of a correctional institution shall, upon the debtor's return to private employment
16.32 or farming after having been an eligible recipient of ~~relief~~ government assistance based on
16.33 need, or an inmate of a correctional institution, be exempt from attachment, garnishment,
16.34 or levy of execution for a period of six months after the debtor's return to employment or
16.35 farming and after all public assistance for which eligibility existed has been terminated.

17.1 The exemption provisions contained in this subdivision also apply for 60 days after deposit
17.2 in any financial institution, whether in a single or joint account. In tracing the funds, the
17.3 first-in first-out method of accounting shall be used. The burden of establishing that funds
17.4 are exempt rests upon the debtor. Agencies distributing ~~relief~~ government assistance and
17.5 the correctional institutions shall, at the request of creditors, inform them whether or not
17.6 any debtor has been an eligible recipient of ~~relief~~ government assistance based on need, or
17.7 an inmate of a correctional institution, within the preceding six months.

17.8 Sec. 3. Minnesota Statutes 2008, section 551.05, is amended to read:

17.9 **551.05 ATTORNEY'S SUMMARY EXECUTION UPON FUNDS AT A**
17.10 **FINANCIAL INSTITUTION.**

17.11 Subdivision 1. **Procedure.** When levying upon funds at a financial institution,
17.12 this section must be complied with, in addition to the general provisions specified in
17.13 section 551.04.

17.14 Subd. 1a. **Notice, instructions, and exemption notice.** If the writ of execution is
17.15 being used by the attorney to levy funds of a judgment debtor who is a natural person and
17.16 if the funds to be levied are held on deposit at any financial institution, the attorney for the
17.17 judgment creditor shall serve with the writ of execution a notice, instructions, and two
17.18 copies of an exemption notice. The notice, instructions, and exemption notice must be
17.19 substantially in the form set forth below. Failure of the attorney for the judgment creditor
17.20 to send ~~the exemption notice~~ these forms renders the execution levy void, and the financial
17.21 institution shall take no action. However, if this subdivision is being used to execute on
17.22 funds that have previously been garnished in compliance with section 571.71, the attorney
17.23 for judgment creditor is not required to serve an additional exemption notice. In that event,
17.24 the execution levy shall only be effective as to the funds that were subject to the prior
17.25 garnishment. Upon receipt of the writ of execution and exemption notices, the financial
17.26 institution shall retain as much of the amount due under section 550.04 as the financial
17.27 institution has on deposit owing to the judgment debtor, but not more than 100 percent of
17.28 the amount remaining due on the judgment, or \$10,000, whichever is less.

17.29 **Subd. 1b. Form of notice.** The notice ~~informing a judgment debtor that an~~
17.30 ~~execution levy has been used to attach funds of the judgment debtor to satisfy a claim~~
17.31 must be a separate form and must be substantially in the following form:

17.32 ~~STATE OF MINNESOTA~~ ~~DISTRICT COURT~~
17.33 ~~County of~~ ~~..... JUDICIAL DISTRICT~~
17.34 ~~(Judgment~~
17.35 ~~Creditor)~~

18.1 ~~..... (Judgment Debtor)~~

18.2 ~~TO: Judgment Debtor~~

~~EXEMPTION NOTICE~~

18.3 ~~An order for attachment, garnishment summons, or levy of execution (strike~~
18.4 ~~inapplicable language) has been served on (bank or other financial institution~~
18.5 ~~where you have an account).~~

18.6 ~~Your account balance is \$.....~~

18.7 ~~The amount being held is \$.....~~

18.8 ~~However, all or a portion of the funds in your account will normally be exempt from~~
18.9 ~~creditors' claims if they are in one of the following categories:~~

18.10 ~~(1) relief based on need. This includes the Minnesota Family Investment Program~~
18.11 ~~(MFIP), Work First Program, Medical Assistance (MA), General Assistance (GA),~~
18.12 ~~General Assistance Medical Care (GAMC), Emergency General Assistance (EGA),~~
18.13 ~~Minnesota Supplemental Aid (MSA), MSA Emergency Assistance (MSA-EA),~~
18.14 ~~Supplemental Security Income (SSI), and Energy Assistance;~~

18.15 ~~(2) Social Security benefits (Old Age, Survivors, or Disability Insurance);~~

18.16 ~~(3) unemployment benefits, workers' compensation, or veterans' benefits;~~

18.17 ~~(4) an accident, disability, or retirement pension or annuity;~~

18.18 ~~(5) life insurance proceeds;~~

18.19 ~~(6) the earnings of your minor child and any child support paid to you; or~~

18.20 ~~(7) money from a claim for damage or destruction of exempt property (such as~~
18.21 ~~household goods, farm tools, business equipment, a mobile home, or a car).~~

18.22 ~~The following funds are also exempt:~~

18.23 ~~(8) all earnings of a person in category (1);~~

18.24 ~~(9) all earnings of a person who has received relief based on need, or who has been~~
18.25 ~~an inmate of a correctional institution, within the last six months;~~

18.26 ~~(10) 75 percent of every judgment debtor's after tax earnings; or~~

18.27 ~~(11) all of a judgment debtor's after tax earnings below 40 times the federal~~
18.28 ~~minimum wage.~~

18.29 ~~TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:~~

18.30 ~~Categories (10) and (11): 20 days~~

18.31 ~~Categories (8) and (9): 60 days~~

18.32 ~~All others: no time limit, as long as funds are traceable to the exempt source. (In~~
18.33 ~~tracing funds, the first-in, first-out method is used. This means money deposited first~~
18.34 ~~is spent first.) The money being sought by the judgment creditor is being held in your~~
18.35 ~~account to give you a chance to claim an exemption.~~

18.36 ~~TO CLAIM AN EXEMPTION:~~

19.1 ~~Fill out, sign, and mail or deliver one copy of the attached exemption claim form to~~
19.2 ~~the institution which sent you this notice and mail or deliver one copy to the judgment~~
19.3 ~~creditor's attorney. The address for the judgment creditor's attorney is set forth below.~~

19.4 ~~**Both copies must be mailed or delivered on the same day.**~~

19.5 ~~**NOTE: You may help resolve your claim faster if you send to the creditor's**~~
19.6 ~~**attorney written proof or documents that show why your money is exempt. If**~~
19.7 ~~**you have questions regarding the documents to send as proof of an exemption,**~~
19.8 ~~**call the creditor's attorney. If you do not send written proof and the creditor's**~~
19.9 ~~**attorney has questions about your exemption claim, the creditor's attorney**~~
19.10 ~~**may object to your claim which may result in a further delay in releasing your**~~
19.11 ~~**exempt funds.**~~

19.12 ~~If they do not get the exemption claim back from you within 14 days of the date~~
19.13 ~~they mailed or gave it to you, they will be free to turn the money over to the attorney for~~
19.14 ~~the judgment creditor. If you are going to claim an exemption, do so as soon as possible,~~
19.15 ~~because your money may be held until it is decided.~~

19.16 ~~**IF YOU CLAIM AN EXEMPTION:**~~

19.17 ~~(1) nonexempt money can be turned over to the judgment creditor or sheriff;~~
19.18 ~~(2) the financial institution will keep holding the money claimed to be exempt; and~~
19.19 ~~(3) seven days after receiving your exemption claim, the financial institution will~~
19.20 ~~release the money to you unless before then it receives an objection to your exemption~~
19.21 ~~claim.~~

19.22 ~~**IF THE JUDGMENT CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:**~~

19.23 ~~the institution will hold the money until a court decides if your exemption claim is~~
19.24 ~~valid, **BUT ONLY IF** the institution gets a copy of your court motion papers asserting the~~
19.25 ~~exemption **WITHIN TEN DAYS** after the objection is personally served on you, or within~~
19.26 ~~13 days from the date the objection is mailed to you. You may wish to consult an attorney~~
19.27 ~~at once if the judgment creditor objects to your exemption claim.~~

19.28 ~~**MOTION TO DETERMINE EXEMPTION:**~~

19.29 ~~At any time after your funds have been held, you may ask for a court decision on the~~
19.30 ~~validity of your exemption claim by filing a request for hearing which may be obtained~~
19.31 ~~at the office of the court administrator of the above court.~~

19.32 ~~**PENALTIES:**~~

19.33 ~~If you claim an exemption in bad faith, or if the judgment creditor wrongly objects~~
19.34 ~~to an exemption in bad faith, the court may order the person who acted in bad faith to pay~~
19.35 ~~costs, actual damages, attorney fees, and an additional amount of up to \$100.~~

20.1 _____
20.2 _____
20.3 _____
20.4 _____

20.5 Name and address of (Attorney for)
20.6 Judgment Creditor

20.7 ~~EXEMPTION:~~

20.8 ~~(a) Amount of exemption claim:~~

20.9 ~~// I claim ALL the funds being held are exempt.~~

20.10 ~~// I claim SOME of the funds being held are exempt.~~

20.11 The exempt amount is \$ _____

20.12 ~~(b) Basis for exemption:~~

20.13 ~~Of the 11 categories listed above, I am in category number _____ (If more than one~~
20.14 ~~category applies, you may fill in as many as apply.) The source of the exempt funds is~~
20.15 ~~the following:~~

20.16 _____
20.17 _____
20.18 _____

20.19 ~~(If the source is a type of relief based on need, list the case number and county:~~

20.20 ~~case number: _____;~~

20.21 ~~county: _____)~~

20.22 ~~I hereby authorize any agency that has distributed relief to me or any correctional~~
20.23 ~~institution in which I was an inmate to disclose to the above named judgment creditor's~~
20.24 ~~attorney only whether or not I am or have been a recipient of relief based on need or an~~
20.25 ~~inmate of a correctional institute within the last six months.~~

20.26 ~~I have mailed or delivered a copy of the exemption notice to the judgment creditor's~~
20.27 ~~attorney at the address indicated above.~~

20.28 _____

20.29 ~~DEBTOR~~

20.30 ~~DATED: _____~~

20.31 _____

20.32 _____

20.33 ~~DEBTOR ADDRESS~~

20.34 _____

20.35 ~~DEBTOR TELEPHONE NUMBER~~

20.36 STATE OF MINNESOTA

DISTRICT COURT

20.37 COUNTY OF _____

_____ JUDICIAL DISTRICT

- 21.1 (Creditor)
21.2 (Debtor)
21.3 (Financial
21.4 institution)

21.5 **IMPORTANT NOTICE**

21.6 **YOUR FUNDS HAVE BEEN LEVIED**

21.7 The Creditor has frozen money in your account at your financial institution.

21.8 **Your account balance is \$.....**

21.9 **The amount being held is \$.....**

21.10 The amount being held will be frozen for 14 days from the date of this notice.

21.11 **Some of your money in your account may be protected (the legal word is**
21.12 **exempt). You may be able to get it sooner than 14 days if you act quickly and follow**
21.13 **the instructions on the next page.**

21.14 The attached exemption form lists some different sources of money in your account
21.15 that may be protected. If your money is from one or more of these sources, place a
21.16 check on the line on the form next to the sources of your money. If it is from one of
21.17 these sources, the Creditor cannot take it.

21.18 **BUT, you must follow the instructions and return the exemption form and**
21.19 **copies of your bank statements from the last 60 days to have the bank unfreeze your**
21.20 **money. If you do not follow the instructions, your financial institution will give the money**
21.21 **to the Creditor. If that happens and it is protected, you can still get it back from the**
21.22 **Creditor later, but that is not as easy to do as filling in the form now.**

21.23 See next pages for instructions and the exemption form.

21.24 Subd. 1c. **Form of instructions.** The instructions required must be in a separate
21.25 form and must be substantially in the following form:

21.26 **INSTRUCTIONS**

21.27 **Note:** The creditor is who you owe the money to. You are the debtor.

21.28 1. Fill out both of the attached exemption forms in this packet.

21.29 **If you check one of the lines, you should also give proof that shows that some**
21.30 **or all of the money in your account is from one or more of the protected sources.**
21.31 **Creditors may ask for a hearing if they question your exemptions. To avoid a hearing:**

21.32 **Case numbers should be added to the form. Copies of documents should be**
21.33 **sent with the form.**

21.34 **NOTICE: YOU MUST SEND TO THE CREDITOR'S ATTORNEY (OR TO**
21.35 **THE CREDITOR, IF NO ATTORNEY) COPIES OF YOUR BANK STATEMENTS**
21.36 **FOR THE PAST 60 DAYS BEFORE THE LEVY. Keep a copy of your bank**
21.37 **statements in case there are questions about your claim. If you do not send to the**

22.1 creditor's attorney (or to the creditor, if no attorney) bank statements with your
22.2 exemption claim, the financial institution may release your money to the creditor.

22.3 2. Sign the exemption forms. Make one copy to keep for yourself.

22.4 3. Mail or deliver the other copies of the form by (insert date).

22.5 **BOTH COPIES MUST BE MAILED OR DELIVERED THE SAME DAY.**

22.6 One copy of the form and the copies of your bank statements go to:

22.7
22.8 (Insert name of creditor or creditor's attorney)

22.9
22.10 (Insert address of creditor or creditor's attorney)

22.11 One copy goes to:

22.12
22.13 (Insert name of bank)

22.14
22.15 (Insert address of bank)

22.16 **HOW THE PROCESS WORKS**

22.17 **If You Do Not Send in the Exemption Form and Bank Statements:**

22.18 14 days after the date of this letter some or all of your money may be turned over to
22.19 the creditor pursuant to Minnesota statute.

22.20 **If You Send in the Exemption Form and Bank Statements:**

22.21 Any money that is NOT protected can be turned over to the creditor.

22.22 **If the Creditor Does Not Object:**

22.23 The financial institution will unfreeze your money six business days after the
22.24 institution gets your completed form.

22.25 **If the Creditor Objects:**

22.26 The money you have said is protected on the form will be held by the bank. The
22.27 creditor has six business days to object (disagree) and ask the court to hold a hearing. You
22.28 will receive a Notice of Objection and a Notice of Hearing.

22.29 The financial institution will hold the money until a court decides whether your
22.30 money is protected or not. Some reasons a creditor may object are because you did not
22.31 send copies of your bank statements or other proof of the benefits you received. Be sure to
22.32 include these when you send your exemption form.

22.33 You may want to talk to a lawyer for advice about this process. If you are low
22.34 income you can call Legal Aid.

22.35 **PENALTIES:**

22.36 If you claim that your money is protected and a court decides you made that claim
22.37 in bad faith, the court can order you to pay costs, actual damages, attorney fees, and an

23.1 additional amount of up to \$100. For example, it may be bad faith if you claim you receive
23.2 government benefits that you do not receive.

23.3 If the creditor made a bad faith objection to your claim that your money is protected,
23.4 the court can order them to pay costs, actual damages, attorney fees, and an additional
23.5 amount of up to \$100.

23.6 Subd. 1d. **Form of exemption form.** The exemption form required by this
23.7 subdivision must be a separate form and must be in substantially the following form:

23.8 STATE OF MINNESOTA DISTRICT COURT
23.9 COUNTY OF JUDICIAL DISTRICT

23.10 (Creditor)

23.11 (Debtor)

23.12 (Financial

23.13 institution)

23.14 **EXEMPTION FORM**

23.15 **A. HOW MUCH MONEY IS PROTECTED**

23.16 I claim ALL of the money being frozen by the bank is protected.

23.17 I claim SOME of the money is protected. The amount I claim is protected is \$.....

23.18 **B. WHY THE MONEY IS PROTECTED**

23.19 My money is protected because I get it from one or more of the following places:
23.20 **(Check all that apply)**

23.21 **Government benefits**

23.22 Government benefits include, but are not limited to, the following:

23.23 **MFIP - Minnesota family investment program,**

23.24 **MFIP Diversionary Work Program,**

23.25 **Work participation cash benefit,**

23.26 **GA - general assistance,**

23.27 **EA - emergency assistance,**

23.28 **MA - medical assistance,**

23.29 **GAMC - general assistance medical care,**

23.30 **EGA - emergency general assistance,**

23.31 **MSA - Minnesota supplemental aid,**

23.32 **MSA-EA - MSA emergency assistance,**

23.33 **Food Support,**

23.34 **SSI - Supplemental Security Income,**

23.35 **MinnesotaCare,**

23.36 **Medicare part B premium payments,**

23.37 **Medicare part D extra help,**

23.38 **Energy or fuel assistance.**

23.39 **LIST SOURCE(S) OF FUNDING IN YOUR ACCOUNT**

23.40

23.41 **LIST THE CASE NUMBER AND COUNTY**

- 24.1 Case Number:
- 24.2 County:
- 24.3 **Government benefits also include:**
- 24.4 **..... Social Security benefits**
- 24.5 **..... Unemployment benefits**
- 24.6 **..... Workers' compensation**
- 24.7 **..... Veterans benefits**
- 24.8 **If you receive any of these government benefits, include copies of any**
- 24.9 **documents you have that show you receive Social Security, unemployment,**
- 24.10 **workers' compensation, or veterans benefits.**
- 24.11 **..... Other assistance based on need**
- 24.12 You may have assistance based on need from another source that is not on the list. If you
- 24.13 do, check this box, and fill in the source of your money on the line below:
- 24.14 Source:
- 24.15 **Include copies of any documents you have that show the source of this money.**
- 24.16 **EARNINGS**
- 24.17 **ALL or SOME of your earnings (wages) may also be protected.**
- 24.18 **..... All of your earnings (wages) are protected if:**
- 24.19 **..... You get government benefits (see list of government benefits)**
- 24.20 **..... You currently receive other assistance based on need**
- 24.21 **..... You have received government benefits in the last six months**
- 24.22 **..... You were in jail or prison in the last six months**
- 24.23 **If you check one of these lines, your wages are only protected for 60 days after**
- 24.24 **they are deposited in your account so you MUST send the creditor a copy of**
- 24.25 **BANK STATEMENTS that show what was in your account for the 60 days right**
- 24.26 **before the bank froze your money.**
- 24.27 **..... Some of your earnings (wages) are protected.**
- 24.28 **If all of your earnings are not exempt, then some of your earnings are still protected**
- 24.29 **for 20 days after they were deposited in your account. The amount protected is the**
- 24.30 **larger amount of:**
- 24.31 **75 percent of your wages (after taxes are taken out); or**
- 24.32 **(insert the sum of the current federal minimum wage) multiplied by 40.**
- 24.33 **OTHER EXEMPT FUNDS**
- 24.34 **The money from the following are also completely protected after they are**
- 24.35 **deposited in your account.**
- 24.36 **..... An accident, disability, or retirement pension or annuity**
- 24.37 **..... Payments to you from a life insurance policy**
- 24.38 **..... Earnings of your child who is under 18 years of age**
- 24.39 **..... Child support**
- 24.40 **..... Money paid to you from a claim for damage or destruction of property**
- 24.41 **Property includes household goods, farm tools or machinery, tools for your job,**
- 24.42 **business equipment, a mobile home, a car, a musical instrument, a pew or burial lot,**
- 24.43 **clothes, furniture, or appliances.**
- 24.44 **..... Death benefits paid to you**

25.1 I give permission to any agency that has given me cash benefits to give information
25.2 about my benefits to the above-named creditor, or its attorney. The information will ONLY
25.3 concern whether I get benefits or not, or whether I have gotten them in the past six months.

25.4 If I was an inmate in the last six months, I give my permission to the correctional
25.5 institution to tell the above-named creditor that I was an inmate there.

25.6 **YOU MUST SIGN AND SEND THIS FORM BACK TO THE CREDITOR'S**
25.7 **ATTORNEY (OR TO THE CREDITOR, IF NO ATTORNEY) AND THE BANK.**
25.8 **REMEMBER TO INCLUDE A COPY OF YOUR BANK STATEMENTS FOR**
25.9 **THE PAST 60 DAYS. FILL IN THE BLANKS BELOW AND GO BACK TO THE**
25.10 **INSTRUCTIONS TO MAKE SURE YOU DO IT CORRECTLY.**

25.11 I have mailed or delivered a copy of this form to:

25.12
25.13 (Insert name of creditor or creditor's attorney)

25.14
25.15 (Insert address of creditor or creditor's attorney)

25.16 I have also mailed or delivered a copy of this exemption form to my bank at the
25.17 address listed in the instructions.

25.18 DATED:

25.19 DEBTOR

25.20

25.21 DEBTOR ADDRESS

25.22

25.23 DEBTOR TELEPHONE NUMBER

25.24 Subd. 2. **Effect of exemption notice.** Within two business days after receipt of the
25.25 execution levy and the notice, instructions, and two copies of the exemption notices, the
25.26 financial institution shall serve upon the judgment debtor the notice, instructions, and two
25.27 copies of the exemption notice. The financial institution shall serve the notice by first
25.28 class mail to the last known address of the judgment debtor. If no claim of exemption
25.29 is received by the financial institution within 14 days after the exemption notices are
25.30 mailed to the judgment debtor, the funds remain subject to the execution levy and shall
25.31 be remitted to the judgment creditor's attorney within ~~seven~~ six business days. If the
25.32 judgment debtor elects to claim an exemption, the judgment debtor shall complete the
25.33 exemption notice, sign it under penalty of perjury, and deliver one copy to the financial
25.34 institution and one copy to the attorney for the judgment creditor within 14 days of the
25.35 date postmarked on the correspondence mailed to the judgment debtor containing the
25.36 exemption notices. The debtor is also required to include copies of bank statements for
25.37 the prior 60 days with the exemption notice. In the event that there is no attorney for the

26.1 judgment creditor, the notice must be sent directly to the judgment creditor. Failure of the
26.2 judgment debtor to deliver the executed exemption notice or copies of the required bank
26.3 statements for the prior 60 days does not constitute a waiver of any claimed right to an
26.4 exemption. Upon timely receipt of a claim of exemption, funds not claimed to be exempt
26.5 by the judgment debtor remain subject to the execution levy. All money claimed to be
26.6 exempt shall be released to the judgment debtor upon the expiration of ~~seven~~ six business
26.7 days after the date postmarked on the envelope containing the executed exemption
26.8 notice mailed to the financial institution, or the date of personal delivery of the executed
26.9 exemption notice to the financial institution, unless within that time the attorney for the
26.10 judgment creditor interposes an objection to the exemption.

26.11 Subd. 3. ~~**Objection to exemption claim**~~ **Objections and request for hearing.**
26.12 An objection shall be interposed, within six business days of receipt by the creditor of
26.13 an exemption claim from the debtor, by mailing or delivering one copy of the ~~written~~
26.14 ~~objection~~ Notice of Objection and Notice of Hearing to the financial institution and one
26.15 copy of the ~~written objection~~ Notice of Objection and Notice of Hearing to the judgment
26.16 debtor along with a copy of the judgment debtor's claimed exemption form. Both copies
26.17 of an objection to an exemption claim shall be mailed or delivered on the same date.
26.18 The financial institution may rely on the date of mailing or delivery of a notice to it in
26.19 computing any time periods in this section. The ~~written objection~~ Notice of Objection and
26.20 Notice of Hearing form must be substantially in the form ~~specified~~ set out in subdivision 5.

26.21 The court administrator may charge a fee of \$1 for the filing of a Notice of Objection
26.22 and Notice of Hearing. Upon the filing of a Notice of Objection and Notice of Hearing,
26.23 the court administrator shall schedule the matter for hearing no sooner than five business
26.24 days but no later than seven business days from the date of filing. A debtor may request
26.25 continuance of the hearing by notifying the creditor and the court. The court shall schedule
26.26 the continued hearing within seven days of the original hearing date.

26.27 An order stating whether the debtor's funds are exempt shall be issued by the court
26.28 within three days of the date of the hearing.

26.29 Subd. 4. **Duties of financial institution if objection is made to exemption claim.**
26.30 Upon receipt of a ~~written objection~~ Notice of Objection and Notice of Hearing from the
26.31 ~~judgment~~ creditor within the specified ~~seven-day~~ six-day period, the financial institution
26.32 shall retain the funds claimed to be exempt. ~~Unless the financial institution receives a~~
26.33 ~~request for hearing and notice of hearing from the judgment debtor asserting exemption~~
26.34 ~~rights within ten days after receipt of a written objection to the exemption, the funds~~
26.35 ~~remain subject to the execution levy as if no claim of exemption had been made and shall~~
26.36 ~~be remitted to the judgment creditor's attorney within seven days. If a request for hearing~~

27.1 ~~and notice of hearing to determine the validity of a claim of exemption is received by the~~
27.2 ~~financial institution within the period provided, it shall retain the funds claimed to be~~
27.3 ~~exempt until otherwise ordered by the court. The financial institution shall retain the funds~~
27.4 ~~claimed to be exempt until otherwise ordered by the court, upon mutual agreement of the~~
27.5 ~~parties, or until the garnishment lapses pursuant to subdivision 7.~~

27.6 Subd. 5. Form of Notice of Objection and Notice of Hearing. ~~(a) The written~~
27.7 ~~objection to the judgment debtor's claim of exemption must be in substantially the~~
27.8 ~~following form:~~

27.9	STATE OF MINNESOTA	DISTRICT COURT
27.10	County of JUDICIAL DISTRICT
27.11 (Judgment	
27.12 Creditor)	OBJECTION TO
27.13 (Judgment Debtor)	EXEMPTION CLAIM
27.14 (Garnishee) (Third	
27.15 Party)	

27.16 ~~The judgment creditor objects to your claim for exemption from garnishment, levy of~~
27.17 ~~execution, order for attachment (strike inapplicable language) for the following reason(s):~~

27.18

27.19

27.20

27.21 ~~Because of this objection, your financial institution will retain the funds you claimed~~
27.22 ~~to be exempt for an additional ten days. If you wish to request a hearing on your exemption~~
27.23 ~~claim, you need to do so within ten days from the date the objection was personally served~~
27.24 ~~on you, or within 13 days from the date the objection was mailed to you. You may request~~
27.25 ~~a hearing by completing the attached form and filing it with the court administrator.~~

27.26 ~~1. The court administrator's office shall provide clerical assistance to help with the~~
27.27 ~~writing and filing of a Request for Hearing by any person not represented by counsel. The~~
27.28 ~~court administrator may charge a fee of \$1 for the filing of a Request for Hearing.~~

27.29 ~~2. Upon the filing of a Request for Hearing, the court administrator shall schedule~~
27.30 ~~the matter for a hearing no later than five business days from the date of filing. The court~~
27.31 ~~administrator shall forthwith send a completed copy of the request, including the hearing~~
27.32 ~~date, time, and place to the adverse party and to the financial institution by first class mail.~~

27.33 ~~3. If it is possible that the financial institution might not receive the request mailed~~
27.34 ~~from the court administrator within ten days, then you may want to personally deliver a~~
27.35 ~~copy of the request to the financial institution after you have filed your request with the~~
27.36 ~~court.~~

28.1 ~~4. An order stating whether your funds are exempt shall be issued by the court~~
28.2 ~~within three days of the date of the hearing.~~

28.3 ~~If you do not file a Request for Hearing within ten days of the date the objection was~~
28.4 ~~personally served on you, or within 13 days from the date the objection was mailed to you,~~
28.5 ~~your financial institution may turn your funds over to your judgment creditor.~~

28.6 ~~If you file a Request for Hearing and your financial institution receives it within ten~~
28.7 ~~days of the date it received this objection, your financial institution will retain your funds~~
28.8 ~~claimed to be exempt until otherwise ordered by the court.~~

28.9 _____
28.10 ~~Attorney for Judgment Creditor~~

28.11 (a) The Written Objection and Notice of Hearing must be in substantially the
28.12 following form:

28.13 STATE OF MINNESOTA DISTRICT COURT
28.14 COUNTY OF _____ _____ JUDICIAL DISTRICT
28.15 _____

28.16 (Creditor)

CREDITOR'S NOTICE OF
OBJECTION AND NOTICE OF
HEARING ON EXEMPTION
CLAIM

28.21 _____
28.22 (Debtor)

28.23 _____
28.24 (Financial Institution)

(DEBTOR)

28.25 _____
28.26 ADDRESS
28.27 _____
28.28 _____
28.29 _____

28.30 _____
28.31 _____
28.32 _____

28.33 (CREDITOR OR CREDITOR'S
28.34 ATTORNEY)

28.35 _____
28.36 NOTICE OF HEARING

28.37 The creditor objects to your exemption
28.38 claim. This hearing is to resolve your
28.39 exemption claim.

28.40 Hearing Date: _____

28.41 Time: _____

28.42 Hearing Place: _____

29.1 The creditor objects to your claim of exemption from levy of execution for the
29.2 following reason(s):

29.3
29.4
29.5

29.6 **(Note: Bring with you to the hearing all documents and materials supporting**
29.7 **your exemption claim. Failure to do so could delay the court's decision.)**

29.8 If the creditor receives all documents and materials supporting your exemption
29.9 claim before the hearing date, the creditor may agree with your exemption claim and you
29.10 might be able to avoid a hearing.

29.11 Because a court hearing will be held on your claim that your funds are protected,
29.12 your financial institution will retain the funds until it receives an order from the court or
29.13 upon mutual agreement between you and the creditor.

29.14 ~~Subd. 6. Request for hearing and notice for hearing.~~ The request for hearing
29.15 ~~accompanying the objection notice must be in substantially the following form:~~

29.16 STATE OF MINNESOTA DISTRICT COURT
29.17 County of JUDICIAL DISTRICT
29.18 (Judgment
29.19 Creditor) REQUEST FOR HEARING
29.20 (Judgment Debtor) AND NOTICE FOR HEARING
29.21 (Garnishee) (Third
29.22 Party)

29.23 ~~I hereby request a hearing to resolve the exemption claim which has been made~~
29.24 ~~in this case regarding funds in the account of (Judgment Debtor) at the~~
29.25 ~~(Financial Institution).~~

29.26 ~~I believe the property being held is exempt because~~

29.27
29.28

29.29 ~~Dated:~~
29.30 (JUDGMENT DEBTOR)

29.31
29.32 (ADDRESS)

29.33
29.34 HEARING DATE: TIME:

29.35 HEARING PLACE:

29.36 ~~(Note to both parties: Bring with you to the hearing all documents and materials~~
29.37 ~~relevant to the exemption claim and objection. Failure to do so could delay the court's~~
29.38 ~~decision.)~~

30.1 Subd. 7. **Release of funds.** At any time during the procedure specified in this
30.2 section, the judgment debtor or the attorney for the judgment creditor may, by a writing
30.3 dated after the service of the writ of execution, direct the financial institution to release the
30.4 funds in question to the other party. Upon receipt of a release, the financial institution
30.5 shall release the funds as directed.

30.6 Subd. 8. **Subsequent proceedings; bad faith claims.** If in subsequent proceedings
30.7 brought by the judgment debtor or the judgment creditor, the claim of exemption is not
30.8 upheld, and the court finds that it was asserted in bad faith, the judgment creditor shall be
30.9 awarded actual damages, costs, and reasonable attorney fees resulting from the additional
30.10 proceedings, and an amount not to exceed \$100. If the claim of exemption is upheld, and
30.11 the court finds that the judgment creditor disregarded the claim of exemption in bad faith,
30.12 the judgment debtor shall be awarded costs, reasonable attorney fees, actual damages, and
30.13 an amount not to exceed \$100. The underlying judgment must be modified to reflect
30.14 assessment of damages, costs, and attorney fees. However, if the party in whose favor a
30.15 penalty assessment is made is not actually indebted to the party's attorney for fees, the
30.16 attorney's fee award shall be made directly to the attorney and if not paid, an appropriate
30.17 judgment in favor of the attorney shall be entered. Upon motion of any party in interest,
30.18 on notice, the court shall determine the validity of any claim of exemption, and may make
30.19 any order necessary to protect the rights of those interested. No financial institution is
30.20 liable for damages for complying with this section. Both copies of an exemption claim
30.21 or an objection to an exemption claim must be mailed or delivered on the same date.
30.22 The financial institution may rely on the date of mailing or delivery of a notice to it in
30.23 computing any time periods in this section.

30.24 Sec. 4. Minnesota Statutes 2008, section 571.71, is amended to read:

30.25 **571.71 GARNISHMENT; WHEN AUTHORIZED.**

30.26 As an ancillary proceeding to a civil action for the recovery of money, a creditor
30.27 may issue a garnishment summons as provided in this chapter against any third party in
30.28 the following instances:

30.29 (1) at the time the civil action is commenced or at any time after the commencement
30.30 of the civil action, but before the entry of a judgment, if the court orders the issuance of
30.31 the garnishment summons pursuant to section 571.93;

30.32 (2) at any time ~~40~~ 45 days or more after service of the summons and complaint
30.33 upon the debtor in the civil action when a judgment by default could have, but has not,
30.34 been entered pursuant to rule 55.01(a) of the Minnesota Rules of Civil Procedure for the
30.35 District Courts. Garnishment under this clause is effective only after the Notice of Intent

31.1 to Garnish form in section 571.72, subdivision 11, and the Exemption form in section
31.2 571.72, subdivision 10, are served on the debtor at any time 20 or more days after the
31.3 service of the Summons and Complaint and, in addition, the creditor does not receive an
31.4 Answer from the debtor within 25 days after service of the Notice of Intent to Garnish.
31.5 The Notice of Intent to Garnish form and the Exemption form must be substantially in the
31.6 form set forth in section 571.72, subdivisions 10 and 11. If a creditor sends a Notice of
31.7 Intent to Garnish form to a debtor under this clause, the creditor cannot obtain a default
31.8 judgment against the debtor under rule 55.01(a) of the Minnesota Rules of Civil Procedure
31.9 for the District Court until 25 days after the service of the Notice of Intent to Garnish
31.10 form. No filing of a pleading or other documents by the creditor is required to issue
31.11 a garnishment summons under this clause; however, the creditor must comply with the
31.12 service requirement of section 571.72, subdivision 4; or
31.13 (3) at any time after entry of a money judgment in the civil action.

31.14 Sec. 5. Minnesota Statutes 2008, section 571.72, is amended by adding a subdivision
31.15 to read:

31.16 Subd. 10. Exemption notice for prejudgment garnishment.

31.17 EXEMPTION NOTICE

31.18 IMPORTANT NOTICE: A garnishment summons may be served on your
31.19 employer, bank, or other third parties without any further court proceeding or notice
31.20 to you. See the attached Notice of Intent to Garnish for more information.

31.21 The following money and wages may be protected (the legal word is exempt)
31.22 from garnishment:

31.23 1. Financial institutions/bank

31.24 Some of the money in your account may be protected because you receive
31.25 government benefits from one or more of the following places:

31.26 MFIP - Minnesota family investment program,

31.27 MFIP Diversionary Work Program,

31.28 Work participation cash benefit,

31.29 GA - general assistance,

31.30 EA - emergency assistance,

31.31 MA - medical assistance,

31.32 GAMC - general assistance medical care,

31.33 EGA - emergency general assistance or county crisis funds,

31.34 MSA - Minnesota supplemental aid,

31.35 MSA-EA - MSA emergency assistance,

- 32.1 Food Support,
- 32.2 SSI - Supplemental Security Income,
- 32.3 MinnesotaCare,
- 32.4 Medicare part B premium payments,
- 32.5 Medicare part D extra help,
- 32.6 Energy or fuel assistance,
- 32.7 Social Security benefits,
- 32.8 Unemployment benefits,
- 32.9 Workers' compensation,
- 32.10 Veterans benefits.
- 32.11 Sending the creditor's attorney (or creditor, if no attorney) a copy of BANK
- 32.12 STATEMENTS that show what was in your account for the past 60 days may give
- 32.13 the creditor enough information about your exemption claim to avoid a garnishment.

32.14 **2. Earnings**

32.15 All or some of your earnings may be completely protected from garnishment if:

32.16 **All of your earnings (wages) may be protected if:**

32.17 You get government benefits (see list of government benefits)

32.18 You currently receive other assistance based on need

32.19 You have received government benefits in the last six months

32.20 You were in jail or prison in the last six months

32.21 Your wages are only protected for 60 days after they are deposited in your account

32.22 **so it would be helpful if you immediately send the undersigned creditor a copy of**

32.23 **BANK STATEMENTS that show what was in your account for the past 60 days.**

32.24 **Some of your earnings (wages) may be protected if:**

32.25 If all of your earnings are not exempt, some of your earnings may still be protected

32.26 for 20 days after they were deposited in your account. The amount protected is the larger

32.27 amount of:

32.28 75 percent of your wages (after taxes are taken out); or

32.29 (insert the sum of the current federal minimum wage) multiplied by 40.

32.30 **The money from the following are also exempt for 20 days after they are**

32.31 **deposited in your account.**

32.32 **An accident, disability, or retirement pension or annuity**

32.33 **Payments to you from a life insurance policy**

32.34 **Earnings of your child who is under 18 years of age**

32.35 **Child support**

33.1 **Money paid to you from a claim for damage or destruction of property.**

33.2 Property includes household goods, farm tools or machinery, tools for your job, business
33.3 equipment, a mobile home, a car, a musical instrument, a pew or burial lot, clothes,
33.4 furniture, or appliances.

33.5 **Death benefits paid to you.**

33.6 **YOU WILL BE ABLE TO CLAIM THESE EXEMPTIONS WHEN YOU**
33.7 **RECEIVE A NOTICE. You will get the notice at least ten days BEFORE a wage**
33.8 **garnishment. BUT if the creditor garnishes your bank account, you will not get**
33.9 **the notice until AFTER the account has been frozen. IF YOU BELIEVE THE**
33.10 **MONEY IN YOUR BANK ACCOUNT OR YOUR WAGES ARE EXEMPT, YOU**
33.11 **SHOULD IMMEDIATELY CONTACT THE PERSON BELOW. YOU SHOULD**
33.12 **TELL THEM WHY YOU THINK YOUR ACCOUNT OR WAGES ARE EXEMPT**
33.13 **TO SEE IF YOU CAN AVOID GARNISHMENT.**

33.14 Creditor

33.15 Creditor address

33.16 Creditor telephone number

33.17 Sec. 6. Minnesota Statutes 2008, section 571.72, is amended by adding a subdivision
33.18 to read:

33.19 Subd. 11. Notice of intent to garnish. The notice of intent to garnish must be in
33.20 substantially the following form:

33.21 **IMPORTANT! READ THIS CAREFULLY!**

33.22 **NOTICE OF INTENT TO GARNISH**

33.23 against
33.24 Plaintiff/Creditor Defendant/Debtor

33.25 **Your money, property, or earnings are in danger of being garnished because**
33.26 **you did not send a written "Answer" to the Summons and Complaint served on you**
33.27 **over 20 days ago.**

33.28 There may not be a case filed in court, BUT because you did not send a written
33.29 "Answer" the creditor may serve a garnishment summons on your employer, bank, or
33.30 other third parties. This means that your money or wages can be garnished (held or taken).
33.31 Under Minnesota law, this can happen any time 20 days after the date you receive this
33.32 notice.

33.33 There will be NO COURT HEARING or any further notice to you prior to a
33.34 garnishment if you do nothing. There may not be a file open at the Clerk of the Court's
33.35 office. There are things you can do to avoid a garnishment, but you must act quickly.

34.1 Please read these instructions carefully. **You have 20 days** to do one of the following:

34.2 **1. Send an Answer.** If you do not think you owe the money or if you have a legal
34.3 reason that you did not pay, send a written "Answer" to the Summons and Complaint.
34.4 Your "Answer" should tell the creditor why you think you do not owe some or all of the
34.5 money. Contact a lawyer if you do not know what to do, need help with an answer, or
34.6 have any questions about the debt.

34.7 **2. Claim an Exemption.** Even if you do not have a defense to the complaint, some
34.8 of your money may be protected (the legal word is exempt) from garnishment. This
34.9 means it is protected and cannot be taken. The creditor will send you a form to claim these
34.10 exemptions at a later time, **but you can possibly avoid the garnishment** by contacting
34.11 the person below **immediately** to claim your exemption. Attached to this notice is a list
34.12 of exemptions you may be able to claim.

34.13 **3. If you do not have a defense and your money is not exempt** you can call the
34.14 person below before the 20 days are up and try to set up a payment plan that works for
34.15 both you and your creditor. You can contact the person below at any time to try to work
34.16 out a payment plan, but if you wait too long or cannot agree on a payment plan, they may
34.17 garnish your wages, bank accounts, or assets.

34.18 **If you do not do any of these things, your money can be garnished.** The creditor
34.19 can garnish your wages, bank accounts, or other assets. They do not have to go to court to
34.20 let you know when they start taking your money.

34.21 LAW FIRM
34.22 Dated: By:.....
34.23 Attorney, #
34.24 Attorneys for Plaintiff
34.25 Address
34.26 Telephone

34.27 Sec. 7. Minnesota Statutes 2008, section 571.911, is amended to read:

34.28 **571.911 EXEMPTION NOTICE; DUTY OF FINANCIAL INSTITUTION.**

34.29 If the garnishment summons is used to garnish funds of a debtor who is a natural
34.30 person and if the funds to be garnished are held on deposit at a financial institution, the
34.31 creditor shall serve with the garnishee summons a notice, instructions, and two copies of
34.32 an exemption notice. The notice, instructions, and exemption notices must be substantially
34.33 in the ~~form~~ forms set forth in section 571.912. Failure of the creditor to send the exemption
34.34 notice renders the garnishment void, and the financial institution shall take no action.
34.35 Upon receipt of the garnishment summons and exemption notices, the financial institution

35.1 shall retain as much of the amount under section 571.73 as the financial institution has on
35.2 deposit owing to the debtor, but not more than 110 percent of the creditor's claim.

35.3 Sec. 8. Minnesota Statutes 2008, section 571.912, is amended to read:

35.4 **571.912 FORM OF NOTICE, INSTRUCTIONS, AND EXEMPTION NOTICE.**

35.5 Subdivision 1. Form of notice. The notice, instructions, and exemption notice
35.6 informing a debtor that ~~an order for attachment, a garnishment summons, or levy by~~
35.7 ~~execution~~ has been used to attach funds of the debtor to satisfy a claim must be a separate
35.8 notice and must be substantially in the following form:

35.9 ~~STATE OF MINNESOTA~~ ~~DISTRICT COURT~~
35.10 ~~COUNTY OF~~ ~~..... JUDICIAL DISTRICT~~
35.11 ~~..... (Creditor)~~
35.12 ~~..... (Debtor)~~
35.13 ~~TO: Debtor~~ ~~EXEMPTION NOTICE~~

35.14 STATE OF MINNESOTA DISTRICT COURT
35.15 COUNTY OF JUDICIAL DISTRICT
35.16 (Creditor)
35.17 (Debtor)
35.18 (Financial
35.19 institution)

35.20 **IMPORTANT NOTICE**

35.21 **YOUR FUNDS HAVE BEEN GARNISHED**

35.22 The Creditor has frozen money in your account at your financial institution.

35.23 **Your account balance is \$.....**

35.24 **The amount being held is \$.....**

35.25 The amount being held will be frozen for 14 days from the date of this notice.

35.26 **Some of your money in your account may be protected (the legal word is**
35.27 **exempt). You may be able to get it sooner than 14 days if you act quickly and follow**
35.28 **the instructions on the next page.**

35.29 The attached exemption form lists some different sources of money in your account
35.30 that may be protected. If your money is from one or more of these sources, place a
35.31 check on the line on the form next to the sources of your money. If it is from one of
35.32 these sources, the Creditor cannot take it.

35.33 **BUT, you must follow the instructions and return the exemption form and**
35.34 **copies of your bank statements from the last 60 days to have the bank unfreeze your**
35.35 **money. If you do not follow the instructions or your Creditor gets an order from the court**
35.36 **or writ of execution, your financial institution will give the money to your Creditor. If that**

36.1 happens and it is protected, you can still get it back from the Creditor later, but that is not
36.2 as easy to do as filling in the form now.

36.3 See next pages for instructions and the exemption form.

36.4 Subd. 2. Form of instructions. The instructions required must be in a separate form
36.5 and must be substantially in the following form:

36.6 **INSTRUCTIONS**

36.7 **Note:** The creditor is who you owe the money to. You are the debtor.

36.8 **1. Fill out both of the attached exemption forms in this packet.**

36.9 **If you check one of the lines, you should also give proof that shows that some**
36.10 **or all of the money in your account is from one or more of the protected sources.**
36.11 **Creditors may ask for a hearing if they question your exemptions.**

36.12 **To avoid a hearing:**

36.13 **Case numbers should be added to the form.**

36.14 **Copies of documents should be sent with the form.**

36.15 **NOTICE: YOU MUST SEND TO THE CREDITOR'S ATTORNEY (OR TO**
36.16 **THE CREDITOR, IF NO ATTORNEY) COPIES OF YOUR BANK STATEMENTS**
36.17 **FOR THE PAST 60 DAYS BEFORE THE GARNISHMENT. Keep a copy of your**
36.18 **bank statements in case there are questions about your claim. If you do not send to**
36.19 **the creditor's attorney (or to the creditor, if no attorney) bank statements with your**
36.20 **exemption claim, the financial institution may release your money to the creditor**
36.21 **once the creditor gives the financial institution a court order directing it to turn**
36.22 **over the funds.**

36.23 **2. Sign the exemption forms. Make one copy to keep for yourself.**

36.24 **3. Mail or deliver the other copies of the form by (insert date).**

36.25 **BOTH COPIES MUST BE MAILED OR DELIVERED THE SAME DAY.**

36.26 **One copy of the form and the copies of your bank statements go to:**

36.27
36.28 (Insert name of creditor or creditor's attorney)

36.29
36.30 (Insert address of creditor or creditor's attorney)

36.31 **One copy goes to:**

36.32
36.33 (Insert name of bank)

36.34
36.35 (Insert address of bank)

36.36 **HOW THE PROCESS WORKS**

36.37 **If You Do Not Send in the Exemption Form and Bank Statements:**

37.1 14 days after the date of this letter some or all of your money may be turned over to
37.2 the creditor once they get an order from the court telling the financial institution to do this.

37.3 **If You Send in the Exemption Form and Bank Statements:**

37.4 Any money that is NOT protected can be turned over to the creditor once they get
37.5 an order from the court.

37.6 **If the Creditor Does Not Object:**

37.7 The financial institution will unfreeze your money six business days after the
37.8 institution gets your completed form.

37.9 **If the Creditor Objects:**

37.10 The money you have said is protected on the form will be held by the bank. The
37.11 creditor has six business days to object (disagree) and ask the court to hold a hearing. You
37.12 will receive a Notice of Objection and a Notice of Hearing.

37.13 The financial institution will hold the money until a court decides whether your
37.14 money is protected or not. Some reasons a creditor may object are because you did not
37.15 send copies of your bank statements or other proof of the benefits you received. Be sure to
37.16 include these when you send your exemption form.

37.17 You may want to talk to a lawyer for advice about this process. If you are low
37.18 income you can call Legal Aid.

37.19 **PENALTIES:**

37.20 If you claim that your money is protected and a court decides you made that claim
37.21 in bad faith, the court can order you to pay costs, actual damages, attorney fees, and an
37.22 additional amount of up to \$100. For example, it may be bad faith if you claim you receive
37.23 government benefits that you do not receive.

37.24 If the creditor made a bad faith objection to your claim that your money is protected,
37.25 the court can order them to pay costs, actual damages, attorney fees, and an additional
37.26 amount of up to \$100.

37.27 Subd. 3. **Exemption notice.** The exemption notice must be a separate form and
37.28 must be in substantially the following form:

37.29 STATE OF MINNESOTA DISTRICT COURT
37.30 COUNTY OF JUDICIAL DISTRICT
37.31 (Creditor)
37.32 (Debtor)
37.33 (Financial
37.34 institution)

37.35 **EXEMPTION FORM**

37.36 **A. HOW MUCH MONEY IS PROTECTED**

37.37 I claim ALL of the money being frozen by the bank is protected.

38.1 I claim SOME of the money is protected. The amount I claim is protected is \$.....

38.2 **B. WHY THE MONEY IS PROTECTED**

38.3 My money is protected because I get it from one or more of the following places:
38.4 **(Check all that apply)**

38.5 **..... Government benefits**

38.6 Government benefits include, but are not limited to, the following:

38.7 **MFIP - Minnesota family investment program,**

38.8 **MFIP Diversionary Work Program,**

38.9 **Work participation cash benefit,**

38.10 **GA - general assistance,**

38.11 **EA - emergency assistance,**

38.12 **MA - medical assistance,**

38.13 **GAMC - general assistance medical care,**

38.14 **EGA - emergency general assistance,**

38.15 **MSA - Minnesota supplemental aid,**

38.16 **MSA-EA - MSA emergency assistance,**

38.17 **Food Support,**

38.18 **SSI - Supplemental Security Income,**

38.19 **MinnesotaCare,**

38.20 **Medicare part B premium payments,**

38.21 **Medicare part D extra help,**

38.22 **Energy or fuel assistance.**

38.23 **LIST SOURCE(S) OF FUNDING IN YOUR ACCOUNT**

38.24

38.25 **LIST THE CASE NUMBER AND COUNTY**

38.26 Case Number:

38.27 County:

38.28 **Government benefits also include:**

38.29 **..... Social Security benefits**

38.30 **..... Unemployment benefits**

38.31 **..... Workers' compensation**

38.32 **..... Veterans benefits**

38.33 **If you receive any of these government benefits, include copies of any**
38.34 **documents you have that show you receive Social Security, unemployment,**
38.35 **workers' compensation, or veterans benefits.**

38.36 **..... Other assistance based on need**

38.37 You may have assistance based on need from another source that is not on the list. If you
38.38 do, check this box, and fill in the source of your money on the line below:

38.39 Source:

38.40 **Include copies of any documents you have that show the source of this money.**

39.1 **EARNINGS**

39.2 **ALL or SOME of your earnings (wages) may also be protected.**

39.3 **..... All of your earnings (wages) are protected if:**

39.4 **..... You get government benefits (see list of government benefits)**

39.5 **..... You currently receive other assistance based on need**

39.6 **..... You have received government benefits in the last six months**

39.7 **..... You were in jail or prison in the last six months**

39.8 **If you check one of these lines, your wages are only protected for 60 days after**
39.9 **they are deposited in your account so you MUST send the creditor a copy of**
39.10 **BANK STATEMENTS that show what was in your account for the 60 days right**
39.11 **before the bank froze your money.**

39.12 **..... Some of your earnings (wages) are protected.**

39.13 **If all of your earnings are not exempt, then some of your earnings are still protected**
39.14 **for 20 days after they were deposited in your account. The amount protected is the**
39.15 **larger amount of:**

39.16 **75 percent of your wages (after taxes are taken out); or**

39.17 **(insert the sum of the current federal minimum wage) multiplied by 40.**

39.18 **OTHER EXEMPT FUNDS**

39.19 **The money from the following are also completely protected after they are**
39.20 **deposited in your account.**

39.21 **..... An accident, disability, or retirement pension or annuity**

39.22 **..... Payments to you from a life insurance policy**

39.23 **..... Earnings of your child who is under 18 years of age**

39.24 **..... Child support**

39.25 **..... Money paid to you from a claim for damage or destruction of property**

39.26 **Property includes household goods, farm tools or machinery, tools for your job,**
39.27 **business equipment, a mobile home, a car, a musical instrument, a pew or burial lot,**
39.28 **clothes, furniture, or appliances.**

39.29 **..... Death benefits paid to you**

39.30 **I give permission to any agency that has given me cash benefits to give information**
39.31 **about my benefits to the above-named creditor, or its attorney. The information will ONLY**
39.32 **concern whether I get benefits or not, or whether I have gotten them in the past six months.**

39.33 **If I was an inmate in the last six months, I give my permission to the correctional**
39.34 **institution to tell the above-named creditor that I was an inmate there.**

39.35 **YOU MUST SIGN AND SEND THIS FORM BACK TO THE CREDITOR'S**
39.36 **ATTORNEY (OR TO THE CREDITOR, IF NO ATTORNEY) AND THE BANK.**
39.37 **REMEMBER TO INCLUDE A COPY OF YOUR BANK STATEMENTS FOR**
39.38 **THE PAST 60 DAYS. FILL IN THE BLANKS BELOW AND GO BACK TO THE**
39.39 **INSTRUCTIONS TO MAKE SURE YOU DO IT CORRECTLY.**

39.40 **I have mailed or delivered a copy of this form to:**

39.41 **.....**

39.42 **(Insert name of creditor or creditor's attorney)**

40.1 _____

40.2 (Insert address of creditor or creditor's attorney)

40.3 I have also mailed or delivered a copy of this exemption form to my bank at the
40.4 address listed in the instructions.

40.5 DATED: _____

40.6 DEBTOR

40.7 _____

40.8 DEBTOR ADDRESS

40.9 _____

40.10 DEBTOR TELEPHONE NUMBER

40.11 ~~An order for attachment, garnishment summons, or levy of execution (strike~~
40.12 ~~inapplicable language) has been served on _____ (bank or other financial institution)~~
40.13 ~~_____ where you have an account.~~

40.14 ~~Your account balance is \$_____~~

40.15 ~~The amount being held is \$_____~~

40.16 ~~However, all or a portion of the funds in your account will normally be exempt from~~
40.17 ~~creditors' claims if they are in one of the following categories:~~

40.18 ~~(1) relief based on need. This includes the Minnesota Family Investment Program~~
40.19 ~~(MFIP), Emergency Assistance (EA), Work First Program, Medical Assistance (MA),~~
40.20 ~~General Assistance (GA), General Assistance Medical Care (GAMC), Emergency General~~
40.21 ~~Assistance (EGA), Minnesota Supplemental Aid (MSA), MSA Emergency Assistance~~
40.22 ~~(MSA-EA), Supplemental Security Income (SSI), and Energy Assistance;~~

40.23 ~~(2) Social Security benefits (Old Age, Survivors, or Disability Insurance);~~

40.24 ~~(3) unemployment benefits, workers' compensation, or veterans' benefits;~~

40.25 ~~(4) an accident, disability, or retirement pension or annuity;~~

40.26 ~~(5) life insurance proceeds;~~

40.27 ~~(6) the earnings of your minor child and any child support paid to you; or~~

40.28 ~~(7) money from a claim for damage or destruction of exempt property (such as~~
40.29 ~~household goods, farm tools, business equipment, a mobile home, or a car).~~

40.30 ~~The following funds are also exempt:~~

40.31 ~~(8) all earnings of a person in category (1);~~

40.32 ~~(9) all earnings of a person who has received relief based on need, or who has been~~
40.33 ~~an inmate of a correctional institution, within the last six months;~~

40.34 ~~(10) 75 percent of every debtor's after tax earnings; and~~

40.35 ~~(11) all of a debtor's after tax earnings below 40 times the federal minimum wage.~~

40.36 ~~TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:~~

40.37 ~~Categories (10) and (11): 20 days~~

41.1 ~~Categories (8) and (9): 60 days~~

41.2 ~~All others: no time limit, as long as funds are traceable to the exempt source. (In~~
41.3 ~~tracing funds, the first-in, first-out method is used. This means money deposited first is~~
41.4 ~~spent first.) The money being sought by the creditor is being held in your account to~~
41.5 ~~give you a chance to claim an exemption.~~

41.6 ~~TO CLAIM AN EXEMPTION:~~

41.7 ~~Fill out, sign, and mail or deliver one copy of the attached exemption claim form to~~
41.8 ~~the institution which sent you this notice and mail or deliver one copy to the creditor's~~
41.9 ~~attorney. In the event that there is no attorney for the creditor, then such notice shall be~~
41.10 ~~sent directly to the creditor. The address for the creditor's attorney or the creditor is set~~
41.11 ~~forth below. **Both copies must be mailed or delivered on the same day.**~~

41.12 ~~**NOTE: You may help resolve your claim faster if you send to the creditor's**~~
41.13 ~~**attorney written proof or documents that show why your money is exempt. If**~~
41.14 ~~**you have questions regarding the documents to send as proof of an exemption,**~~
41.15 ~~**call the creditor's attorney. If you do not send written proof and the creditor's**~~
41.16 ~~**attorney has questions about your exemption claim, the creditor's attorney**~~
41.17 ~~**may object to your claim which may result in a further delay in releasing your**~~
41.18 ~~**exempt funds.**~~

41.19 ~~If they do not get the exemption claim back from you within 14 days of the date~~
41.20 ~~they mailed or gave it to you, they will be free to turn the money over to the sheriff or~~
41.21 ~~the creditor. If you are going to claim an exemption, do so as soon as possible, because~~
41.22 ~~your money may be held until it is decided.~~

41.23 ~~IF YOU CLAIM AN EXEMPTION:~~

41.24 ~~(1) nonexempt money can be turned over to the creditor or sheriff;~~

41.25 ~~(2) the financial institution will keep holding the money claimed to be exempt; and~~

41.26 ~~(3) seven days after receiving your exemption claim, the financial institution will~~
41.27 ~~release the money to you unless before then it receives an objection to your exemption~~
41.28 ~~claim.~~

41.29 ~~IF THE CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:~~

41.30 ~~The institution will hold the money until a court decides if your exemption claim is~~
41.31 ~~valid, **BUT ONLY IF** the institution gets a copy of your court motion papers asserting~~
41.32 ~~the exemption **WITHIN TEN DAYS** after the objection is personally served on you, or~~
41.33 ~~within 13 days from the date the objection is mailed to you. You may wish to consult an~~
41.34 ~~attorney at once if the creditor objects to your exemption claim.~~

41.35 ~~MOTION TO DETERMINE EXEMPTION:~~

42.1 ~~At any time after your funds have been held, you may ask for a court decision on the~~
42.2 ~~validity of your exemption claim by filing a request for hearing which may be obtained~~
42.3 ~~at the office of the court administrator of the above court.~~

42.4 ~~PENALTIES:~~

42.5 ~~If you claim an exemption in bad faith, or if the creditor wrongly objects to an~~
42.6 ~~exemption in bad faith, the court may order the person who acted in bad faith to pay costs,~~
42.7 ~~actual damages, attorney fees, and an additional amount of up to \$100.~~

42.8 _____
42.9 _____
42.10 _____
42.11 _____

42.12 ~~Name and address of (Attorney for)~~
42.13 ~~Judgment Creditor~~

42.14 ~~EXEMPTION:~~

42.15 ~~(If you claim an exemption complete the following):~~

42.16 ~~(a) Amount of exemption claim.~~

42.17 ~~// I claim ALL the funds being held are exempt.~~

42.18 ~~// I claim SOME of the funds being held are exempt.~~

42.19 ~~The exempt amount is \$.....~~

42.20 ~~(b) Basis for exemption.~~

42.21 ~~Of the eleven categories listed above, I am in category number (If more~~
42.22 ~~than one category applies, you may fill in as many as apply.) The source of the exempt~~
42.23 ~~funds is the following:~~

42.24 _____
42.25 _____
42.26 _____

42.27 ~~(If the source is a type of relief based on need, list the case number and county:~~

42.28 ~~case number:;~~

42.29 ~~county:)~~

42.30 ~~I hereby authorize any agency that has distributed relief to me or any correctional~~
42.31 ~~institution in which I was an inmate to disclose to the above named creditor or its attorney~~
42.32 ~~only whether or not I am or have been a recipient of relief based on need or an inmate of a~~
42.33 ~~correctional institute within the last six months.~~

42.34 ~~I have mailed or delivered a copy of the exemption notice to the creditor's attorney~~
42.35 ~~at the address indicated above.~~

43.1 ~~DATED:~~

43.2 ~~DEBTOR~~

43.3

43.4 ~~DEBTOR ADDRESS~~

43.5

43.6 ~~DEBTOR TELEPHONE NUMBER~~

43.7 Sec. 9. Minnesota Statutes 2008, section 571.913, is amended to read:

43.8 **571.913 EFFECT OF EXEMPTION NOTICE.**

43.9 Within two business days after receipt of the garnishment summons ~~and, the notice,~~
43.10 instructions, and two copies of the exemption notices notice, the financial institution
43.11 shall serve upon the debtor the notice, instructions, and two copies of the exemption
43.12 notice. The financial institution shall serve ~~the notice~~ these forms by first class mail to the
43.13 last known address of the debtor. If no claim of exemption is received by the financial
43.14 institution within 14 days after the exemption notices are mailed to the debtor, the funds
43.15 remain subject to the garnishment summons. If the debtor elects to claim an exemption,
43.16 the debtor shall complete the exemption ~~notice~~ notices, sign ~~it~~ them under penalty of
43.17 perjury, and deliver one copy to the financial institution and one copy to the attorney for
43.18 the creditor within 14 days of the date postmarked on the correspondence mailed to the
43.19 debtor containing the exemption notices. The debtor is also required to include copies of
43.20 bank statements for the prior 60 days with the exemption notice delivered to the attorney
43.21 for the creditor. In the event that there is no attorney for the creditor, then the notice and
43.22 the bank statements must be sent directly to the creditor. Failure of the debtor to deliver
43.23 the executed exemption notice or copies of the required bank statements for the prior 60
43.24 days does not constitute a waiver of a claimed right to an exemption. Upon timely receipt
43.25 of a claim of exemption, funds not claimed to be exempt by the debtor remain subject
43.26 to the garnishment summons. All money claimed to be exempt shall be released to the
43.27 debtor upon the expiration of ~~seven~~ six business days after the date postmarked on the
43.28 envelope containing the executed exemption notice mailed to the financial institution, or
43.29 the date of personal delivery of the executed exemption notice to the financial institution,
43.30 unless within that time the creditor interposes an objection to the exemption.

43.31 Sec. 10. Minnesota Statutes 2008, section 571.914, is amended to read:

43.32 **571.914 OBJECTION TO EXEMPTION CLAIM.**

43.33 Subdivision 1. **Objections and request for hearing.** An objection shall be
43.34 interposed, within six business days of receipt by the creditor of an exemption claim from
43.35 the debtor, by mailing or delivering one copy of the ~~written objection~~ Notice of Objection

44.1 and Notice of Hearing to the financial institution and one copy of the ~~written objection~~
44.2 Notice of Objection and Notice of Hearing to the debtor. ~~A Request for Hearing and~~
44.3 ~~Notice of Hearing form must accompany each copy of the written objection.~~

44.4 ~~Both copies of an objection to an exemption claim must be mailed or delivered on~~
44.5 ~~the same date. The financial institution may rely on the date of mailing or delivery of a~~
44.6 ~~notice to it in computing any time periods in this section.~~

44.7 The ~~written objection, and Request for Hearing~~ Notice of Objection and Notice of
44.8 Hearing, form must be substantially in the ~~forms~~ form set out in ~~subdivisions~~ subdivision
44.9 2 and 3.

44.10 ~~The court shall provide clerical assistance to help with the writing and filing of a~~
44.11 ~~Request for Hearing by any person not represented by counsel. The court administrator~~
44.12 ~~may charge a fee of \$1 for the filing of a Request for~~ Notice of Objection and Notice of
44.13 Hearing. Upon the filing of a Request for Notice of Objection and Notice of Hearing, the
44.14 court administrator shall schedule the matter for hearing no sooner than five business days
44.15 but no later than five seven business days from the date of filing. The court administrator
44.16 shall immediately send a completed copy of the request, including the hearing date, time,
44.17 and place to the adverse party and to the financial institution by first class mail. A debtor
44.18 may request continuance of the hearing by notifying the creditor and the court. The court
44.19 shall schedule the continued hearing within seven days of the original hearing date.

44.20 An order stating whether the debtor's funds are exempt shall be issued by the court
44.21 within three days of the date of the hearing.

44.22 Subd. 2. **Form of notice of objection and notice of hearing.** (a) The ~~written~~
44.23 ~~objection to the debtor~~ Written Objection and Notice of Hearing must be in substantially
44.24 the following form:

44.25 STATE OF MINNESOTA DISTRICT COURT
44.26 COUNTY OF JUDICIAL DISTRICT
44.27 (Creditor)
44.28 (Debtor) CREDITOR'S NOTICE OF
44.29 (Garnishee) OBJECTION
44.30 AND NOTICE OF HEARING
44.31 ON EXEMPTION CLAIM

44.32
44.33
44.34

44.35 (CREDITOR OR CREDITOR'S
44.36 ATTORNEY)

44.37
44.38 NOTICE OF HEARING

45.1 The creditor objects to your exemption
45.2 claim. This hearing is to resolve your
45.3 exemption claim.

45.4 Hearing Date:

45.5 Time:

45.6 Hearing Place:

45.7 The creditor objects to your claim ~~for~~ of exemption from garnishment, ~~levy of~~
45.8 ~~execution, order for attachment (strike inapplicable language)~~ for the following reason(s):

45.9

45.10

45.11

45.12 **(Note: Bring with you to the hearing all documents and materials supporting**
45.13 **your exemption claim. Failure to do so could delay the court's decision.)**

45.14 If the creditor receives all documents and materials supporting your exemption
45.15 claim before the hearing date, the creditor may agree with your claim and you can avoid
45.16 a hearing.

45.17 ~~Because of this objection,~~ a court hearing will be held on your claim that your funds
45.18 are protected, your financial institution will retain the funds you claimed to be exempt
45.19 for an additional ten days. If you wish to request a hearing on your exemption claim,
45.20 you need to do so within ten days from the date the objection was personally served on
45.21 you, or within 13 days of the date the objection was mailed to you. You may request a
45.22 hearing by completing the attached form and filing it with the court administrator until it
45.23 receives an order from the court.

45.24 ~~1. The court shall provide clerical assistance to help with the writing and filing of a~~
45.25 ~~Request for Hearing by any person not represented by counsel. The court administrator~~
45.26 ~~may charge a fee of \$1 for the filing of a Request for Hearing.~~

45.27 ~~2. Upon the filing of a Request for Hearing, the clerk shall schedule the matter for a~~
45.28 ~~hearing no later than five business days from the date of filing. The court administrator~~
45.29 ~~shall forthwith send a completed copy of the request, including the hearing date, time, and~~
45.30 ~~place to the adverse party and to the financial institution by first class mail.~~

45.31 ~~3. If it is possible that the financial institution might not receive the request mailed~~
45.32 ~~from the court administrator within ten days, then you may want to personally deliver a~~
45.33 ~~copy of the request to the financial institution after you have filed your request with the~~
45.34 ~~court.~~

45.35 ~~4. An order stating whether your funds are exempt shall be issued by the court~~
45.36 ~~within three days of the date of the hearing.~~

46.1 If you do not file a Request for Hearing within ten days of the date the objection was
46.2 personally served on you, or within 13 days from the date the objection was mailed to you,
46.3 your financial institution may turn your funds over to your creditor.

46.4 If you file a Request for Hearing and your financial institution receives it within ten
46.5 days of the date it received this objection, your financial institution will retain your funds
46.6 claimed to be exempt until otherwise ordered by the court, or until the garnishment lapses
46.7 pursuant to Minnesota Statutes, section 571.79.

46.8 _____
46.9 ~~(CREDITOR OR CREDITOR'S ATTORNEY.)~~

46.10 **Subd. 3. Request for hearing and notice for hearing.** The request for hearing
46.11 accompanying the objection notice must be in substantially the following form:

46.12 STATE OF MINNESOTA DISTRICT COURT
46.13 COUNTY OF _____ JUDICIAL DISTRICT
46.14 _____ (Creditor)
46.15 _____ (Debtor) REQUEST FOR HEARING AND
46.16 NOTICE FOR HEARING
46.17 _____ (Garnishee)

46.18 I hereby request a hearing to resolve the exemption claim which has been made in
46.19 this case regarding funds in the account of _____ (Debtor) at the _____ (Financial
46.20 Institution).

46.21 I believe the property being held is exempt because

46.22 _____
46.23 _____

46.24 Dated: _____

46.25 _____ (DEBTOR)
46.26 _____

46.27 _____ (ADDRESS)
46.28 _____

46.29 HEARING DATE: _____ TIME: _____

46.30 HEARING PLACE: _____

46.31 (Note to both parties: Bring with you to the hearing all documents and materials
46.32 relevant to the exemption claim. Failure to do so could delay the court's decision.)

46.33 **Subd. 4. Duties of financial institution if objection is made to exemption claim.**

46.34 Upon receipt of a ~~written objection~~ Notice of Objection and Notice of Hearing from the
46.35 creditor within the specified seven-day period, the financial institution shall retain the
46.36 funds claimed to be exempt. ~~Unless the financial institution receives a request for hearing~~
46.37 ~~from the debtor asserting exemption rights within ten days after receipt of the written~~
46.38 ~~objection to the exemption, the funds remain subject to the garnishment summons as if~~

47.1 ~~no claim of exemption had been made. If a notice of motion and motion to determine~~
47.2 ~~the validity of a claim of exemption is received by the financial institution within the~~
47.3 ~~period provided, The financial institution shall retain the funds claimed to be exempt~~
47.4 ~~until otherwise ordered by the court, upon mutual agreement of the parties, or until the~~
47.5 ~~garnishment lapses pursuant to section 571.79.~~

47.6 Sec. 11. Minnesota Statutes 2008, section 571.925, is amended to read:

47.7 **571.925 FORM OF NOTICE.**

47.8 The ten-day notice informing a debtor that a garnishment summons may be used to
47.9 garnish the earnings of an individual must be substantially in the following form:

47.10 STATE OF MINNESOTA DISTRICT COURT
47.11 COUNTY OF JUDICIAL DISTRICT
47.12 (Creditor)
47.13 against
47.14 GARNISHMENT EXEMPTION
47.15 (Debtor) NOTICE AND NOTICE OF
47.16 and INTENT TO GARNISH EARNINGS
47.17 (Garnishee)

47.18 PLEASE TAKE NOTICE that a garnishment summons or levy may be served upon
47.19 your employer or other third parties, without any further court proceedings or notice to
47.20 you, ten days or more from the date hereof. Some or all of your earnings are exempt
47.21 from garnishment. If your earnings are garnished, your employer must show you how
47.22 the amount that is garnished from your earnings was calculated. You have the right to
47.23 request a hearing if you claim the garnishment is incorrect.

47.24 Your earnings are completely exempt from garnishment if you are now a recipient of
47.25 ~~relief~~ assistance based on need, if you have been a recipient of ~~relief~~ assistance based on
47.26 need within the last six months, or if you have been an inmate of a correctional institution
47.27 in the last six months.

47.28 ~~Relief based on need includes the Minnesota Family Investment Program (MFIP),~~
47.29 ~~Emergency Assistance (EA), Work First Program, Medical Assistance (MA), General~~
47.30 ~~Assistance (GA), General Assistance Medical Care (GAMC), Emergency General~~
47.31 ~~Assistance (EGA), Minnesota Supplemental Aid (MSA), MSA Emergency Assistance~~
47.32 ~~(MSA-EA), Supplemental Security Income (SSI), and Energy Assistance.~~

47.33 Assistance based on need includes, but is not limited to:

- 47.34 MFIP - Minnesota family investment program,
47.35 MFIP Diversionary Work Program,
47.36 Work participation cash benefit,

49.1 I hereby claim that my earnings are exempt from garnishment because:

49.2 (1) I am presently a recipient of relief based on need. (Specify the program, case
49.3 number, and the county from which relief is being received.)

49.4
49.5 Case Number (if
49.6 Program known) County

49.7 (2) I am not now receiving relief based on need, but I have received relief based on
49.8 need within the last six months. (Specify the program, case number, and the county
49.9 from which relief has been received.)

49.10
49.11 Case Number (if
49.12 Program known) County

49.13 (3) I have been an inmate of a correctional institution within the last six months.
49.14 (Specify the correctional institution and location.)

49.15
49.16 Correctional Institution Location

49.17 I hereby authorize any agency that has distributed relief to me or any correctional
49.18 institution in which I was an inmate to disclose to the above-named creditor or the
49.19 creditor's attorney only whether or not I am or have been a recipient of relief based on
49.20 need or an inmate of a correctional institution within the last six months. I have mailed or
49.21 delivered a copy of this form to the creditor or creditor's attorney.

49.22
49.23 Date Debtor
49.24
49.25 Address
49.26
49.27 Debtor Telephone Number

49.28 STATE OF MINNESOTA DISTRICT COURT
49.29 COUNTY OF JUDICIAL DISTRICT
49.30 (Creditor)
49.31 (Debtor)
49.32 (Financial
49.33 institution)