



Substitute House Bill No. 6372

Public Act No. 21-131

AN ACT EXEMPTING FROM EXECUTION CERTAIN FUNDS IN A JUDGMENT DEBTOR'S ACCOUNT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsections (b) and (c) of section 52-367b of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2021*):

(b) If execution is desired against any such debt, the plaintiff requesting the execution shall make application to the clerk of the court. The application shall be accompanied by a fee of one hundred five dollars payable to the clerk of the court for the administrative costs of complying with the provisions of this section, which fee may be recoverable by the judgment creditor as a taxable cost of the action. In a IV-D case, the request for execution shall be accompanied by an affidavit signed by the serving officer attesting to an overdue support amount of five hundred dollars or more which accrued after the entry of an initial family support judgment. If the papers are in order, the clerk shall issue such execution containing a direction that the officer serving such execution shall, within seven days from the receipt by the serving officer of such execution, make demand (1) upon the main office of any financial institution having its main office within the county of the serving officer, (2) if such main office is not within the serving officer's

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county and such financial institution has one or more branch offices within such county, upon an employee of such a branch office, such employee and branch office having been designated by the financial institution in accordance with regulations adopted by the Banking Commissioner, in accordance with chapter 54, or (3) only upon demand of a financial institution which does not have any main office or branch office in this state, by certified mail, return receipt requested, for payment of any such nonexempt debt due to the judgment debtor and, after having made such demand, shall serve a true and attested copy of the execution, together with the affidavit and exemption claim form prescribed by subsection (k) of this section, with the serving officer's actions endorsed thereon, with the financial institution upon whom such demand is made. The serving officer shall not serve more than one financial institution execution per judgment debtor at a time, including copies thereof. After service of an execution on one financial institution, the serving officer shall not serve the same execution or a copy thereof upon another financial institution until receiving confirmation from the preceding financial institution that the judgment debtor had insufficient funds at the preceding financial institution available for collection to satisfy the execution, provided any such additional service is made not later than forty-five days from the receipt by the serving officer of such execution. After service of an execution on a financial institution, the serving officer shall not subsequently serve the same execution or a copy thereof upon such financial institution if an electronic direct deposit [from a] that is readily identifiable [source described in subsection (c) of this section] as exempt from execution was made to the judgment debtor's account during the look-back period, as described in subsection (c) of this section. If no such deposit was made, the serving officer may subsequently serve the same execution or a copy thereof upon such institution, provided such execution has not expired or otherwise become unenforceable.

(c) [If] (1) Except as provided in subdivision (2) of this subsection, if

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any such financial institution upon which such execution is served and upon which such demand is made is indebted to the judgment debtor, the financial institution shall remove from the judgment debtor's account the amount of such indebtedness not exceeding the amount due on such execution before its midnight deadline, as defined in section 42a-4-104.

(2) Notwithstanding the provisions of subdivision (1) of this subsection, [if] the financial institution shall leave in the judgment debtor's account (A) the full amount of electronic direct deposits that are readily identifiable as [(1)] exempt federal veterans' benefits, Social Security benefits, including, but not limited to, retirement, survivors' and disability benefits, supplemental security income benefits, exempt benefits paid by the federal Railroad Retirement Board or the federal Office of Personnel Management, unemployment compensation benefits exempt under section 52-352b, [or] and child support payments processed and received pursuant to Title IV-D of the Social Security Act, [or (2) wages were] and (B) the amount of electronic direct deposits, not to exceed one thousand dollars, that are readily identifiable as wages, provided such deposits were made to the judgment debtor's account during the look-back period of [either the sixty-day period] two months preceding the date that the execution was served on the financial institution, or, with regard to federal benefits, such greater period as required by federal law. [, then the financial institution shall leave the lesser of the account balance or one thousand dollars in the judgment debtor's account, provided nothing] If no such deposits have been made to the judgment debtor's account during the look-back period, or if such readily identifiable funds are less than one thousand dollars, the financial institution shall leave in the judgment debtor's account as exempt pursuant to subsection (r) of section 52-352b the lesser of the account balance or one thousand dollars in the aggregate. To the extent that such funds are left in the judgment debtor's account as exempt pursuant to subsection (r) of section 52-352b, the provisions of said

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subsection shall not be the basis for a claim of exemption pursuant to this subsection in response to a levy of execution.

(3) Nothing in this subsection shall be construed to limit a financial institution's right or obligation to remove such funds from the judgment debtor's account if required by any other provision of law or by a court order. The judgment debtor shall have full and customary access to such funds left in the judgment debtor's account pursuant to this subsection. The financial institution may notify the judgment creditor that funds have been left in the judgment debtor's account pursuant to this subsection. Nothing in this subsection shall alter the exempt status of funds which are exempt from execution under subsection (a) of this section or under any other provision of state or federal law, or the right of a judgment debtor to claim such exemption. Nothing in this subsection shall be construed to affect any other rights or obligations of the financial institution with regard to the funds in the judgment debtor's account.

Approved July 7, 2021