

HB 2920 -A2 STAFF MEASURE SUMMARY

Senate Committee On Judiciary

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Meeting Dates: 5/3, 5/16

WHAT THE MEASURE DOES:

Specifies time after requesting satisfaction document from judgment creditor that judgment debtor, or person with interest in real property subject to lien, may ask court for order declaring judgment satisfied or determination of amount necessary to satisfy money award. Removes requirement that judgment creditor act willfully in failing to provide satisfaction document before court can allow attorney fees because of failure to provide satisfaction document. Adds defense to attorney fee award if judgment creditor establishes the failure to provide the document was no fault of judgment creditor.

ISSUES DISCUSSED:

- Reason for the -A2 amendment
- Failure to provide satisfaction document has a negative impact on judgment debtor's credit
- Measure provides impetus for judgment creditor to timely provide satisfaction document

EFFECT OF AMENDMENT:

-A2 Replaces measure. Requires judgment creditor to file satisfaction document following execution sale of real property for amount credited against money award of judgment. Allows judgment debtor or other person with interest in the real property to request in writing satisfaction document from judgment creditor. Allows judgment debtor to file motion after ten days of request if judgment creditor does not file satisfaction document. Allows court to award attorney fees to person making motion unless judgment creditor establishes that failure to file satisfaction document was not fault of judgment creditor.

BACKGROUND:

Currently, a judgment debtor, or other person with an interest in real property that is subject to a judgment lien, may move the court for an order declaring satisfaction of a money award or for a determination of the amount needed to satisfy a money award, when the judgment debtor cannot otherwise obtain a satisfaction document from the judgment creditor. House Bill 2920-A allows the debtor or other person to file a motion for this order 10 days after requesting the document from the judgment creditor.

HB 2920-A also allows the court to award reasonable attorney fees to the person making this motion if the court finds that the judgment creditor failed to provide a satisfaction document. There is a defense to this award if the judgment creditor establishes that the failure to provide the document was not the fault of the judgment creditor. Currently, courts must find that the judgment creditor willfully failed to provide the document in order to award attorney fees.