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HOUSE BILL 126

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

INTRODUCED BY

Thomas A. Anderson

FOR THE MILITARY AND VETERANS' AFFAIRS COMMITTEE

AN ACT

RELATING TO ACTIONS AND PROCEEDINGS RELATED TO VETERAN PAYMENTS
OR BENEFITS FOR SERVICE-CONNECTED DISABILITIES; EXEMPTING
VETERAN PAYMENTS FOR SERVICE-CONNECTED DISABILITIES FROM
LIABILITY TO CREDITOR CLAIMS, LEVY OR SEIZURE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of Chapter 42, Article 10 NMSA
1978 is enacted to read:

"[NEW MATERIAL] VETERAN DISABILITY PAYMENTS AND BENEFITS.--
Disability payments or benefits awarded to a veteran for a
service-connected disability shall not be liable to be taken by
any process or proceedings, legal or equitable, to pay any
debts."

Section 2. Section 35-12-7 NMSA 1978 (being Laws 1969,
Chapter 139, Section 6, as amended) is amended to read:

.180290.1

underscored material = new
[bracketed material] = delete

1 "35-12-7. GARNISHMENT--EXEMPTIONS.--

2 A. Exempt from garnishment in all situations is one
3 hundred percent of a veteran's disability payments awarded for
4 a service-connected disability. Exempt from garnishment with
5 respect to the enforcement of an order or decree for child
6 support is fifty percent of the defendant's disposable earnings
7 for any pay period. Exempt from garnishment in all other
8 situations is the greater of the following portions of the
9 defendant's disposable earnings:

10 (1) seventy-five percent of the defendant's
11 disposable earnings for any pay period; or

12 (2) an amount each week equal to forty times
13 the federal minimum hourly wage rate. The director of the
14 financial institutions division of the regulation and licensing
15 department shall provide a table giving equivalent exemptions
16 for pay periods of other than one week.

17 B. As used in this section:

18 (1) "disposable earnings" means that part of a
19 defendant's wage or salary remaining after deducting the
20 amounts ~~[which]~~ that are required by law to be withheld; and

21 (2) "federal minimum hourly wage rate" means
22 the highest federal minimum hourly wage rate for an eight-hour
23 day and a forty-hour week. However, it is immaterial whether
24 the garnishee is exempt under federal law from paying the
25 federal minimum hourly wage rate.

.180290.1

1 C. The maximum amount [~~which~~] that may be taken
2 from a spouse's disposable earnings under both the garnishment
3 procedure and the wage deduction procedure for the enforcement
4 of child support is fifty percent of the spouse's disposable
5 earnings."

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