



PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

# HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 225 be amended to read as follows:

- 1 Page 6, after line 25, begin a new paragraph and insert:
- 2 "SECTION 7. IC 24-4.5-5-105, AS AMENDED BY P.L.78-2014,
- 3 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2026]: Sec. 105. (1) For the purposes of IC 24-4.5-5-101
- 5 through IC 24-4.5-5-108:
- 6 (a) "disposable earnings" means that part of the earnings of an
- 7 individual, including wages, commissions, income, rents, or
- 8 profits remaining after the deduction from those earnings of
- 9 amounts required by law to be withheld;
- 10 (b) "garnishment" means any legal or equitable proceedings
- 11 through which the earnings of an individual are required to be
- 12 withheld by a garnishee, by the individual debtor, or by any other
- 13 person for the payment of a judgment; ~~and~~
- 14 (c) "health care debt" means an obligation or an alleged
- 15 obligation of a consumer to pay an amount related to the
- 16 receipt of medically necessary (as defined in IC 27-1-37.5-5.4)
- 17 health care services, products, or devices provided to a person
- 18 by a health care provider. The term does not include
- 19 Medicaid expenses subject to recovery under IC 12-15, debt
- 20 purchased by, payable to, or owed to a financial institution (as
- 21 defined in IC 28-1-1-3(1)), or debt charged to a credit card
- 22 unless the credit card is issued under:

- 1                   **(i) an open-end plan; or**  
 2                   **(ii) a closed-end plan;**  
 3                   **offered specifically for the payment of health care services,**  
 4                   **products, or devices provided to a person;**  
 5                   **(d) as used in this section, "health care provider" means:**  
 6                   **(i) a hospital or facility listed in IC 16-39-7-1(a)(13); or**  
 7                   **(ii) a provider of ambulance services (as defined in**  
 8                   **IC 16-18-2-13.4).**

9                   **The term includes an affiliate, officer, agent, or employee of**  
 10                   **a person described in item (i) or (ii); and**

11                   ~~(e)~~ **(e) "support withholding" means that part of the earnings that**  
 12                   **are withheld from an individual for child support in accordance**  
 13                   **with the laws of this state.**

14                   (2) Except as provided in subsection (8) **and subsection (9)**, the  
 15                   maximum part of the aggregate disposable earnings of an individual for  
 16                   any workweek which is subjected to garnishment to enforce the  
 17                   payment of one (1) or more judgments against the individual may not  
 18                   exceed the lesser of the following amounts:

19                   (a) An amount equal to twenty-five percent (25%) of the  
 20                   individual's disposable earnings for that week or, upon a showing  
 21                   of good cause by the individual why the amount should be  
 22                   reduced, an amount equal to:

- 23                   (i) less than twenty-five percent (25%); and  
 24                   (ii) at least ten percent (10%);

25                   of the individual's disposable earnings for that week.

26                   (b) The amount by which the individual's disposable earnings for  
 27                   that week exceed thirty (30) times the federal minimum hourly  
 28                   wage prescribed by 29 U.S.C. 206(a)(1) in effect at the time the  
 29                   earnings are payable.

30                   In the case of earnings for a pay period other than a week, the earnings  
 31                   shall be computed upon a multiple of the federal minimum hourly wage  
 32                   equivalent to thirty (30) times the federal minimum hourly wage as  
 33                   prescribed in this section.

34                   (3) The maximum part of the aggregate disposable earnings of an  
 35                   individual for any workweek which is subject to garnishment or  
 36                   support withholding to enforce any order for the support of any person  
 37                   shall not exceed:

38                   (a) where such individual is supporting the individual's spouse or  
 39                   dependent child (other than a spouse or child with respect to  
 40                   whose support such order is used), fifty percent (50%) of such  
 41                   individual's disposable earnings for that week; and

42                   (b) where such individual is not supporting such a spouse or  
 43                   dependent child described in subdivision (a), sixty percent (60%)  
 44                   of such individual's disposable earnings for that week;

45                   except that, with respect to the disposable earnings of any individual  
 46                   for any workweek, the fifty percent (50%) specified in subdivision (a)

1 shall be deemed to be fifty-five percent (55%) and the sixty percent  
2 (60%) specified in subdivision (b) shall be deemed to be sixty-five  
3 percent (65%), if and to the extent that such earnings are subject to  
4 garnishment or support withholding to enforce a support order with  
5 respect to a period which is prior to the twelve (12) week period which  
6 ends with the beginning of such workweek.

7 (4) No court may make, execute, or enforce an order or process in  
8 violation of this section.

9 (5) An employer who is required to make deductions from an  
10 individual's disposable earnings pursuant to a garnishment order or  
11 series of orders arising out of the same judgment debt (excluding a  
12 judgment for payment of child support) may collect, as a fee to  
13 compensate the employer for making these deductions, an amount  
14 equal to the greater of twelve dollars (\$12) or three percent (3%) of the  
15 total amount required to be deducted by the garnishment order or series  
16 of orders arising out of the same judgment debt. If the employer  
17 chooses to impose a fee, the fee shall be allocated as follows:

18 (a) One-half (1/2) of the fee shall be borne by the debtor, and that  
19 amount may be deducted by the employer directly from the  
20 employee's disposable earnings.

21 (b) One-half (1/2) of the fee shall be borne by the creditor, and  
22 that amount may be retained by the employer from the amount  
23 otherwise due the creditor.

24 The deductions made under this subsection for a collection fee do not  
25 increase the amount of the judgment debt for which the fee is collected  
26 for the purpose of calculating or collecting judgment interest. This fee  
27 may be collected by an employer only once for each garnishment order  
28 or series of orders arising out of the same judgment debt. The employer  
29 may collect the entire fee from one (1) or more of the initial deductions  
30 from the employee's disposable earnings. Alternatively, the employer  
31 may collect the fee ratably over the number of pay periods during  
32 which deductions from the employee's disposable earnings are  
33 required.

34 (6) The deduction of the garnishment collection fee under  
35 subsection (5)(a) or subsection (7) is not an assignment of wages under  
36 IC 22-2-6.

37 (7) An employer who is required to make a deduction from an  
38 individual's disposable earnings in accordance with a judgment for  
39 payment of child support may collect a fee of two dollars (\$2) each  
40 time the employer is required to make the deduction. The fee may be  
41 deducted by the employer from the individual's disposable earnings  
42 each time the employer makes the deduction for support. If the  
43 employer elects to deduct such a fee, the amount to be deducted for the  
44 payment of support must be reduced accordingly if necessary to avoid  
45 exceeding the maximum amount permitted to be deducted under  
46 subsection (3).

1 (8) A support withholding order takes priority over a garnishment  
2 order irrespective of their dates of entry or activation. If a person is  
3 subject to a support withholding order and a garnishment order, the  
4 garnishment order shall be honored only to the extent that disposable  
5 earnings withheld under the support withholding order do not exceed  
6 the maximum amount subject to garnishment as computed under  
7 subsection (2).

8 (9) For health care debt, the lesser of the following amounts:  
9 (a) An amount equal to either ten percent (10%) of the  
10 individual's disposable earnings for that week, or if the  
11 individual requests, a higher percentage requested by the  
12 individual.

13 (b) The amount by which the individual's disposable earnings  
14 for that week exceed forty-five (45) times the federal  
15 minimum hourly wage prescribed by 29 U.S.C. 206(a)(1) in  
16 effect at the time the earnings are payable.

17 In the case of earnings for a pay period other than a week, the  
18 earnings shall be computed upon a multiple of the federal  
19 minimum hourly wage equivalent to forty-five (45) times the  
20 federal minimum hourly wage as prescribed in this section.

21 SECTION 9. IC 32-28-16 IS ADDED TO THE INDIANA CODE  
22 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
23 UPON PASSAGE]:

24 **Chapter 16. Prohibition Against Foreclosure on Principal  
25 Residence of a Consumer for Health Care Debt**

26 **Sec. 1. (a) As used in this chapter, "consumer" means an  
27 individual whose principal residence is in Indiana.**

28 **(b) The term includes the following:**  
29 **(1) A protected consumer (as defined in IC 24-5-24.5-4).**  
30 **(2) A representative acting on behalf of a protected consumer  
31 (as defined in IC 24-5-24.5-4).**

32 **Sec. 2. (a) As used in this chapter, "health care debt" means an  
33 obligation or an alleged obligation of a consumer to pay an amount  
34 related to the receipt of medically necessary (as defined in  
35 IC 27-1-37.5-5.4) health care services, products, or devices  
36 provided to a person by a health care provider.**

37 **(b) The term does not include Medicaid expenses subject to  
38 recovery under IC 12-15 or the following:**  
39 **(1) Debt purchased by, payable to, or owed to a financial  
40 institution (as defined in IC 28-1-1-3(1)).**  
41 **(2) Debt charged to a credit card unless the credit card is  
42 issued under:**  
43 **(A) an open-end plan; or**  
44 **(B) a closed-end plan;**  
45 **offered specifically for the payment of health care services,  
46 products, or devices provided to a person.**

47 **Sec. 3. As used in this chapter, "health care provider" means:**

- 1           (1) a hospital or facility listed in IC 16-39-7-1(a)(13); or
- 2           (2) a provider of ambulance services (as defined in
- 3           IC 16-18-2-13.4).

4           **The term includes an affiliate, officer, agent, or employee of a**  
 5           **person described in subdivision (1) or (2).**

6           **Sec. 4. As used in this chapter, "principal residence", with**  
 7           **respect to a consumer, means real or personal property that:**

- 8           (1) is located in Indiana;
- 9           (2) the consumer:
  - 10           (A) owns; or
  - 11           (B) is buying under contract;
- 12           **whether solely or jointly with another person; and**
- 13           (3) constitutes the principal place of residence of:
  - 14           (A) the consumer; or
  - 15           (B) a dependent of the consumer.

16           **Sec. 5. A person that has obtained a judgment against a**  
 17           **consumer for the recovery of health care debt may file a judgment**  
 18           **lien on the principal residence of the consumer, but may not**  
 19           **foreclose on the lien until the principal residence is sold or**  
 20           **transferred. This section does not prohibit a person from filing or**  
 21           **enforcing a lien for debt that is not health care debt.**

22           SECTION 10. IC 34-55-1-6 IS AMENDED TO READ AS  
 23           FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. The execution must  
 24           intelligibly refer to the judgment, stating:

- 25           (1) the court where and the time when rendered;
- 26           (2) the names of the parties;
- 27           (3) the amount, if the judgment is for money; ~~and~~
- 28           (4) the amount actually due on the judgment; ~~and~~
- 29           (5) **whether the debt is a health care debt (as defined in**  
 30           **IC 24-4.5-5-105(1)(c)).**

31           SECTION 11. IC 34-55-9-1 IS AMENDED TO READ AS  
 32           FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. **(a) Except as**  
 33           **provided in subsection (b),** the following real estate is liable to all  
 34           judgments and attachments and to be sold on execution against the  
 35           debtor ~~owing~~ **owning** the real estate or for whose use the real estate is  
 36           held:

- 37           (1) All lands of the judgment debtor, whether in possession,  
 38           remainder, or reversion.
- 39           (2) All rights of redeeming mortgaged lands and all lands held by  
 40           virtue of any land office certificate.
- 41           (3) Lands or any estate or interest in land held by anyone in trust  
 42           for or to the use of another.
- 43           (4) All chattels real of the judgment debtor.

44           **(b) A person that has obtained a judgment against a consumer**  
 45           **for the recovery of health care debt may file a judgment lien on the**  
 46           **principal residence of the consumer, but may not foreclose on the**

1 **lien until the principal residence is sold or transferred. This**  
2 **subsection does not prohibit a person from filing or enforcing a lien**  
3 **for debt that is not health care debt.**

4 SECTION 12. IC 34-55-9-2 IS AMENDED TO READ AS  
5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) **Except as**  
6 **provided in subsection (b)**, all final judgments for the recovery of  
7 money or costs in the circuit court and other courts of record of general  
8 original jurisdiction in Indiana, whether state or federal, constitute a  
9 lien upon real estate and chattels real liable to execution in the county  
10 where the judgment has been duly entered and indexed in the judgment  
11 docket as provided by law:

12 (1) after the time the judgment was entered and indexed; and

13 (2) until the expiration of ten (10) years after the rendition of the  
14 judgment;

15 exclusive of any time during which the party was restrained from  
16 proceeding on the lien by an appeal, an injunction, the death of the  
17 defendant, or the agreement of the parties entered of record.

18 **(b) A person that has obtained a judgment against a consumer**  
19 **for the recovery of health care debt may file a judgment lien on the**  
20 **principal residence of the consumer, but may not foreclose on the**  
21 **lien until the principal residence is sold or transferred. This**  
22 **subsection does not prohibit a person from filing or enforcing a lien**  
23 **for debt that is not health care debt.**

24 SECTION 13. **An emergency is declared for this act."**

25 Renumber all SECTIONS consecutively

(Reference is to ESB 225 as printed February 17, 2026.)

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Representative McGuire