

Consumer Debt Litigation Index

Top Recommendations for Reform in Wyoming

Wyoming's Score: 14/100

Wyoming's National Rank: 39th

Consumer debt lawsuits dominate civil court dockets across the country. In an overwhelming number of cases—more than 70% in many places—the people sued do not respond or defend themselves. As a result, courts often enter default judgments without determining whether the defendant even knows about it, it is timely, or has merit. In turn, people face high fees and interest, onerous payment plans, seizure of wages and possessions, and potential imprisonment. States across the country have established laws and practices aimed at reducing unjust lawsuits and producing fairer outcomes. To support states in their respective efforts, the National Center for Access to Justice in 2024 created the Consumer Debt Litigation Index in consultation with a panel of experts. The Index ranks the states on their progress in adopting 24 best policies (“benchmarks”) for fairness. See our Top Recommendations and Complete Findings, below.

1. Establish Pleading Requirements (Benchmark 6)

Why: People facing debt collection lawsuits often have difficulty understanding the claim against them. Lax pleading requirements also invite illegitimate lawsuits. Requiring complaints to name the original creditor, demonstrate ownership of the debt, and break out the specific amounts sought can deter meritless filings and enable defendants to assert legitimate defenses, promoting fairness. Delaware, New Mexico, New York, and Washington, D.C. all require complaints to include these key elements. Wyoming, however, does not yet have these key pleading requirements in place.

How: Wyoming should adopt a law or practice that requires plaintiffs in consumer debt cases to allege: (a) the name of the original creditor; (b) the plaintiff’s standing (e.g. the chain of ownership of the debt); and (c) an itemization of the amount sought, including debt principal, interest, fees, costs, and other charges to date. If it does so, the state's score would increase 10 points.

2. Require Authenticated Business Records for A Default (Benchmark 7)

Why: Creditors too often bring legally insufficient cases, relying on the likelihood that many defendants will not respond (or “default”) and that the merits of the creditors’ claims will never be assessed by a court. Requiring creditors to establish — before a default judgment may be entered — (a) proof of service, (b) validity of the debt using authenticated business records, and (c) itemized amounts sought, also using authenticated business records, promotes fairness, as these required elements deter lawsuits that lack merit and lower the number of unwarranted default judgments. Alaska, Maine, New York, Washington, D.C., Washington State, and Wisconsin all require creditors to prove these essential elements before a court may enter a default judgment. Wyoming, however, does not yet have these key requirements in place.

How: Wyoming should adopt a law or practice that requires plaintiffs in consumer debt cases to establish the following before a court may enter a default judgment: (a) proof of service; (b) validity of the debt through authenticated business records (e.g. contract, account statements, or other evidence of obligation); and (c) amount of the judgment through authenticated business records, itemizing damages, court fees, attorneys' fees, and interest. If it does so, the state's score would increase 10 points.

3. Update Garnishment and Attachment Exemptions (Benchmark 15) and Require Prior Notice of Garnishment (Benchmark 16)

Why: Without sufficient protections, garnishment and attachment orders to seize money or assets from a debtor to pay a creditor can leave people unhoused, unable to keep a car to drive to work, and stuck in cycles of poverty. Federal law exempts some funds from garnishment and some property from attachment, but debtors often do not learn what funds and property are exempt or how to assert exemptions. Further, the federal exemptions are out of date and inadequate to preserve even a very basic standard of living. Some states have increased garnishment and asset exemptions (Benchmark 15). For example, in consumer debt cases Texas has adopted garnishment exemptions that protect 100% of a person's wages, and attachment exemptions that protect a home (of any value) and personal property (including a car) up to a value of \$100,000 for a family or \$50,000 for an individual. Some states—including Indiana, Massachusetts, New Jersey, New Mexico, and Ohio—require that notice be sent to a debtor prior to actual garnishment that explains exemptions, how to challenge the garnishment or attachment, and how to assert the exemptions (Benchmark 16). Wyoming, however, has not yet increased its garnishment and attachment exemptions sufficiently. Wyoming also has not yet required that creditors send notice to the debtor of an impending garnishment or attachment before it begins.

How: Wyoming should update and expand on garnishment and attachment provisions so that they protects, at minimum: (a) Income of at least \$576.92 per week, the minimum to keep a family of four above the federal poverty level, as defined by the U.S. Federal Poverty Guidelines in 2023; (b) a home, regardless of value, or at least the median price of a home in the state; and (c) a car valued up to at least \$15,000. Further, it should require notice to a debtor before garnishment or attachment begins that explains (a) potential exemptions; (b) how to challenge the order; and (c) how to assert exemptions. If it does so, the state's score would increase 10 points.

What Would Happen if Wyoming were to Implement these Recommendations?

These three recommendations, if adopted by the state, would substantially increase Wyoming's score and ranking. For more on how Wyoming can do better, see the complete findings below and visit NCAJ's [Consumer Debt Litigation Index](https://ncaj.org/state-rankings/consumer-debt) at <https://ncaj.org/state-rankings/consumer-debt> or reach out to NCAJ at NCAJ@fordham.edu.

Complete Consumer Debt Litigation Index Findings for Wyoming

I. Issue Area: Help people know when they are being sued and where to find help.

1 - Government Notice of Lawsuits

Score: 0/5

Does the state respond to the problem of ineffective or fraudulent ("sewer") service in consumer debt lawsuits by: a. Public Official Service - requiring that a public official (e.g. the court or the sheriff) handle service? or, b. Court Supplemental Notice - requiring the court to send the defendant, by first class mail, supplemental notice of a new consumer debt lawsuit and deny default judgment if that notice is returned as undeliverable?

No

Wyoming does not meet this benchmark because it does not meet either sub-benchmark 1a or 1b. First, Wyoming does not meet sub-benchmark 1a because it does not require that a public official handle service, permitting service "[b]y any person who is at least 18 years old and not a party to the action." See Wyo. R. Civ. P. 4. Wyoming does not meet sub-benchmark 1b because it does not require that the court send supplemental notice of a new consumer debt lawsuit and deny default judgment if that notice is returned as undeliverable.

2 - Guidance on Finding Help

Score: 0/5

Does the state require that notice to the defendant in a consumer debt lawsuit include guidance on where to seek help, including free legal assistance?

No

Wyoming does not meet this benchmark because Wyoming does not require that notice in a consumer debt lawsuit provide guidance to defendants on where to find help. See Wyo. R. Civ. P. 4.

II. Issue Area: Make it easier to respond to a lawsuit.

3 - Simplified Answer**Score: 0/2**

Does the state provide a simple Answer process by making available an Answer form for use by unrepresented persons in consumer debt lawsuits?

No

Wyoming does not meet this benchmark because Wyoming does not provide an Answer form for use by consumer debt defendants.

4 - No Notarization Requirement to Answer**Score: 2/2**

Does the state make it easier to respond to consumer debt lawsuits by never requiring defendants to have an Answer notarized before filing?

Yes

Wyoming meets this benchmark because it does not require that a pleading be verified except when specifically required by rule or statute. See Wyo. R. Civ. P. 11. No such rule or statute applies to an Answer in a consumer debt litigation.

5 - No Fee to Answer**Score: 5/5**

Does the state permit the filing of an Answer in consumer debt lawsuits without charging a filing fee?

Yes

Wyoming meets the benchmark because the state does not charge a fee to file an answer. See Wyo. Stat. Ann. § 5-3-206 (West) (Setting forth filing fees for plaintiffs filing complaints but not for defendants filing answers in District Court); id. § 5-9-135 (Setting forth filing fees for plaintiffs filing complaints but not for defendants filing answers in Circuit Court).

III. Issue Area: Require the creditor to provide evidence of a valid debt claim.

6 - Pleading Requirement**Score: 0/10**

Does the state require consumer debt complaints to allege all of the following: a. Name of original creditor; b. Basis of plaintiff's standing (e.g. chain of ownership of debt); and c. Itemization of amount sought including debt principal, interest, fees, costs, and other charges to date?

No

Wyoming does not meet this benchmark because it does not require that consumer debt complaints allege (a) the name of the original creditor, (b) the basis of plaintiff's standing, or (c) itemization or the amount sought. See Wyo. Stat. Ann. § 33-11-101 et. seq. (West 2023). See also general pleading rule, which does not contain requirements sufficiently specific to meet the benchmark elements. Wyo. R. Civ. P. Rule 8(a)(2).

7 - Authenticated Records for Default**Score: 0/10**

Does the state require the following be established before a default judgment can be granted: a. Proof of Service b. Validity of debt through authenticated business records (e.g. contract, account statements, or other evidence of obligation); and c. Amount of judgment through authenticated business records, itemizing damages, court fees, attorneys' fees, and interest?

No

Wyoming does not meet this benchmark or any sub-benchmarks. Wyoming courts may grant default judgments pursuant to Wyoming Rule of Civil Procedure 55, and this rule does not impose any of the requirements in sub-benchmarks (a) to (c). There is also no Wyoming statute that separately imposes requirements regarding the entry of default judgments. Note, however, that although Wyoming does not require proof of service in its rules regarding default, it does require plaintiffs to submit proof of service to the court "promptly and within the time during which the person served must respond to the process." Wyo. R. Civ. P. 4(s)(1).

IV. Issue Area: Require consumer debt collection actions to be brought within a reasonable time of non-payment.

8 - Burden on Plaintiff to Allege Timeliness

Score: 0/2

Does the state place the pleading burden on the consumer debt plaintiff to allege in the Complaint the timeliness of each claim, including each of the following: a. applicable statute of limitations; b. date that claim accrued; and c. date that statute of limitations expires?

No

Wyoming does not meet this benchmark because the statutes and rules of Wyoming do not place the burden of pleading timeliness on the plaintiff and do not require that a debt collection complaint include (a) the applicable statute of limitations, (b) the date that the claim accrued or (c) the date that the statute of limitations expires. See Wyo. R. Civ. P. 8(a), (c).

9 - Four Year Statute of Limitations

Score: 0/5

Does the state require 4-year (or shorter) statute of limitations for the causes of action most commonly used to pursue consumer debt collection: breach of contract (written or oral), open account, account stated, unjust enrichment, conversion, bad check?

No

Wyoming does not meet this Benchmark because it does not impose a 4-year (or shorter) statute of limitations for all consumer debt claims. In particular, Wyoming has the following limitations periods: • breach of written contract: 4-year limitations period for sale of goods (WY Stat § 34.1-2-725 (2022)) or 10-year limitations period generally (WY Stat § 1-3-105(a) (2022)); • breach of oral contract: 4-year limitations period for sale of goods (WY Stat § 34.1-2-725 (2022)) or 8-year limitations period generally (WY Stat § 1-3-105(a) (2022)); • open account: 8-year limitations period (WY Stat § 1-3-105(a) (2022)); • account stated ("an action for any article charged on an account in a store"): 8-year limitations period (WY Stat § 1-3-105(a) (2022)); • unjust enrichment: 4-year limitations period (Platt v. Creighton, 2007 WY 18, 150 P.3d 1194, 1198 (2007)); • conversion: 3-year limitations period (WY Stat § 34.1-3-118(g) (2022)); and • passing a bad check: 3-year limitations period (WY Stat § 34.1-3-118(c) (2022)).

10 - Prohibit Revival of Time-Barred Claims**Score: 0/2**

Does the state prohibit revival of time-barred consumer debt claims, even where defendant makes subsequent payment toward a debt?

No

Wyoming does not meet this Benchmark because it makes any debt claim subject to revival even after the statute of limitations has run when a debtor acknowledges the debt, even if there is no promise to repay the debt. See *Longstaff v. Mills*, 773 P.2d 149, 152 (Wyo. 1989) (“No set phrase or particular form of language is required; anything that will indicate that the party making the acknowledgment admits that he is still liable on the claim, that he is still bound for its satisfaction, that he is still held for its liquidation and payment, is sufficient to revive the debt or claim; and there is no necessity that there should also be a promise to pay the same, either express or implied.”) (citing *Inv. & Sec. Co. v. Bunten*, 56 Wyo. 77, 103 P.2d 414, 418 (1940)).

V. Issue Area: Prohibit attorneys' fee shifting, and cap interest.**11 - Prohibit Attorneys' Fees Shifting****Score: 0/3**

Does the state prohibit attorneys' fee shifting in consumer debt lawsuits regardless of contractual provision or reciprocity in fee shifting?

No

Wyoming does not meet this benchmark because it permits fee shifting. Note: Wyoming also does not provide a reciprocal right for prevailing defendants. See Wyo. Stat. Ann. § 40-14-335 (West 2023).

12 - Interest Caps**Score: 0/3**

Does the state cap interest in consumer debt lawsuits (regardless of any contractual provision) as follows: a. Pre-judgment interest for debt buyers capped at an annual rate of 7% (or less); and b. Post-judgment interest for all creditors capped at 5% (or less) of the judgment?

No

Wyoming does not meet this benchmark because it does not satisfy the requirements of sub-benchmarks (a) or (b). Regarding prejudgment interest, Wyoming law states: "If there is no agreement or provision of law for a different rate, the interest of money shall be at the rate of seven percent (7%) per annum." Wyo. Stat. Ann. § 40-14-106(e). Therefore, Wyoming does not limit prejudgment interest for debt buyers at an annual rate of 7% or less. Regarding post-judgment interest, Wyo. Stat. Ann. § 1-16-102(a) states: "Except as provided in subsections (b) and (c) of this section, all decrees and judgments for the payment of money shall bear interest at ten percent (10%) per year from the date of rendition until paid." And Wyo. Stat. Ann. § 1-16-102(b) states: "If the decree or judgment is founded on a contract and all parties to the contract agreed to interest at a certain rate, the rate of interest on the decree or judgment shall correspond to the terms of the contract." Therefore, for post-judgment interest, Wyoming does not limit post-judgment interest for all creditors at 5% (or less) of the judgment.

VI. Issue Area: Reduce the likelihood that consumer debt collection actions leave people homeless, or perpetuate a cycle of debt.

13 - Require Court Order to Garnish or Attach**Score: 5/5**

Does the state in consumer debt lawsuits require a court order for garnishment and attachment?

Yes

Wyoming meets the benchmark because a court clerk must issue a writ of garnishment or an execution. Wy. Stat §§ 1-15-405; 1-15-502; 1-17-101. In small claims actions, garnishment follows the same process as the circuit court. WY Stat § 1-21-205 (2022).

14 - Bank Account Garnishment Exemptions Are Self Executing**Score: 2/2**

Does state law require in consumer debt lawsuits that garnishment exemptions for bank accounts are self-executing?

Yes

Wyoming meets this benchmark because it requires financial institutions to protect certain funds from garnishment. Specifically, Wy. Stat § 1-5-408 provides that: "[a] defendant's disposable earnings shall remain exempt to the extent provided in subsection (b) of this section if the earnings were deposited in the defendant's account with a financial institution within twenty (20) calendar days prior to service of a writ of garnishment against the defendant's account with the financial institution, on the day of service of the writ or within ten (10) business days after service of the writ."

15 - Essential Exemptions**Score: 0/5**

Does the state prevent people from becoming impoverished, unhoused, or unable to work by exempting income and assets from attachment and garnishment, as follows: a. Income of at least \$576.92 per week, the minimum to keep a family of four above the federal poverty level, as defined by the U.S. Federal Poverty Guidelines in 2023; b. Home, regardless of value, or at least the median price of a home in the state; and c. Car value, state exemption for, at least, the first \$15,000 in value?

No

Wyoming does not meet the benchmark because none of the sub-benchmarks are met. Wyoming law provides as follows: (a) Income: Wyoming does not meet sub-benchmark (a) because it exempts the greater of 75% of a person's weekly disposable earnings or 30 times the federal minimum hourly wage in effect when the person is paid, whichever is more. Wyo. Stat. Ann. § 1-15-408(b). Thirty times the federal minimum wage (\$7.25 per hour in 2023) is only \$217.50. State Minimum Wage Laws, U.S. Dep't of Labor (Sept. 30, 2023), <https://www.dol.gov/agencies/whd/minimum-wage/state>. (b) Home: Wyoming does not meet sub-benchmark (b) because a home is exempt only up to a value of \$100,000. Wyo. Stat. Ann. § 1-20-101. (c) Car: Wyoming does not meet sub-benchmark (c) because a car is exempt only up to a total value of \$5,000. Wyo. Stat. Ann. § 1-20-106(a)(iv). For more information on garnishment exemptions see Michael Best and Carolyn Carter, No Fresh Start 2023, National Consumer Law Center (Dec. 2023), https://www.nclc.org/wp-content/uploads/2023/12/2023_Report_No-Fresh-Start-3.pdf.

16 - Require Prior Notice of Garnishment**Score: 0/5**

Does the state require notice to debtor prior to actual garnishment that explains all of the following: a. potential exemptions? b. how to challenge the order? and c. how to assert exemptions?

No

Wyoming does not meet this benchmark because the state does not require that notice be delivered to the judgment debtor prior to garnishment. Instead, notice to the judgment debtor is required to be served on the judgment debtor not later than five (5) days after service on the garnishee or, in the case of a writ of continuing garnishment of wages, the garnishee must provide notice of garnishment at the time the judgment debtor receives earnings affected by the garnishment. See Wyo. Stat. Ann. § 1-15-409(b), 1-15-506(a) (West 2023). Additionally, even if notice was required prior to garnishment, the state would not meet the sub-benchmarks because the notice to the judgment debtor does not (a) list available exemptions, (b) specify the manner in which to contest an order, or (c) specify the manner in which to assert exemptions. *Id.* at § 1-14-406. Note: If the garnishment is a continuing garnishment with respect to wages, the writ must contain notice of a right to a hearing and a right to object to the calculation of exempt and nonexempt earnings. See *id.* at § 1-15-505(b).

VII. Issue Area: Eliminate debtors' prison.

17 - Prohibit Incarceration for Failure to Obey a Court Order to Pay Consumer Debt

Score: 0/5

Does the state prohibit incarceration for contempt for failure to obey a court order to pay all or part of a consumer debt judgment?

No

Wyoming does not meet the benchmark because it does not prohibit incarceration for failure to obey a court order to pay all or part of a debt judgment. The state constitution does expressly prohibit incarceration for failure to pay consumer debt (except in cases of fraud). Wyo. Const. Article 1, § 5. There is, however, nothing in the law or the caselaw that would ensure that this protection extends to contempt for failure to obey a court order to pay. There is very little case law on this in Wyoming.

18 - Prohibit Incarceration for Failure to Obey a Court Order to Appear at a Debtor's Examination, Unless Nonappearance Was Willful

Score: 0/5

Does the state prohibit arrest and/or incarceration for contempt for failure to appear at a debtor's examination (i.e. a judgment enforcement proceeding), unless the person's failure to appear was willful?

No

Wyoming does not meet this benchmark because a person's failure to appear at a debtor's examination need not be willful to constitute contempt. A judgment creditor may obtain discovery from a judgment debtor at any time, including through depositions (a debtor's examination). Wyo. R. Civ. P. 69. If a judgment debtor fails to perform a "specific act" to satisfy a judgment, the court may hold the person in contempt. Wyo. R. Civ. P. 70. The law defines contempt as "resistance or disobedience to any lawful order or process made or issued by the judge." Wyo. Stat. Ann. § 1-21-901 (West 2023).

19 - Provide Right to Counsel

Score: 0/5

Does the state provide a lawyer without charge in any contempt or other proceeding in which incarceration is a potential outcome in a consumer debt lawsuit?

No

Wyoming does not meet this benchmark because it does not provide a right to counsel in contempt cases in which incarceration is possible. See Wyo. Stat. Ann. § 7-6-104(a) (West 2023); Wyo. R. Civ. P. Rule 70(e).

VIII. Issue Area: Prevent government from undue intervention on behalf of creditor.

20 - Prohibit Collaboration Between Creditors and Prosecutors

Score: 0/2

Does the state prohibit relationships (including financial relationships) in which prosecutors lend the authority of their offices to facilitate the activities of debt collectors (e.g. payments by creditors to prosecutors who threaten or bring criminal prosecutions in bad check cases)?

No

Wyoming does not meet the benchmark because there is no statutory or judicial prohibition on relationships or financial arrangements between prosecutors and debt collectors. See Wyo. Stat. § 6-3-704.

21 - Prohibit Paying Bail/Bond to Creditor

Score: 0/2

Does the state prohibit use of bail to pay the creditor in all contempt proceedings, or in other proceedings in a consumer debt lawsuit in which incarceration is a possible outcome?

No

Wyoming does not meet the benchmark because its laws do not expressly prohibit the use of bail or bond to pay a creditor. See Wyo. R. Civ. P. 69.

22 - Limit Frequency of Examinations

Score: 0/5

Does the state in consumer debt litigation schedule or otherwise limit financial examinations to no more than once per year?

No

Wyoming does not meet this benchmark because the law provides that "at any time after entry of judgment, the judgment creditor may obtain discovery by interrogatories, depositions or otherwise, from any person, including the judgment debtor." Wyo. Stat. Ann. § 1-17-402 (West 2023). Although Wyo. R. Civ. P. Rule 31(a)(2)(ii) requires leave of court before a deponent (including a judgment creditor) can be disposed more than once, the rules do not contain a good cause requirement or any other limitation on when recurrent examinations may be ordered.

IX. Issue Area: Collect data to improve the system.

23 - Data Collection: Number of Lawsuits

Score: 0/3

Do state courts at least annually collect and publish statewide data on number of consumer debt lawsuits?

No

Wyoming does not meet this benchmark because it does not collect and publish specific data on consumer debt lawsuits. Wyoming courts do publish annual reports, which include general information by court level, but they do not provide specific statistics on the number and disposition of debt lawsuits. See Wyo. Jud. Branch, District Court Annual Statistical Report (2023), https://www.courts.state.wy.us/wp-content/uploads/2023/11/District_AnnualStatisticalReport_FY23.pdf; Wyo. Jud. Branch, Circuit Court Annual

Statistical Report (2023), https://www.courts.state.wy.us/wp-content/uploads/2023/11/Circuit_AnnualStatisticalReport_FY23.pdf.

24 - Data Collection: Disposition of Lawsuits

Score: 0/2

Do state courts at least annually collect and publish statewide data on types of dispositions of consumer debt lawsuits? **No**

Wyoming does not meet this benchmark because it does not collect and publish specific data on consumer debt lawsuits. Wyoming courts do publish annual reports, which include general information by court level, but they do not provide specific statistics on the number and disposition of debt lawsuits. See Wyo. Jud. Branch, District Court Annual Statistical Report (2023), https://www.courts.state.wy.us/wp-content/uploads/2023/11/District_AnnualStatisticalReport_FY23.pdf; Wyo. Jud. Branch, Circuit Court Annual Statistical Report (2023), https://www.courts.state.wy.us/wp-content/uploads/2023/11/Circuit_AnnualStatisticalReport_FY23.pdf.

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