



CCPA-31

October 1, 1970

This is in reply to your letter of September 21, 1970, concerning the restriction on discharge from employment provisions of Title III of the Consumer Credit Protection Act.

The Law limits the amount of an employee's earnings which may be garnished in any one week and prohibits an employer from discharging any employee because his earnings have been subjected to garnishment for any one indebtedness. We consider the words "one indebtedness" as meaning a single debt, regardless of the number of levies made or the number of proceedings brought for its collection. Thus, we recognize the distinction between a single debt and the garnishment proceedings brought to collect it. After a garnishment proceeding has been made effective as to one debt, the Law does not prohibit discharge when another garnishment proceeding is made effective pursuant to a second debt.

A garnishment order is considered effective for this purpose when the employer becomes legally bound under State law to make deductions from the employee's earnings. Thus, the answer to your questions depends upon whether, and when, a "notice of garnishment" binds the employer to made deductions of earnings to satisfy a debt. If and when the second "notice of garnishment" binds the employer to made deductions, discharge would be permitted. If the "notice of garnishment" (whether it is the second or fifth such notice) is not for a second debt, discharge would not be permissible.

If you have any additional questions concerning this Law, you may find it more convenient to get in touch with our Area Office, 3064 Federal Building, 300 North Los Angeles Street, Los Angeles, California 90012 (Telephone: 213-688-4957). That office will be pleased to offer every possible assistance.

Sincerely,

Joseph P. McAuliffe
Director, Division of Minimum
Wage and Hour Standards