



CCPA-36

October 21, 1970

This is in further reference to your letter of July 13, 1970, concerning Title III of the Consumer Credit Protection Act.

You ask whether an individual whose wages have been garnished may sign a waiver of his rights under the Act. The limitations upon garnishment in section 303 are stated as restrictions rather than exemptions. The restrictions run to the jurisdiction of the Federal and State courts. Subsection (c) deprives the courts of the power to make, execute, or enforce orders or processes in violation of the section. This is readily distinguishable from situations under some State laws where limitations on garnishment of wages are framed as exemptions which must be raised affirmatively and may be waived. Moreover, concerning both sections 303 and 304, it should be observed that whether the effect of any specific statute can be avoided by agreement depends upon whether the statute is one enacted for the protection of the public generally or whether it is designed solely for the protection of individual rights. Since Title III of the Consumer Credit Protection Act was enacted for the public good and the duties established thereby may be enforced by the Secretary of Labor as a matter of public right, the protection of employees may not be waived by them.

You also ask whether court costs which are charged to the employee in garnishment proceedings are subject to the Law's restrictions. When under State law the defendant debtor may under certain circumstances be liable for the costs, including attorney's fees, of the garnishee and the court so provides in its order, such costs would be subject to the restrictions of section 303(a) of the Consumer Credit Protection Act in any execution of the order, because there would be a "garnishment" within the meaning of section 302(c) with respect thereto.

Sincerely,

Robert D. Moran  
Administrator