



CCPA-73

December 20, 1979

This is in reply to your letter, addressed to Secretary of Labor Ray Marshall, asking if Title III of the Consumer Credit Protection Act (also known as the Federal Wage Garnishment Law), supersedes any conflicting State garnishment law. We regret any inconvenience resulting from a delayed response but your letter was only recently received by this office for reply.

As explained in the enclosed WH Publication 1324, the Act, in addition to prohibiting the discharge of an employee for any one indebtedness, establishes weekly restrictions on the amount of an employee's disposable pay (i.e., that part of an employee's earnings remaining after the deduction from those earnings of any amount required by law to be withheld), which may be garnished.

As explained on pages 8 and 9 of the bulletin, in the absence of a determination that the State's garnishment law is "substantially similar" to the Federal law, any section or provision of the State law that establishes a higher restrictive standard (a smaller amount that may be deducted) would be applicable. Thus, the Federal law only preempts State law provisions which are less strict than the Federal law.

The Federal law prohibits an employer from discharging any employee because his earnings have been subject to garnishment for any one indebtedness. The term "one indebtedness" refers to a single debt, regardless of the number of levies made or the number of proceedings brought for its collection. A distinction is thus made between a single debt and the garnishment proceedings brought to collect it. The protection against discharge is renewed with each employment, since the new employer has not been a garnishee with respect to that employee.

If you should have any further questions on this matter, you may wish to contact our Area Office located at Federal Office Building, Room 2900, 911 Walnut Street, Kansas City, Missouri 64106, telephone: (816) 374-5721. The staff of that office will be pleased to assist you in any way possible.

Sincerely,

Brooks N. Sipes,
Acting Director Division of Minimum Wage and Hour Standards