

1 Section 1. Section 642.21, subsection 1, Code 1981, is
2 amended to read as follows:

3 1. The disposable earnings of an individual ~~shall be~~ are
4 exempt from garnishment to the extent provided by the federal
5 Consumer Credit Protection Act, Title III, 15 U.S.C. secs.
6 1671-1677 (1976). ~~The term "Consumer Protection Act" means~~
7 ~~the Act of Congress approved May 29, 1968, 82 Stat. 163,~~
8 ~~officially cited as the "Consumer Credit Protection Act, Title~~
9 ~~III."~~ The maximum amount of an employee's earnings which
10 may be garnished during any one calendar year is ~~two hundred~~
11 fifty one thousand dollars for each judgment creditor, except
12 as provided in section 627.12.

13 EXPLANATION

14 The general garnishment statute is amended to increase
15 the maximum amount of earnings which may be garnished in one
16 year from \$250 to \$1000. The Iowa law prior to 1971 (Section
17 627.10, Code 1971) limited garnishment to \$150. In 1971,
18 section 627.10 was repealed and section 642.21 enacted,
19 primarily to conform Iowa law to the requirements of the
20 Federal Consumer Credit Protection Act passed in 1968.
21 However, the federal Act does not contain the \$250 maximum,
22 so it apparently will not create conflict to increase the
23 maximum. The federal law restricts garnishment of earnings
24 to 25% of weekly earnings or the earnings in excess of thirty
25 times the minimum hourly wage, whichever is less, with
26 exceptions for court-ordered support payments, bankruptcy,
27 and state or federal taxes. The bill takes effect July 1
28 following its enactment.

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SENATE CLIP SHEET

FEBRUARY 16, 1981

SENATE FILE 1

S-3065

1 Amend Senate File 1 as follows:

2 1. Page 1, by striking lines 3 through 12 and
3 inserting in lieu thereof the following:
4 "1. The disposable earnings of an individual
5 shall be are exempt from garnishment to the extent
6 provided by the federal Consumer Credit Protection
7 Act, Title III, 15 U.S.C. secs. 1671-1677 (1976).
8 ~~The term "Consumer Protection Act" means the Act of~~
9 ~~Congress approved May 29, 1968, 82 Stat. 1637~~
10 ~~officially cited as the "Consumer Credit Protection~~
11 ~~Act, Title III."~~ ~~The maximum amount of an employee's~~
12 ~~earnings which may be garnished during any one~~
13 ~~calendar year is two hundred fifty dollars for each~~
14 ~~judgment creditor. An employee's earnings shall not~~
15 be garnished, except as provided in section 627.12."

S-3065 FILED & LOST (p. 452) BY WILLIAM D. PALMER
FEBRUARY 13, 1981

SENATE FILE 1

S-3066

1 Amend Senate File 1 as follows:

2 1. Page 1, by inserting after line 12 the
3 following:
4 "Sec. 2. Section 642.21, Code 1981, is amended
5 by adding the following new subsection:
6 NEW SUBSECTION. An employer may retain the
7 lesser of twenty-five dollars or ten percent of the
8 amount an employee's creditor subjects to garnishment.
9 The creditor shall credit the debtor with the entire
10 amount subjected to garnishment without deducting an
11 amount retained by an employer under this subsection."

S-3066 FILED BY WILLIAM D. PALMER
FEBRUARY 13, 1981

*Adopted 2/13/81 (p. 452)
William D. Palmer (p. 452)*

SENATE FILE 1

S-3067

1 Amend Senate File 1 as follows:

2 1. Page 1, line 11, by striking the words "one
3 thousand" and inserting in lieu thereof the words
4 "seven hundred fifty".

S-3067 FILED BY RICHARD L. COMITO
FEBRUARY 13, 1981 TED ANDERSON
Adopted 2/13/81 (p. 452) SUE YENGER

SENATE FILE 1

S-3057

1 Amend Senate File 1 as follows:
2 1. Page 1, line 11, by striking the words "one
3 thousand" and inserting in lieu thereof the words
4 "five hundred".

S-3057 FILED

BY TED ANDERSON

FEBRUARY 9, 1981

W/d 2/13 (p. 432)

SENATE FILE 1

S-3059

1 Amend Senate File 1 as follows:
2 1. Page 1, by inserting after line 12 the
3 following new section:
4 "Section 2. Section 642.21, subsection 2,
5 paragraph c, Code 1981, is amended to read as follows:
6 c. Discharge an individual by reason of his
7 earnings having been subject to garnishment for
8 indebtedness. A violation of this paragraph constitutes
9 a serious misdemeanor. This penalty shall in no way
10 limit the right of an individual to bring judicial
11 action.".

S-3059 FILED

BY TED ANDERSON

FEBRUARY 9, 1981

W/d 2/13 (p. 432)

SENATE CLIP SHEET

FEBRUARY 17, 1981

SENATE FILE 1

S-3068

1 Amend Senate File 1 as follows:
2 1. Page 1, by inserting after line 12 the
3 following:
4 "Sec. ____ . Section 642.21, subsection 2, paragraph
5 a, Code 1981, is amended to read as follows:
6 a. Withhold from the earnings of an individual
7 an amount greater than that provided by law. However,
8 an employer is not required to withhold garnished
9 wages until the creditor provides the employer with
10 written notice of the provisions of this section,
11 section 537.5105, subsection 5 of section 537.5201,
12 and the limitations on garnishment in the federal
13 Consumer Credit Protection Act, Title III, 15 U.S.C.
14 sec. 1671-1677(1976)."

S-3068 FILED & ADOPTED

BY WILLIAM D. PALMER

FEBRUARY 16, 1981 (p. 449)

SENATE FILE 1

S-3069

1 Amend Senate File 1 as follows:
2 1. Page 1, by inserting after line 12 the
3 following:
4 "Sec. ____ . Section 642.21, Code 1981, is amended
5 by adding the following new subsection following
6 subsection 2 and renumbering the remaining subsection:
7 NEW SUBSECTION. If an employer discharges an
8 individual in violation of subsection 2, paragraph c,
9 the individual may within two years bring a civil
10 action for recovery of the wages lost as a result of
11 the discharge plus a penalty not to exceed the
12 amount of lost wages awarded, or for an order requiring
13 the reinstatement of the individual, or both. A judgment
14 awarded to a discharged individual under this
15 subsection shall include an additional award of the
16 costs of the action.
17 Sec. ____ . Section 537.5201, subsection 5, Code
18 1981, is amended to read as follows:
19 5. If an employer discharges an employee in
20 violation of the provisions prohibiting discharge in
21 section 642.21, subsection 2, paragraph "c", the
22 employee may within two years bring a civil action
23 for recovery of wages lost as a result of the violation
24 and plus a penalty not to exceed the amount of lost
25 wages awarded, or for an order requiring the
26 reinstatement of the employee or both. Damages
27 recoverable shall not exceed lost wages for six weeks.
28 A judgment awarded to a discharged employee under
29 this subsection shall include an additional award of
30 costs of the action."

S-3069 FILED & LOST (p. 470)
FEBRUARY 16, 1981

BY TED ANDERSON
LUCAS DeKOSTER