

875—217.39(91D) Payments to third persons pursuant to court order.

217.39(1) Where an employer is legally obliged, as by order of a court of competent and appropriate jurisdiction, to pay a sum for the benefit or credit of the employee to a creditor of the employee, trustee, or other third party, under garnishment, wage attachment, trustee process, or bankruptcy proceeding, deduction from wages of the actual sum so paid is not prohibited: provided that neither the employer nor any person acting in the employer's behalf or interest derives any profit or benefit from the transaction. In those cases, payment to the third person for the benefit and credit of the employee will be considered equivalent, for the purposes of this chapter, to payment to the employee.

217.39(2) The amount of any individual's earnings withheld by means of any legal or equitable procedure for the payment of any debt may not exceed the restriction imposed by state or federal garnishment laws; Iowa Code section 642.21 or the federal Consumer Protection Act, Title III, 15 U.S.C. Sections 1671-1677.

SOURCE: 29 CFR 531.39.

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