

FILED MAR 2 1984

SENATE FILE 2268

BY COMMITTEE ON JUDICIARY  
*Approved 3/2 (p. 640)*

*Substituted for H.F. 2429 3/23*

Passed Senate, Date 3-8-84 (p. 747)

Passed House, Date 3-27-84 (p. 1309)

Vote: Ayes 42 Nays 5

Vote: Ayes 98 Nays 0

*Repassed Senate 4-10-84 Approved May 9 1984*

*31-15 (p. 1430)*

*2 Motion to reconsider (p. 1370) w/2 4/5*

*Repassed Senate 4-19-84 (p. 1664)*

*47-0*

## A BILL FOR

- 1 An Act providing for the mandatory assignment of a person's
- 2 income when the person is delinquent in paying court-ordered
- 3 support and providing a penalty.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

S-5294

SENATE FILE 2268

- 1 Amend Senate File 2268 as follows:
- 2 1. Page 1, line 21, by striking the word "shall"
- 3 and inserting in lieu thereof the word "may".

S-5294 FILED

MARCH 7, 1984

*Adopted 3/8 (p. 747)*

BY TOM MANN, JR.

12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1 Section 1. NEW SECTION. 252C.1 DELINQUENT SUPPORT  
2 PAYMENTS--ASSIGNMENT OF INCOME.

3 1. All orders of support shall direct the payment of the  
4 support to the clerk of the district court pursuant to section  
5 598.22.

6 2. If support payments ordered under section 598.21 or  
7 675.25 are not paid to the clerk of the district court pursuant  
8 to section 598.22 and become delinquent in an amount equal  
9 to the payment for one month, the clerk or the child support  
10 recovery unit established under section 252B.2 may certify  
11 a default to the court. The court shall order the defaulting  
12 person to assign to the clerk that portion of the person's  
13 periodic earnings, trust income, or other income sufficient  
14 to pay the support obligation. The assignment of income is  
15 binding on an existing or future employer, trustee, or other  
16 payor ten days after the receipt of the order by certified  
17 mail. The amount of an assignment of income shall not exceed  
18 the amount specified in 15 U.S.C. sec. 1673b. The assignment  
19 of income has priority over a garnishment or an assignment  
20 for a purpose other than the support of the dependents in  
527/21 the court order being enforced. The court shall modify or  
22 revoke the order upon the request of the child support recovery  
23 unit and may modify or revoke the order at any other time.

24 3. A person entitled by court order to receive support  
25 payments or a person responsible for enforcing such a court  
26 order may petition the court for an assignment of income.  
27 If the petition is verified and establishes that support  
28 payments are delinquent in an amount equal to the payment  
29 for one month and if the court determines, after providing  
30 an opportunity for a hearing, that notice of the mandatory  
31 assignment of income as provided in section 252C.3 has been  
32 given, the court shall declare a default and order an  
33 assignment of income under subsection 2.

34 Sec. 2. NEW SECTION. 252C.2 MOTION TO QUASH.

35 1. A petitioner under section 252C.1, subsection 3 may

1 move to quash the order of assignment at any time by asserting  
2 that the delinquency did not occur or has been paid. A person  
3 whose income has been assigned under section 252C.1 may move  
4 to quash the order of assignment by filing the motion to quash  
5 and notice of the motion to quash with the court within ten  
6 days after the employer, trustee, or other payor delivers  
7 a copy of the order of assignment to the person under section  
8 252C.4, subsection 1. The clerk of the district court shall  
9 schedule a hearing on the motion to quash for a time not later  
10 than seven days after the filing of the motion to quash and  
11 the notice of the motion to quash. The clerk shall mail to  
12 the parties copies of the motion to quash, the notice of the  
13 motion to quash, and the order scheduling the hearing.

14 2. The payor shall withhold and transmit the amount  
15 specified in the order of assignment to the clerk of the  
16 district court until the notice that the motion to quash has  
17 been granted is received.

18 Sec. 3. NEW SECTION. 252C.3 NOTICE OF ASSIGNMENT. All  
19 court orders for support entered on or after the effective  
20 date of this Act shall notify the person ordered to pay support  
21 of the mandatory assignment of income required under section  
22 252C.1 upon the person's default. However, for court orders  
23 for support entered before the effective date of this Act,  
24 the clerk of the district court, the child support recovery  
25 unit, or the person entitled by the court order to receive  
26 the support payments, shall notify each person ordered to  
27 pay support under such orders of the mandatory assignment  
28 of income required under section 252C.1 upon the person's  
29 default. The notice shall be sent by certified mail to the  
30 person's last known address or the person shall be personally  
31 served with the notice in the manner provided for service  
32 of an original notice at least fifteen days prior to the  
33 filing of a petition under section 252C.1, subsection 3 or  
34 the entering of a default under section 252C.1, subsection  
35 2 or 3. A person ordered to pay support may waive the right

1 to receive the notice at any time.

2 Sec. 4. NEW SECTION. 252C.4 DUTIES OF PAYOR.

3 1. The employer, trustee, or other payor who receives  
4 an order of assignment by certified mail pursuant to section  
5 252C.1, subsection 2 shall deliver, on the next working day,  
6 a copy of the order to the person named in the order. The  
7 payor may deduct not more than one dollar from each payment  
8 as a reimbursement for the payor's costs relating to the  
9 assignment. The payor's compliance with the order of  
10 assignment satisfies the payor's obligation to the person  
11 for the amount of income withheld and transmitted to the clerk  
12 of the district court.

13 2. An employer who willfully discharges an employee or  
14 refuses to hire a person because of the entry of an order  
15 of assignment under this chapter is guilty of a simple  
16 misdemeanor.

17 Sec. 5. NEW SECTION. 252C.5 OTHER REMEDIES. The remedies  
18 provided in this chapter do not exclude the use of other civil  
19 or criminal remedies in enforcing child support obligations.

20 Sec. 6. This Act applies to all support obligations which  
21 are or become delinquent on or after the effective date of  
22 this Act.

23 EXPLANATION

24 This bill requires the court to order an assignment of  
25 a person's periodic earnings, trust income, or other income  
26 to enforce the person's court-ordered support obligation if  
27 the person is in default due to a delinquency in paying support  
28 by at least the amount due for one month. Either the clerk  
29 of the district court or the child support recovery unit may  
30 certify a default. A person entitled to receive support or  
31 a person enforcing a court order may petition for an assignment  
32 upon showing that the delinquent person is in default. An  
33 assignment of income is binding on an employer, trustee, or  
34 other payor ten days after receipt of the order of assignment.  
35 The amount of the assignment is limited by federal law.

1 A petitioner or a person whose income has been assigned  
2 may move to quash an order of assignment at a hearing after  
3 notice to all parties.

4 An employer, trustee, or other payor may deduct up to one  
5 dollar for each payment made pursuant to the assignment.

6 An employer who willfully discharges an employee or refuses  
7 to hire a person because of an assignment of income is guilty  
8 of a simple misdemeanor.

9 The bill establishes a new Code chapter and takes effect  
10 July 1 following enactment and applies to all delinquent  
11 support obligations on or after that date. All support orders  
12 entered after that date are required to notify persons of  
13 the mandatory assignment of income required upon the person's  
14 default. For support orders entered before that date the  
15 notice of mandatory assignment must precede the filing of  
16 a petition for assignment or the entering of a default by  
17 fifteen days.

18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

SENATE FILE 2268

H-5858

1 Amend Senate File 2268 as passed by the Senate  
2 as follows:

3 1. Page 3, by inserting after line 19 the  
4 following:

5 "Sec. 6. NEW SECTION. 252C.6 COURT CERTIFICATION.  
6 Upon application, the court may certify unpaid alimony  
5859 7 payments for the support of a spouse and direct  
8 execution, levy, and garnishment as authorized by  
9 law."

10 2. Page 3, line 20, by striking the words and  
11 figure "Sec. 6. This" and inserting in lieu thereof  
12 the words and figures "Sec. 7. Sections 1 through  
13 6 of this".

14 3. Page 3, by inserting after line 22 the  
15 following:

16 "Sec. 8. NEW SECTION. 630.3A HEARING TO DETERMINE  
17 JUDGMENT DEBTOR'S INCOME. At any time after the  
18 rendition of judgment the court, upon application  
19 of the judgment creditor or the judgment debtor and  
20 upon notice to the adverse party as the court shall  
21 direct, shall conduct a hearing to determine the  
22 reasonably expected annual earnings of the judgment  
23 debtor for the current calendar year and the applicable  
24 limitation upon garnishment as provided in section  
25 642.21. The court shall also consider in the interest  
26 of justice whether a greater amount than provided  
27 in section 642.21 shall be exempt from garnishment.  
28 In making the determination the court shall consider  
29 the age, number and circumstances of the dependents  
30 of the debtor, existing federal poverty level  
31 guidelines, the debtor's maintenance and support  
32 needs, the debtor's other financial obligations and  
33 any other relevant information. An order reducing  
34 the garnishment may be modified or vacated upon the  
35 application of a party to the court, notice to the  
36 adverse party, and a showing at a hearing of changed  
37 circumstances. An additional filing fee shall not  
38 be assessed for proceedings under this section.

39 Sec. 9. Section 642.5, Code 1983, is amended by  
40 adding the following new subsection:

41 NEW SUBSECTION. 4. Do you compensate the defendant  
42 in this suit for any personal services whether  
43 denominated as wages, salary, commission, bonus or  
44 otherwise, including periodic payments pursuant to  
45 a pension or retirement program? If so, state the  
46 amount of the compensation reasonably anticipated  
47 to be paid defendant during the calendar year.

48 Sec. 10. Section 642.14, Code 1983, is amended  
49 by adding the following new unnumbered paragraph:

50 NEW UNNUMBERED PARAGRAPH. The notice required

H-5858

Page Two

1 by this section shall contain the full text of section  
2 630.3A.

3 Sec. 11. Section 642.21, subsection 1, Code 1983,  
4 is amended to read as follows:

5 1. The disposable earnings of an individual shall  
6 be are exempt from garnishment to the extent provided  
7 by the federal Consumer Credit Protection Act, Title  
8 III, 15 U.S.C. secs. 1671-1677. ~~The term "Consumer~~  
9 ~~Protection Act" means the Act of Congress approved~~  
10 ~~May 29, 1968, 82 Stat. 163, officially cited as the~~  
11 ~~"Consumer Credit Protection Act, Title III."~~ The  
12 maximum amount of an employee's earnings which may  
13 be garnished during any one calendar year is two  
14 hundred fifty dollars for each judgment creditor,  
15 except as provided in section 627.12 or when those  
16 earnings are reasonably expected to be in excess of  
17 twelve thousand dollars for that calendar year as  
18 determined from the answers taken by the sheriff or  
19 by the court pursuant to section 642.5, subsection  
20 4. When the employee's earnings are reasonably  
21 expected to be more than twelve thousand dollars the  
22 maximum amount of those earnings which may be garnished  
23 during a calendar year for each creditor is as follows:

24 a. Employees with expected earnings of twelve  
25 thousand dollars or more, but less than sixteen  
26 thousand dollars, not more than four hundred dollars  
27 may be garnished.

28 b. Employees with expected earnings of sixteen  
29 thousand dollars or more, but less than twenty-four  
30 thousand dollars, not more than eight hundred dollars  
31 may be garnished.

32 c. Employees with expected earnings of twenty-  
33 four thousand dollars or more, but less than thirty-  
34 five thousand dollars, not more than one thousand  
35 five hundred dollars may be garnished.

36 d. Employees with expected earnings of thirty-  
37 five thousand dollars or more, but less than fifty  
38 thousand dollars, not more than two thousand dollars  
39 may be garnished.

40 e. Employees with expected earnings of fifty  
41 thousand dollars or more, not more than ten percent  
42 of an employee's expected earnings.

43 Sec. 12. NEW SECTION. 642.22 VALIDITY OF  
44 GARNISHMENT NOTICE. A notice of garnishment served  
45 upon a garnishee is effective without serving another  
46 notice until the earliest of the following:

47 1. The annual maximum permitted to be garnished  
48 under section 642.21 has been withheld.

49 2. The writ of execution expires.

50 3. The judgment is satisfied.

H-5858

Page Three

1 4. The garnishee is served with a notice that  
2 the garnishment shall cease."

3 4. Title page, line 1, by inserting after the  
4 word "Act" the words "relating to collection of court  
5 ordered payments by".

6 5. Title page, line 3, by inserting after the  
7 word "penalty" the words ", and providing for the  
8 collection of unpaid alimony, and providing for limits  
9 to garnishment, and providing for the validity of  
10 garnishment notices."

H-5858 FILED MARCH 26, 1984 BY CHAPMAN of Linn

*Adopted as amended by 5859  
3/27 (p. 1309)*

SENATE FILE 2268

H-5817

1 Amend Senate File 2268 as follows:

2 1. Page 1, line 9, by striking the words "one  
3 month" and inserting in lieu thereof the words "three  
4 months".

5 2. Page 1, line 29, by striking the words "one  
6 month" and inserting in lieu thereof the words "three  
7 months".

BY CONNORS of Polk

H-5817 FILED MARCH 23, 1984 KREWSON of Polk

*Done 3/27 (p. 1306)*

SENATE FILE 2268

H-5859

1 Amend amendment H-5858 to Senate File 2268 as  
2 passed by the Senate as follows:

3 1. Page 1, line 7, by inserting after the word  
4 "spouse" the words "or former spouse".

H-5859 FILED MARCH 27, 1984 BY CHAPMAN of Linn

ADOPTED (p. 1209)

SENATE FILE 2268

H-5998

1 Amend Senate File 2268 as follows:

2 1. Page 1, line 9, by striking the words "one month"  
3 and inserting in lieu thereof the words "one and one-  
4 half months".

5 2. Page 1, line 29, by striking the words "one  
6 month" and inserting in lieu thereof the words "one and  
7 one-half months".

BY CONNORS of Polk

KREWSON of Polk

H-5998 FILED MARCH 29, 1984 CHAPMAN of Linn

HOUSE AMENDMENT TO SENATE FILE 2268

S-5777

1 Amend Senate File 2268 as passed by the Senate  
2 as follows:

3 1. Page 3, by inserting after line 19 the  
4 following:

5 "Sec. 6. NEW SECTION. 252C.6 COURT CERTIFICATION.  
6 Upon application, the court may certify unpaid alimony  
7 payments for the support of a spouse or former spouse  
8 and direct execution, levy, and garnishment as  
9 authorized by law."

10 2. Page 3, line 20, by striking the words and  
11 figure "Sec. 6. This" and inserting in lieu thereof  
12 the words and figures "Sec. 7. Sections 1 through  
13 6 of this".

14 3. Page 3, by inserting after line 22 the  
15 following:

16 "Sec. 8. NEW SECTION. 630.3A HEARING TO DETERMINE  
17 JUDGMENT DEBTOR'S INCOME. At any time after the  
18 rendition of judgment the court, upon application  
19 of the judgment creditor or the judgment debtor and  
20 upon notice to the adverse party as the court shall  
21 direct, shall conduct a hearing to determine the  
22 reasonably expected annual earnings of the judgment  
23 debtor for the current calendar year and the applicable  
24 limitation upon garnishment as provided in section  
25 642.21. The court shall also consider in the interest  
26 of justice whether a greater amount than provided  
27 in section 642.21 shall be exempt from garnishment.  
28 In making the determination the court shall consider  
29 the age, number and circumstances of the dependents  
30 of the debtor, existing federal poverty level  
31 guidelines, the debtor's maintenance and support  
32 needs, the debtor's other financial obligations and  
33 any other relevant information. An order reducing  
34 the garnishment may be modified or vacated upon the  
35 application of a party to the court, notice to the  
36 adverse party, and a showing at a hearing of changed  
37 circumstances. An additional filing fee shall not  
38 be assessed for proceedings under this section.

39 Sec. 9. Section 642.5, Code 1983, is amended by  
40 adding the following new subsection:

41 NEW SUBSECTION. 4. Do you compensate the defendant  
42 in this suit for any personal services whether  
43 denominated as wages, salary, commission, bonus or  
44 otherwise, including periodic payments pursuant to  
45 a pension or retirement program? If so, state the  
46 amount of the compensation reasonably anticipated  
47 to be paid defendant during the calendar year.

48 Sec. 10. Section 642.14, Code 1983, is amended  
49 by adding the following new unnumbered paragraph:

50 NEW UNNUMBERED PARAGRAPH. The notice required

APRIL 6, 1984

S-5777 - PAGE 2

1 by this section shall contain the full text of section  
2 630.3A.

3 Sec. 11. Section 642.21, subsection 1, Code 1983,  
4 is amended to read as follows:

5 1. The disposable earnings of an individual shall  
6 be exempt from garnishment to the extent provided  
7 by the federal Consumer Credit Protection Act, Title  
8 III, 15 U.S.C. secs. 1671-1677. ~~The term "Consumer~~  
9 ~~Protection Act" means the Act of Congress approved~~  
10 ~~May 29, 1968, 82 Stat. 163, officially cited as the~~  
11 ~~"Consumer Credit Protection Act, Title III."~~ The  
12 maximum amount of an employee's earnings which may  
13 be garnished during any one calendar year is two  
14 hundred fifty dollars for each judgment creditor,  
15 except as provided in section 627.12 or when those  
16 earnings are reasonably expected to be in excess of  
17 twelve thousand dollars for that calendar year as  
18 determined from the answers taken by the sheriff or  
19 by the court pursuant to section 642.5, subsection  
20 4. When the employee's earnings are reasonably  
21 expected to be more than twelve thousand dollars the  
22 maximum amount of those earnings which may be garnished  
23 during a calendar year for each creditor is as follows:

5856 24 a. Employees with expected earnings of twelve  
25 thousand dollars or more, but less than sixteen  
26 thousand dollars, not more than four hundred dollars  
27 may be garnished.

5857 28 b. Employees with expected earnings of sixteen  
29 thousand dollars or more, but less than twenty-four  
30 thousand dollars, not more than eight hundred dollars  
31 may be garnished.

32 c. Employees with expected earnings of twenty-  
33 four thousand dollars or more, but less than thirty-  
34 five thousand dollars, not more than one thousand  
35 five hundred dollars may be garnished.

36 d. Employees with expected earnings of thirty-  
37 five thousand dollars or more, but less than fifty  
38 thousand dollars, not more than two thousand dollars  
39 may be garnished.

40 e. Employees with expected earnings of fifty  
41 thousand dollars or more, not more than ten percent  
42 of an employee's expected earnings.

43 Sec. 12. NEW SECTION. 642.22 VALIDITY OF  
44 GARNISHMENT NOTICE. A notice of garnishment served  
45 upon a garnishee is effective without serving another  
46 notice until the earliest of the following:

- 47 1. The annual maximum permitted to be garnished  
48 under section 642.21 has been withheld.  
49 2. The writ of execution expires.  
50 3. The judgment is satisfied.

SENATE 4  
APRIL 6, 1984

S-5777  
PAGE 3

- 1 4. The garnishee is served with a notice that
- 2 the garnishment shall cease."
- 3 4. Title page, line 1, by inserting after the
- 4 word "Act" the words "relating to collection of court
- 5 ordered payments by".
- 6 5. Title page, line 3, by inserting after the
- 7 word "penalty" the words ", and providing for the
- 8 collection of unpaid alimony, and providing for limits
- 9 to garnishment, and providing for the validity of
- 10 garnishment notices."

S-5777 FILED  
APRIL 5, 1984

RECEIVED FROM THE HOUSE

*Senate refused to concur 4/6 (p. 1366)  
Motion to reconsider (p. 1381) prevailed 4/10  
Senate amended (5856) & concurred 4/10 (p. 1430)*

SENATE FILE 2268

S-5856

- 1 Amend the House amendment S-5777 to Senate File
- 2 2268 as passed by the Senate as follows:
- 3 1. Page 2, by striking lines 24 through 31.

S-5856 FILED  
APRIL 10, 1984  
ADOPTED (p. 1430)

BY TOM MANN  
DONALD DOYLE

SENATE AMENDMENT TO  
HOUSE AMENDMENT TO SENATE FILE 2268

H-6280

- 1 Amend the House amendment, S-5777, to Senate File
- 2 2268 as passed by the Senate as follows:
- 3 1. Page 2, by striking lines 24 through 31.

H-6280 FILED APRIL 13, 1984

RECEIVED FROM THE SENATE

*House refused to concur 4/18 (p. 2148)  
Senate decided 4/19 (p. 1664)*

SENATE FILE 2268  
FISCAL NOTE

REQUESTED BY SENATOR DOYLE

In compliance with a written request there is hereby submitted a Fiscal Note for Senate File 2268 pursuant to Joint Rule 17. Senate File 2268 is an Act that provides for the mandatory assignment of a person's income when the person is delinquent in paying court-ordered child support.

**FISCAL EFFECT:** Senate File 2268 would increase child support recoveries by approximately \$80,000 (state share - \$37,500) per year. Child support recovery dollars are deposited in the ADC fund and are used to reduce the state and federal shares of the ADC program.

(In Thousands)  
FY '85

	Current Law			Senate File 2268			Incr/(Decr)		
	State	Federal	Total	State	Federal	Total	State	Federal	Total
Recoveries	\$ 8,505.	10,495.	19,000.	8,547.	10,548.	19,095.	42,000.	53,000.	95,000.
Cost of Notices (mailing expense)	0	0	0	(4.5)	(10.5)	(15.)	(4.5)	(10.5)	(15.)
<b>Total</b>	<b>\$ 8,505.</b>	<b>10,495.</b>	<b>19,000.</b>	<b>8,542.5</b>	<b>10,537.5</b>	<b>19,080.</b>	<b>37.5</b>	<b>42.5</b>	<b>80.0</b>

(3302S, 84-216D, TCF)

Source: Department of Human Services

FILED:  
MARCH 12, 1984

BY DENNIS C. PROUTY, DIRECTOR  
LEGISLATIVE FISCAL BUREAU

SENATE FILE 2268

AN ACT

RELATING TO COLLECTION OF COURT ORDERED PAYMENTS BY PROVIDING FOR THE MANDATORY ASSIGNMENT OF A PERSON'S INCOME WHEN THE PERSON IS DELINQUENT IN PAYING COURT-ORDERED SUPPORT AND PROVIDING A PENALTY, AND PROVIDING FOR THE COLLECTION OF UNPAID ALIMONY, AND PROVIDING FOR LIMITS TO GARNISHMENT, AND PROVIDING FOR THE VALIDITY OF GARNISHMENT NOTICES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 252C.1 DELINQUENT SUPPORT PAYMENTS--ASSIGNMENT OF INCOME.

1. All orders of support shall direct the payment of the support to the clerk of the district court pursuant to section 598.22.

2. If support payments ordered under section 598.21 or 675.25 are not paid to the clerk of the district court pursuant to section 598.22 and become delinquent in an amount equal to the payment for one month, the clerk or the child support recovery unit established under section 252B.2 may certify a default to the court. The court shall order the defaulting person to assign to the clerk that portion of the person's periodic earnings, trust income, or other income sufficient to pay the support obligation. The assignment of income is binding on an existing or future employer, trustee, or other payor ten days after the receipt of the order by certified mail. The amount of an assignment of income shall not exceed the amount specified in 15 U.S.C. sec. 1673b. The assignment of income has priority over a garnishment or an assignment for a purpose other than the support of the dependents in the court order being enforced. The court may modify or revoke the order upon the request of the child support recovery unit and may modify or revoke the order at any other time.

3. A person entitled by court order to receive support payments or a person responsible for enforcing such a court order may petition the court for an assignment of income. If the petition is verified and establishes that support payments are delinquent in an amount equal to the payment for one month and if the court determines, after providing an opportunity for a hearing, that notice of the mandatory assignment of income as provided in section 252C.3 has been given, the court shall declare a default and order an assignment of income under subsection 2.

Sec. 2. NEW SECTION. 252C.2 MOTION TO QUASH.

1. A petitioner under section 252C.1, subsection 3 may move to quash the order of assignment at any time by asserting that the delinquency did not occur or has been paid. A person whose income has been assigned under section 252C.1 may move to quash the order of assignment by filing the motion to quash and notice of the motion to quash with the court within ten days after the employer, trustee, or other payor delivers a copy of the order of assignment to the person under section 252C.4, subsection 1. The clerk of the district court shall schedule a hearing on the motion to quash for a time not later than seven days after the filing of the motion to quash and the notice of the motion to quash. The clerk shall mail to the parties copies of the motion to quash, the notice of the motion to quash, and the order scheduling the hearing.

2. The payor shall withhold and transmit the amount specified in the order of assignment to the clerk of the district court until the notice that the motion to quash has been granted is received.

Sec. 3. NEW SECTION. 252C.3 NOTICE OF ASSIGNMENT. All court orders for support entered on or after the effective date of this Act shall notify the person ordered to pay support of the mandatory assignment of income required under section 252C.1 upon the person's default. However, for court orders for support entered before the effective date of this Act,

the clerk of the district court, the child support recovery unit, or the person entitled by the court order to receive the support payments, shall notify each person ordered to pay support under such orders of the mandatory assignment of income required under section 252C.1 upon the person's default. The notice shall be sent by certified mail to the person's last known address or the person shall be personally served with the notice in the manner provided for service of an original notice at least fifteen days prior to the filing of a petition under section 252C.1, subsection 3 or the entering of a default under section 252C.1, subsection 2 or 3. A person ordered to pay support may waive the right to receive the notice at any time.

Sec. 4. NEW SECTION. 252C.4 DUTIES OF PAYOR.

1. The employer, trustee, or other payor who receives an order of assignment by certified mail pursuant to section 252C.1, subsection 2 shall deliver, on the next working day, a copy of the order to the person named in the order. The payor may deduct not more than one dollar from each payment as a reimbursement for the payor's costs relating to the assignment. The payor's compliance with the order of assignment satisfies the payor's obligation to the person for the amount of income withheld and transmitted to the clerk of the district court.

2. An employer who willfully discharges an employee or refuses to hire a person because of the entry of an order of assignment under this chapter is guilty of a simple misdemeanor.

Sec. 5. NEW SECTION. 252C.5 OTHER REMEDIES. The remedies provided in this chapter do not exclude the use of other civil or criminal remedies in enforcing child support obligations.

Sec. 6. NEW SECTION. 252C.6 COURT CERTIFICATION. Upon application, the court may certify unpaid alimony payments for the support of a spouse or former spouse and direct execution, levy, and garnishment as authorized by law.

Sec. 7. Sections 1 through 6 of this Act apply to all support obligations which are or become delinquent on or after the effective date of this Act.

Sec. 8. NEW SECTION. 630.3A HEARING TO DETERMINE JUDGMENT DEBTOR'S INCOME. At any time after the rendition of judgment the court, upon application of the judgment creditor or the judgment debtor and upon notice to the adverse party as the court shall direct, shall conduct a hearing to determine the reasonably expected annual earnings of the judgment debtor for the current calendar year and the applicable limitation upon garnishment as provided in section 642.21. The court shall also consider in the interest of justice whether a greater amount than provided in section 642.21 shall be exempt from garnishment. In making the determination the court shall consider the age, number and circumstances of the dependents of the debtor, existing federal poverty level guidelines, the debtor's maintenance and support needs, the debtor's other financial obligations and any other relevant information. An order reducing the garnishment may be modified or vacated upon the application of a party to the court, notice to the adverse party, and a showing at a hearing of changed circumstances. An additional filing fee shall not be assessed for proceedings under this section.

Sec. 9. Section 642.5, Code 1983, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Do you compensate the defendant in this suit for any personal services whether denominated as wages, salary, commission, bonus or otherwise, including periodic payments pursuant to a pension or retirement program? If so, state the amount of the compensation reasonably anticipated to be paid defendant during the calendar year.

Sec. 10. Section 642.14, Code 1983, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The notice required by this section shall contain the full text of section 630.3A.

Sec. 11. Section 642.21, subsection 1, Code 1983, is amended to read as follows:

1. The disposable earnings of an individual ~~shall be~~ are exempt from garnishment to the extent provided by the federal Consumer Credit Protection Act, Title III, 15 U.S.C. secs. 1671-1677. ~~The term "Consumer Protection Act" means the Act of Congress approved May 29, 1968, 82 Stat. 163, officially cited as the "Consumer Credit Protection Act, Title III."~~

The maximum amount of an employee's earnings which may be garnished during any one calendar year is two hundred fifty dollars for each judgment creditor, except as provided in section 627.12 or when those earnings are reasonably expected to be in excess of twelve thousand dollars for that calendar year as determined from the answers taken by the sheriff or by the court pursuant to section 642.5, subsection 4. When the employee's earnings are reasonably expected to be more than twelve thousand dollars the maximum amount of those earnings which may be garnished during a calendar year for each creditor is as follows:

a. Employees with expected earnings of twelve thousand dollars or more, but less than sixteen thousand dollars, not more than four hundred dollars may be garnished.

b. Employees with expected earnings of sixteen thousand dollars or more, but less than twenty-four thousand dollars, not more than eight hundred dollars may be garnished.

c. Employees with expected earnings of twenty-four thousand dollars or more, but less than thirty-five thousand dollars, not more than one thousand five hundred dollars may be garnished.

d. Employees with expected earnings of thirty-five thousand dollars or more, but less than fifty thousand dollars, not more than two thousand dollars may be garnished.

e. Employees with expected earnings of fifty thousand dollars or more, not more than ten percent of an employee's expected earnings.

Sec. 12. NEW SECTION. 642.22 VALIDITY OF GARNISHMENT NOTICE. A notice of garnishment served upon a garnishee is effective without serving another notice until the earliest of the following:

1. The annual maximum permitted to be garnished under section 642.21 has been withheld.
2. The writ of execution expires.
3. The judgment is satisfied.
4. The garnishee is served with a notice that the garnishment shall cease.

---

CHARLES P. MILLER  
President Pro Tempore of the  
Senate

---

DONALD D. AVENSON  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2268, Seventieth General Assembly.

---

K. MARIE THAYER  
Secretary of the Senate

Approved May 9, 1984

---

TERRY E. BRANSTAD  
Governor