

Senate Study Bill 130

Bill Text

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1 1 Section 1. Section [642.21](#), subsection 1, Code 1997, is
1 2 amended to read as follows:
1 3 1. The disposable earnings of an individual are exempt
1 4 from garnishment to the extent provided by the federal
1 5 Consumer Credit Protection Act, Title III, 15 U.S.C.

~~secs.~~

- }
1 6 1671-1677 (1982). The maximum amount of an employee's
1 7 earnings which may be garnished during any one calendar year
1 8 is

~~two~~

- five hundred

~~fifty~~

- dollars for each judgment creditor,
1 9 except as provided in chapter 252D and sections 598.22,
1 10 598.23, and 627.12, or when those earnings are reasonably
1 11 expected to be in excess of twelve thousand dollars for that
1 12 calendar year as determined from the answers taken by the
1 13 sheriff or by the court pursuant to section 642.5, subsection
1 14 4. When the employee's earnings are reasonably expected to be
1 15 more than twelve thousand dollars the maximum amount of those
1 16 earnings which may be garnished during a calendar year for
1 17 each creditor is as follows:
1 18 a. Employees with expected earnings of twelve thousand
1 19 dollars or more, but less than sixteen thousand dollars, not
1 20 more than

~~four~~

- eight hundred dollars may be garnished.

1 21 b. Employees with expected earnings of sixteen thousand
1 22 dollars or more, but less than twenty-four thousand dollars,
1 23 not more than

~~eight~~

- one thousand six hundred dollars may be
1 24 garnished.

1 25 c. Employees with expected earnings of twenty-four
1 26 thousand dollars or more, but less than thirty-five thousand
1 27 dollars, not more than

~~one~~

- three thousand

~~five hundred~~

- dollars

1 28 may be garnished.

1 29 d. Employees with expected earnings of thirty-five
1 30 thousand dollars or more, but less than fifty thousand
1 31 dollars, not more than

~~two~~

- four thousand dollars may be

1 32 garnished.

1 33 e. Employees with expected earnings of fifty thousand
1 34 dollars or more, not more than

~~ten~~

- ~~twenty~~ percent of an

1 35 employee's expected earnings.

2 1 EXPLANATION

2 2 This bill amends Code section 642.21, subsection 1,
2 3 relating to the amount of an employee's earnings which may be
2 4 garnished. The bill raises the maximum amount of an
2 5 employee's earnings which may be garnished during any one
2 6 calendar year to \$500 for each judgment creditor, except as
2 7 provided in Code chapter 252D and sections 598.22, 598.23, and
2 8 627.12, or when those earnings are reasonably expected to be
2 9 in excess of \$12,000 for that calendar year.

2 10 If an employee's yearly earnings are reasonably expected to
2 11 be more than \$12,000, the bill provides for the following
2 12 maximum amounts for each calendar year for each creditor:

2 13 1. For earnings of \$12,000 to less than \$16,000, not more
2 14 than \$800 may be garnished.

2 15 2. For earnings of \$16,000 to less than \$24,000, not more
2 16 than \$1,600 may be garnished.

2 17 3. For earnings of \$24,000 to less than \$35,000, not more
2 18 than \$3,000 may be garnished.

2 19 4. For earnings of \$35,000 to less than \$50,000, not more
2 20 than \$4,000 may be garnished.

2 21 5. For earnings of \$50,000 or more, not more than 20
2 22 percent of an employee's expected earnings.

2 23 Other garnishment limitations in Code sections 537.5105,
2 24 627.6, and 630.3A are not affected by this bill.

2 25 LSB 1989SC 77

2 26 tm/sc/14