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U. S. DEPARTMENT OF LABOR
Employment Standards Administration
Washington, D. C. 20210

DEC 26 1972

This Office is charged with enforcing Title III of the Consumer Credit Protection Act (15 U.S.C. 1671 et seq.) which provides restrictions on discharge from employment by reason of garnishment. In this connection your arbitration ruling in [REDACTED] has come to our attention.

The part of your ruling which attracted our interest was your finding that no authority was presented regarding consideration given to garnishments executed prior to July 1, 1970, the effective date of this title. Our interpretation of this aspect of Title III is discussed in opinion letters WH-33 and WH-62 published October 5, 1970, and October 26, 1970, respectively. As noted therein, in our enforcement of the Act any garnishment which is fully executed before July 1, 1970, is not counted as an indebtedness in connection with a discharge because of garnishments received after that date. We are enclosing copies of these opinion letters and a pamphlet on the law which you may find useful.

The result reached in your arbitration decision under the particular circumstances of the case does not in itself conflict with our interpretation of the Consumer Credit Protection Act. This is so because Title III of the Act restricts discharge where the employee's earnings have been subjected to garnishment for only one indebtedness and under the facts set forth in the decision the employee's earnings had been subjected to garnishment for two separate indebtednesses after the effective date of the Act. However, as noted above, it is the statements made in your discussion of garnishments fully executed prior to the effective date of the Act that are in conflict with the Department of Labor interpretation of the Act.

Sincerely,

Ben F. Robertson
Acting Administrator
Wage and Hour Division

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