



Exempt Action Final Regulation Agency Background Document

Agency name	Department of Labor and Industry
Virginia Administrative Code (VAC) citation	<u>16</u> VAC <u>15</u> - <u>21</u> - <u>20</u> and <u>30</u>
Action title	Maximum Garnishment Amounts
Final agency action date	11/18/05
Document preparation date	9/20/05

When a regulatory action is exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Virginia Administrative Process Act (APA), the agency is encouraged to provide information to the public on the Regulatory Town Hall using this form.

Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of the Virginia Register Act, the *Virginia Register Form, Style, and Procedure Manual*, and Executive Orders 21 (02) and 58 (99).

Summary

Please provide a brief summary of all regulatory changes, including the rationale behind such changes. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

This regulatory change is required by the General Assembly's amendment, during the 2005 session, to the Virginia Code, at § 34-29. Maximum portion of disposable earnings subject to garnishment. As required by the amendment, this action increases from 30 times the federal minimum wage rate (F.M.W.R.) per week to 40 times the F.M.W.R. per week as the amount of disposable earnings that are exempt from garnishment. This action also establishes the maximum amount which can be withheld for garnishment per week as either 25% of the weekly disposable earnings or the amount by which the weekly disposable earnings exceed 40 times the F.M.W.R., whichever is less, so long as the amount withheld does not reduce the weekly disposable earnings below 40 times the F.M.W.R.

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.

During the General Assembly's 2005 session, the Virginia Code was amended, at § 34-29. Maximum portion of disposable earnings subject to garnishment. Pursuant to the requirements of that amendment, the Virginia Department of Labor and Industry is promulgating this final exempt regulation, to be effective as of November 18, 2005. The title of this action is Maximum Garnishment Amounts.

Family impact

Assess the impact of this regulatory action on the institution of the family and family stability.

The new regulation should have no negative impact on the institution of the family or family stability.