



# Eye On Washington Legislative Update



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## Uniform Wage Garnishment Act Passed by the Uniform Law Commission

On July 13, 2016, the Uniform Law Commission (ULC) passed the Uniform Wage Garnishment Act (the "Act"), which helps put employers one step closer to having a standardized approach for processing wage garnishments across states. The Act must still be adopted by state legislatures before becoming effective.

The ULC is a nonprofit organization that works to create uniformity of state laws. Its membership includes representatives from each of the 50 states, as well as the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

### Background

Every state has different wage garnishment laws and processes, so employers doing business across multiple states must understand and abide by laws that vary by jurisdiction. If an employer processes an employee's wage garnishment incorrectly, the employer can potentially be liable for 100 percent of an employee's wage garnishment and may face civil penalties.

The Act is intended to help simplify and clarify wage garnishments for employers, creditors, and consumers by standardizing processes and creating forms that are simpler and easier to understand.

The Act was one of the uniform acts scheduled to be completed during the ULC annual meeting which began on July 8, 2016, in Stowe, Vermont. During this meeting, the Act

was read to the entire quorum of Uniform Law Commissioners, line by line. After revisions and changes to the Act were made:

- The final reading on Sunday, July 10, was successfully passed to the next step without any further revisions; and
- The formal vote passing the Act occurred on Wednesday, July 13.

### What This Means for Employers

Knowing and staying compliant with various state laws can be complex. The Act provides efficiencies needed to help successfully process garnishments across jurisdictions.

Shortly, the ULC will incorporate final changes and create a formal package for the Act. By end of year, the Commissioners will be able to take that to their respective states and begin working toward formal adoption.

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