



State of Illinois

COMPTROLLER

Loleta A. Didrickson

PAYROLL BULLETIN

To: All State Agencies, Boards, Commissions and Universities

From: Steven L. Valasek, Director of State Accounting

Date: September 19, 1997

Subject: Change In Garnishment Calculation Due To Change In Minimum Wage Law

Number: 1-97

Effective September 1, 1997, the federal minimum wage increased from \$4.75 per hour to \$5.15 per hour. This changes the calculations for garnishments for any pay period beginning after August 31, 1997. Calculations for the purpose of determining the amount which is exempt from wage garnishment are shown below. The calculation that leaves the employee with the most money, must be utilized.

1. 85% of gross wages; or
2. 45 times the federal minimum hourly wage:

45 X \$5.15 X 1 week	= \$231.75 = disposable income exempt weekly
45 X \$5.15 X 2 weeks	= \$463.50 = disposable income exempt bi-weekly
45 X \$5.15 X 2.1667 weeks	= \$502.13 = disposable income exempt semi-monthly
45 X \$5.15 X 4.3333 weeks	= \$1,004.24 = disposable income exempt monthly

No garnishment deduction may be taken if the employee's disposable wages do not exceed 45 times the minimum hourly wage for the applicable pay period. There has been no change in the method of determining non-exempt wages for garnishment purposes.

Questions regarding this bulletin should be referred to Nancy Smith at (217) 782-4758 or Leslie McCarthy at (217) 785-1231.

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