

The U.S. Wage Garnishment Landscape: Through the Lens of the Employer

What are the main reasons for employee wage garnishment in the United States?

Are there different ways for employers to view wage garnishment to gain a better understanding of garnishment issues?

A new study by ADP Research Institute® presents an expanded view of U.S. wage garnishment activities through the lens of the employer.

The Current State of Wage Garnishments



of the population in our study has a garnishment



The highest rate is for child support



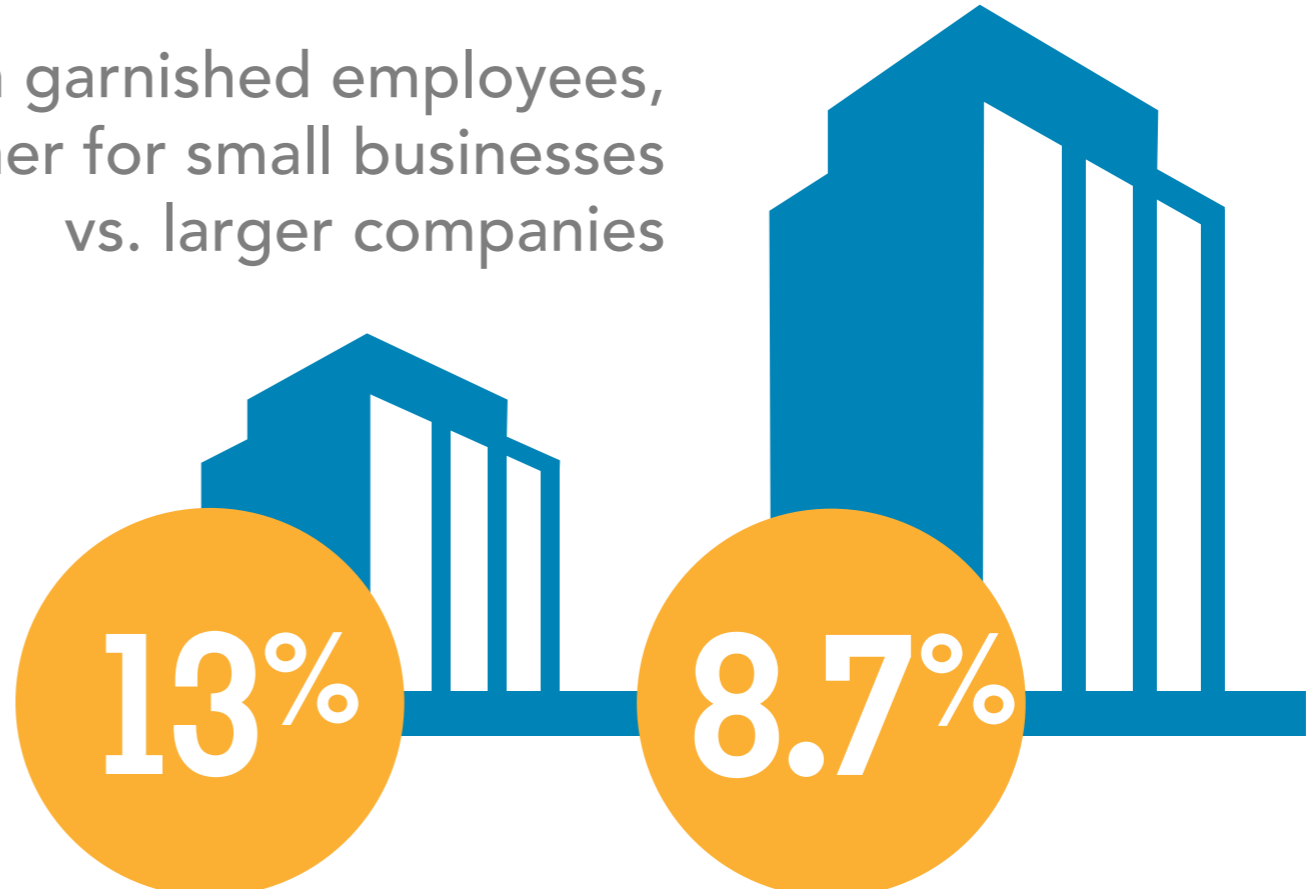
Gen Xers have the highest overall garnishment rate



of employees having a garnishment are men

The Impact of Garnishments on Employers

For companies with garnished employees, the rate is higher for small businesses vs. larger companies



The goods-producing sector has higher garnishment rates, a higher average number of garnishments, and greater average income per garnished employees across all states



There is Some Good News...

While virtually all four major reasons for wage garnishment studied – child support, tax levy, bankruptcy, and other (student loans, consumer debt, etc.) – have remained generally constant in terms of proportion relative to the overall wage garnishment rate, there is some good news...

Employees who have no garnishment are earning, on average, approximately 25% more per year than those carrying a garnishment.



Source: The U.S. Wage Garnishment Landscape: Through the Lens of the Employer, ADP Research Institute, 2017.