
Joint Release

**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency
Office of Thrift Supervision
National Credit Union Administration**

For Immediate Release
September 19, 2007

**Federal Financial Regulatory Agencies Request Comment On Statement of Best Practices
On Garnishment Orders of Exempt Federal Benefit Funds**

WASHINGTON — The federal financial regulatory agencies (Agencies) today requested public comment on a statement encouraging federally regulated financial institutions to follow best practices to protect federal benefit payments from garnishment orders.

Federal law protects federal benefit payments—such as Social Security benefits, Supplemental Security Income benefits, Veterans’ benefits, Federal Civil Service retirement benefits, and Federal Railroad benefits—from garnishment orders and the claims of judgment creditors subject to certain exceptions, such as garnishment orders relating to alimony or child support payments. The proposed guidance lists best practices followed by financial institutions in this area, invites suggestions on other practices the Agencies should consider, and encourages financial institutions to stay apprised of any future guidance issued by the Social Security Administration or Department of Veterans Affairs regarding garnishment practices and of developments in the courts in their jurisdiction regarding garnishment practices.

The proposed statement, which was issued by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration, is attached.

Comment is requested by 60 days after publication in the Federal Register.

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Attachment:

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