



BOARD OF GOVERNORS
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WASHINGTON, D. C. 20551

SANDRA F. BRAUNSTEIN
DIRECTOR
DIVISION OF CONSUMER
AND COMMUNITY AFFAIRS

CA 13-16

October 30, 2013

**TO THE OFFICERS AND MANAGERS IN CHARGE OF CONSUMER AFFAIRS
SECTIONS:**

**SUBJECT: Interagency Examination Procedures for Garnishment of Accounts
Containing Federal Benefit Payments Rule**

Applicability to Community Banking Organizations: This guidance applies to all state member banks, including those with \$10 billion or less in consolidated assets.

The Task Force on Consumer Compliance of the Federal Financial Institutions Examination Council has approved the attached interagency examination procedures for the Garnishment of Accounts Containing Federal Benefit Payments Rule (Garnishment Rule). Earlier this year, the Department of the Treasury, the Social Security Administration, the Department of Veteran Affairs, the Railroad Retirement Board, and the Office of Personnel Management issued the Garnishment Rule to implement statutory restrictions on garnishment of certain exempt federal benefit payments. The rule, 31 CFR Part 212, establishes procedures that a financial institution must follow when it receives a garnishment order against an account holder who receives certain Federal benefit payments by direct deposit. The attached examination procedures provide a narrative discussion of the Garnishment Rule and procedures for examiners to follow in evaluating an institution's compliance with the rule.

If you have any questions, please contact Lanette Meister, Senior Supervisory Consumer Financial Services Analyst, at (202) 452-2705.

Sincerely,

A handwritten signature in black ink, appearing to read "Sandra F. Braunstein".

Attachment: Examination Procedures for Garnishment of Accounts Containing Federal Benefit Payments Rule