

Federal Reserve Bank of San Francisco
101 Market Street, San Francisco, California 94105

November 14, 2013

To State Member Banks, Bank
Holding Companies, Financial Holding
Companies, Savings and Loan Holding Companies,
and Foreign Banking Offices
in the Twelfth Federal Reserve District

CA 13-16 Interagency Examination Procedures for Garnishment of Accounts Containing Federal Benefit Payments Rule

On October 30, 2013, the Task Force on Consumer Compliance of the Federal Financial Institutions Examination Council 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.

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's website, at <http://www.frbsf.org/banking/letters>.

For additional information regarding supervisory expectations, please contact:

Federal Reserve Bank of San Francisco
Banking Supervision and Regulation
(801) 322-7853

Attachment

[Examination Procedures for Garnishment of Accounts Containing Federal Benefit Payments Rule](#)