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# United States Senate

WASHINGTON, DC 20510-4903

COMMITTEES

APPROPRIATIONS

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SPECIAL COMMITTEE  
ON AGING

BANKING, HOUSING, AND  
URBAN AFFAIRS

April 30, 2009

The Honorable Richard Durbin  
Chairman  
Subcommittee on Financial Services  
and General Government  
142 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Susan Collins  
Ranking Member  
Subcommittee on Financial Services  
and General Government  
125 Hart Senate Office Building  
Washington, DC 20510

Dear Chairman Durbin and Ranking Member Collins,

I respectfully request that the Subcommittee on Financial Services and General Government include language in the FY2010 appropriations bill to require Treasury Department to issue rules and guidance in accordance with section 207 of the Social Security Act (42 U.S.C. 407).

Section 207 of the Social Security Act provides that no social security benefits shall be subject to "execution, levy, attachment, garnishment or other legal process, or to the operation of any bankruptcy or insolvency law." However, in 2008 the Social Security Administration's Office of Inspector General revealed that some of the nation's largest banks are violating federal law and garnishing over \$30 million from accounts which contain government benefits. One of the major reasons this is occurring is the increased use of electronic payments into individuals' accounts. Furthermore, while electronic payments are safer, quicker and environmentally friendly, it allows banks to freeze or pay creditors from these funds illegally. Additionally, Americans which receive veteran's benefits and supplemental security income are also at risk of illegal garnishment. These benefits are often the only source of income for the recipients and illegal account freezes and garnishment can leave them temporarily destitute.

I am requesting that the Committee include the following language in the bill and report for the FY2010 Financial Services General Government Appropriations Bill:

Sec. XXX: The Secretary of the Treasury shall promulgate rules establishing procedures to ensure that social security benefits, veterans benefits and supplemental security income are protected from attachment and garnishment in accordance with the requirements of Section 207 of the Social Security Act (42 U.S.C. 407) within 90 days of enactment."

If you have any questions about the requested language, please feel free to contact my staff Hilary Swab (4-9539) or Jeff Cruz (4-7118).

Sincerely,



Herb Kohl  
U.S. Senator

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