



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

MAR 07 2011

PERSONNEL BULLETIN NO: 11-04

SUBJECT: Commercial Garnishment of Employee Salaries

1. **Purpose.** This Personnel Bulletin updates/establishes the Department's policy on Commercial Garnishment of Employee Salaries.
2. **Authorities.** Public Law 103-94. Title 5 United States Code (USC) 5520a; 15 USC 1673; 5 Code of Federal Regulations 582 and Executive Order 12897.
3. **Policy.** The Department hereby establishes a policy for Bureaus and Offices to follow for garnishment of employee salaries as the result of Public Law 103-94. This law permits commercial garnishment of the salaries of Federal employees, whereas previously garnishment was permitted only in child support and alimony cases. This policy is issued to supplement Office of Personnel Management (OPM) regulations published on March 10, 1995, in 60 Federal Register 13027 (Final Rule) (see also 5 CFR 582).
4. **Procedure.** Under this policy, when a garnishment is received, it should be forwarded immediately to the Department of the Interior, National Business Center (NBC), Payroll Operations Division (POD), D-2640 P.O. Box 272030, Denver, CO 80227-9030. The garnishment is not considered validly served, until it is received by the POD.

As the Department's agent, the Chief, POD, NBC, has the following responsibilities, which may be delegated within the Division:

- a. Make a substantive determination regarding the acceptability of the garnishment order and consults with the Office of the Solicitor when acceptability is unclear. Sufficient identifying information must accompany the legal process in order to enable processing. The parties seeking garnishment are asked to provide the identifying information concerning the employee-obligor as listed in 5 CFR 582.203 (a)
- b. Provide written notification to the employee of the garnishment, as soon as possible, but not later than fifteen (15) days after valid service, and provide specific information concerning withholdings, effective pay periods, etc. The notification is sent to the employee's official correspondence address and a copy of the garnishment is included.
- c. Respond to the legal process or interrogatories within 30 calendar days after valid service.

d. Publish procedures in the Payroll Client Interface Guide.

5. **Maximum Limitation.** The maximum part of an employee's aggregate disposable earnings subject to garnishment is twenty-five percent (25) unless a lower maximum is applicable by state or local law. There is no limit to the percentage that may be deducted for Federal, state, or local taxes.
6. **Lack of Entitlement by the employee-obligor.** Notify the court or the person who caused the garnishment to be served or the person's representative or other authority when the employee-obligor is temporarily not entitled to pay or is separated from the agency.
7. **Administrative Fee Structure.** Fees received from payees by the Department will be credited to the overall administrative fee charged for processing the garnishment. There will be a one-time charge of \$50.00 per garnishment regardless of the size of the judgment. All administrative fees will be collected separately from and in addition to the garnished amount. This fee structure will be reevaluated after a sufficient time period to assure its validity.
8. **Miscellaneous Provisions.** The agent will develop standard language for use in employee notices.
 - a. Employees under garnishment may not increase their Federal or state tax withholdings (Form W-4) without certification by the taxing authority that the withholdings are necessary to meet valid tax liabilities.
 - b. In cases of multiple garnishments on an employee, the agent will process garnishments in the order received and in accordance with applicable state law, except that child support or alimony garnishments shall have priority over commercial garnishments.
9. **Point-of-Contact.** The Departmental point of contact on this policy is Darrell R. Hoffman, 202-208-6754 or email at Darrell_r_Hoffman@ios.doi.gov.



Thomas Mulhern
Director, Office of Human Resources