



SENATE MAJORITY OFFICE

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Garnishment bill will help protect Oregonians' basic living needs *SB 926 builds on Senate Democrats' work from 2009; updates garnishment law*

SALEM – The Oregon Senate approved legislation this morning that will align Oregon's garnishment practices with federal policy, providing greater protection to Oregonians so they can meet their basic needs. Senate Bill 926 will increase from one to two months the amount that is protected when wages are garnished to collect a debt. Protected income includes social security, veterans' benefits, unemployment insurance, and other types of benefits meant to cover the most basic living expenses.

"This bill aligns Oregon's policy on garnishment with recent updates from the federal government," said Senator Suzanne Bonamici (D-NW Portland/Washington Co.), chief sponsor of the bill. "This bill will both improve consumer protections law and will clarify the process for banks to implement garnishment orders."

In 2009, the Legislature passed legislation protecting one month's worth of certain benefits from garnishment. However, federal regulations taking effect May 1st provide greater protection. The inconsistency in both type and scope of the protected benefits creates confusion for banks, who must implement a garnishment order in a timely and efficient manner, and for consumers, who are left to figure out on their own what is protected and what isn't. SB 926 amends current Oregon law to conform to the new federal rules and processes, alleviating complications.

"The income exempted in this bill is intended to cover the most basic living expenses," said Senate Majority Leader Diane Rosenbaum (D-Portland). "Senate Bill 926 doesn't let anyone off the hook for debts they owe, but it will allow them to keep a roof over their head and food on the table by protecting critical income."

SB 926 was developed by a consensus group that included consumer advocates and representatives from the banking industry. The bill now goes to the House for consideration.

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