



DAVE YOST

OHIO ATTORNEY GENERAL

NOTICE OF APPLICABILITY OF STATE LAW EXEMPTION TO PAYMENTS UNDER THE FEDERAL CARES ACT

Congress authorized certain payments to most Americans under the Coronavirus Aid, Relief and Economic Security Act, H.R. 748, commonly known as the CARES Act. As Attorney General of Ohio, this is to provide notice to creditors and financial institutions that these payments are exempt from attachment, garnishment or execution under existing Ohio law.

The U.S. Labor Department reported 6.6 million new unemployment claims last week, bringing the three-week coronavirus total to 17 million. This is in addition to increasing reports of furloughs and small business closings in Ohio and across the nation.

The Emergency Orders in Ohio are likely to remain in effect for some weeks. This coupled with the millions more who likely will become unemployed as the economy continues to slow due to the health emergency and the orders responding to, it is burdensome to those impacted.

The payments under the CARES Act are in the nature of emergency support, designed to support basic needs of tens of millions of Americans. This is why debts owed to the Federal and State governments are not being withheld from the payments. Although there is no explicit exemption for CARES Act payments under federal law, Ohio law protects them.

State law sets out a list of exemptions from attachment, garnishment or execution. Ohio Revised Code §2329.66(A)(12)(d) applies to payments under the CARES Act:

* * * A payment in compensation for loss of future earnings of the person or an individual of whom the person is or was a dependent, to the extent reasonably necessary for the support of the debtor and any of the debtor's dependents. * * *

In the event of an execution against a CARES Act payment, the State of Ohio reserves the option of seeking intervention to enforce the state law exemption.

Some initial CARES Act payments may have arrived in accounts Friday. The State does not intend to intervene in the unlikely event that an execution was accomplished simultaneously.

April 13, 2020

A handwritten signature in black ink that reads "Dave Yost".

DAVE YOST
Ohio Attorney General