STATE OF MINNESOTA
Executive Department

Governor Tim Walz

Emergency Executive Order 21-02

Modifying Emergency Executive Order 20-50 and Continuing to Protect Emergency Government Support and Financial Security

I, Tim Walz, Governor of the State of Minnesota, by the authority vested in me by the Constitution and applicable statutes, issue the following Executive Order:

The COVID-19 pandemic continues to present an unprecedented and rapidly evolving challenge to our State. Minnesota has taken extraordinary steps to prevent and respond to the pandemic. On March 13, 2020, I issued Executive Order 20-01 and declared a peacetime emergency because this pandemic, an act of nature, threatens the lives of Minnesotans, and local resources are inadequate to address the threat. Since declaring the peacetime emergency, I have extended it every 30 days, with the most recent extension occurring on December 14, 2020.

On May 4, 2020, I issued Executive Order 20-50, which provided temporary relief from certain garnishment actions in Minnesota, protecting Minnesotans' health and safety by allowing them to afford their lives during the pandemic. Many Minnesotans continue to suffer from food insecurity, unemployment, and housing insecurity resulting from the COVID-19 pandemic, affecting their physical and mental well-being. Because these concerns could be exacerbated by automatic garnishments from Minnesotans' accounts, the essential protections in Executive Order 20-50 must continue.

Executive Order 20-50 ensured that COVID-19 relief payments issued earlier this year would serve their intended purpose. The United States Congress recently passed federal legislation to provide additional financial relief to help Americans meet essential needs during the COVID-19 pandemic. Like the "Recovery Rebates" provided by the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and the Coronavirus Response and Relief Supplemental Appropriations Act and other state, local, and tribal supports, these funds are intended to help address Minnesotans' immediate needs during the pandemic. Additional direct support payments to Minnesotans should not be intercepted by third parties or immediately garnished for consumer debt. Steps must be taken to preserve these funds by continuing the limitation on other garnishments. Additionally, clarifications should be made to Executive Order 20-50 to ensure that debtors and creditors understand their rights and obligations and that the Executive Order is appropriately tailored to meet Minnesotans' needs.

In Minnesota Statutes 2020, section 12.02, the Minnesota Legislature conferred upon the Governor emergency powers to "(1) ensure that preparations of this state will be adequate to deal with disasters, (2) generally protect the public peace, health, and safety, and (3) preserve the lives and property of the people of the state." Pursuant to Minnesota Statutes 2020, section 12.21, subdivision 1, the Governor has general authority to control the state's emergency management as well as carry out the provisions of the Minnesota Emergency Management Act. Pursuant to Minnesota Statutes 2020, section 12.21, subdivision 3(1), the Governor may "make, amend, and rescind the necessary orders and rules to carry out the provisions" of the Minnesota Emergency Management Act. When approved by the Executive Council and filed in the Office of the Secretary of State, such orders and rules have the force and effect of law during the pendency of a peacetime emergency. Any inconsistent rules or ordinances of any agency or political subdivision of the state are suspended during the pendency of the emergency.

For these reasons, I order as follows:

1. Paragraph 1 of Executive Order 20-50 is amended by the following additions (indicated by underlined text) and deletions (indicated by strikethrough text):

   Beginning immediately, for all purposes other than those related to domestic support obligations such as child support and spousal maintenance ("Domestic Support Obligations"), the Recovery Rebates and subsequent federal COVID stimulus payments to individuals must be deemed to be "government assistance based on need" under Minnesota Statutes 2020 ~~2019~~, section 550.37, subdivision 14 ("Government Aid"), making them exempt from all claims—except claims for Domestic Support Obligations—by creditors, including but not limited to any contractual setoff or security interest asserted by a financial institution, attachment, garnishment, seizure, sale, or any process under Minnesota Statutes 2020 ~~2019~~, Chapters 550, 551, and 571 ~~("Exempted Claims")~~.

2. Paragraph 2 of Executive Order 20-50 is amended by the following additions (indicated by underlined text) and deletions (indicated by strikethrough text):

   Beginning immediately, for all purposes other than those related to Domestic Support Obligations, federal, state, local, and tribal governmental payments issued to relieve the adverse economic impact caused by the COVID-19 pandemic must be deemed to be Government Aid, making them exempt from all claims except claims for Domestic Support Obligations ~~Exempted Claims~~.

3. Paragraph 3 of Executive Order 20-50 is amended by the following additions (indicated by underlined text) and deletions (indicated by strikethrough text):

   Beginning immediately, the provisions in Minnesota Statutes 2020 ~~2019~~, Chapters 550, 551, and 571, which permit service of a garnishment summons or a levy on a consumer debtor or consumer garnishee, are suspended, except those described in paragraph 9 of this Executive Order. For the purposes of this Executive Order, the terms "Consumer Debtor" and "Consumer Garnishee" have the definition of "debtor" and "garnishee" as used in Minnesota Statutes 2020, section 571.712, subdivisions

2(b) and 2(c), when applied to debtors and garnishees who are natural persons and whose debt originated from the purchase of goods or services purchased primarily for a personal, family, or household purpose, and not for a commercial, agricultural, or business purpose. For judgments entered on or after May 4, 2020, Minnesota Statutes 2020, sections 571.92 through 571.926, 550.136, and 551.06, are suspended for consumer debts.

4. Executive Order 20-50 is amended to add the following paragraph 9 (indicated by underlined text):

   9. Wage garnishments and levies of consumer debtors permitted by Minnesota Statutes 2020, Chapters 550, 551, and 571, are permitted for all judgments entered prior to May 4, 2020, and the salary and earnings of said consumer debtors are not exempt based upon receipt of a subsequent Recovery Rebate notwithstanding paragraph 1 or 2, except if the consumer debtor is a recipient of any of the public assistance programs enumerated under Minnesota Statutes 2020, section 550.37, subdivision 14.

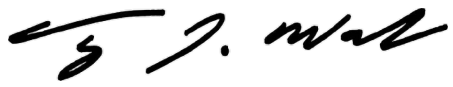
5. All references in Executive Order 20-50 to "Minnesota Statutes 2019" are replaced with "Minnesota Statutes 2020."

6. Except as specifically provided in this Executive Order, all provisions in Executive Order 20-50 remain in full force and effect.

Pursuant to Minnesota Statutes 2020, section 4.035, subdivision 2, and section 12.32, this Executive Order is effective immediately upon approval by the Executive Council. It remains in effect until the peacetime emergency declared in Executive Order 20-01 is terminated or until it is rescinded by proper authority.

A determination that any provision of this Executive Order is invalid will not affect the enforceability of any other provision of this Executive Order. Rather, the invalid provision will be modified to the extent necessary so that it is enforceable.

Signed on January 7, 2021.



Tim Walz
Governor

Filed According to Law:

Steve Simon
Secretary of State

Approved by the Executive Council on January 7, 2021:

Alice Roberts-Davis
Secretary, Executive Council

Filed January 7, 2021
Office of the Minnesota
Secretary of State
Steve Simon