The State of Maryland

Executive Department

ORDER
OF THE
GOVERNOR OF THE STATE OF MARYLAND

NUMBER 20-04-29-03

PROHIBITING GARNISHMENT OF CARES ACT RECOVERY REBATES

WHEREAS, A state of emergency and catastrophic health emergency was proclaimed on March 5, 2020, renewed on March 17, 2020, and renewed again on April 10, 2020, to control and prevent the spread of COVID-19 within the state, and the state of emergency and catastrophic health emergency still exists;

WHEREAS, COVID-19, a respiratory disease that spreads easily from person to person and may result in serious illness or death, is a public health catastrophe and has been confirmed throughout Maryland;

WHEREAS, COVID-19 has resulted in loss of employment and other detrimental economic impact for many Marylanders;

WHEREAS, The federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law Number 116-136, provides emergency financial assistance that will help Marylanders continue to pay for housing, food, and other essential needs; and

WHEREAS, It is reasonable to prohibit certain garnishments, liens, and set-offs against the emergency financial assistance paid to Marylanders under the CARES Act, to ensure that Marylanders may use the full benefit of that financial assistance to protect their lives and property;

NOW, THEREFORE, I, LAWRENCE J. HOGAN, JR., GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND LAWS OF MARYLAND, INCLUDING BUT NOT LIMITED TO TITLE 14 OF THE PUBLIC SAFETY ARTICLE, AND IN AN EFFORT TO CONTROL AND PREVENT THE SPREAD OF COVID-19 WITHIN THE STATE, DO HEREBY ORDER:

I. Definitions. As used herein:

a. "CARES Act Recovery Rebates" means payments made to eligible individuals pursuant to Section 2201 of the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136 (2020).

b. "Garnishment" includes, for purposes of this Order, execution, levy, attachment,

garnishment, or other legal process.

II. Prohibition on Garnishment and Setoff.

a. Except as otherwise provided by this Order:

i. CARES Act Recovery Rebates are exempt from, and shall not be subject to, Garnishment; and

ii. all financial institutions are hereby ordered not to hold a CARES Act Recovery Rebate of the judgment debtor under a writ of garnishment and to treat CARES Act Recovery Rebates as protected amounts under Maryland Rules 2-645.1 and 3-645.1.

b. No banking institution or credit union incorporated under the laws of this State shall have any lien upon, or right of setoff against funds in any customer or member's account, to the extent such funds are traceable to a CARES Act Recovery Rebate.

III. Exclusions. Paragraph II.a shall not apply to any Garnishment in connection with any action for, or judgment awarding child support.

IV. General Provisions.

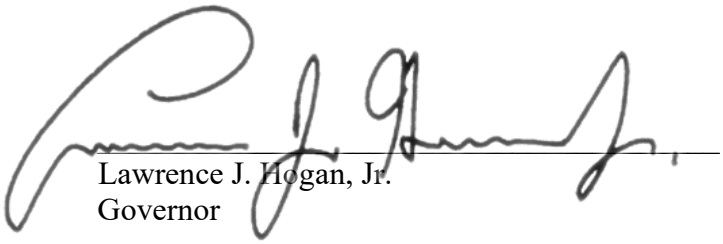
a. This Order remains effective until the state of emergency has been terminated and the proclamation of the catastrophic health emergency has been rescinded, or until rescinded, superseded, amended, or revised by additional orders.

b. The effect of any statute, rule, or regulation of an agency of the State or a political subdivision inconsistent with this order is hereby suspended to the extent of the inconsistency.

c. The underlined paragraph headings in this Order are for convenience of reference only and shall not affect the interpretation of this Order.

d. If any provision of this Order or its application to any person, entity, or circumstance is held invalid by any court of competent jurisdiction, all other provisions or applications of the Order shall remain in effect to the extent possible without the invalid provision or application. To achieve this purpose, the provisions of this Order are severable.

ISSUED UNDER MY HAND THIS 29TH DAY OF APRIL, 2020, AND EFFECTIVE IMMEDIATELY.



Lawrence J. Hogan, Jr.
Governor