



Attorney General Peter F. Neronha

FOR IMMEDIATE RELEASE
April 28, 2020

CONTACT: Kristy dosReis
(401) 274-4400 x2234
kdosreis@riag.ri.gov
Twitter [@AGNeronha](https://twitter.com/AGNeronha)

AG Neronha Issues Guidance to Protect CARES payments for Rhode Islanders

Attorney General Peter F. Neronha issued [guidance](#) today, reminding creditors, debt collectors and financial institutions that stimulus payments resulting from the federal government's Coronavirus Aid, Relief, and Economic Security (CARES) Act are exempt from seizure or garnishment by debt collectors.

"The purpose of the guidance issued by our Office today is to ensure that these relief payments can be used by Rhode Islanders for essential needs, such as food and housing, during these extraordinary circumstances," said Attorney General Neronha.

Today's guidance puts creditors on notice that if they attempt to garnish a Rhode Islander's CARES Act recovery rebate, the Attorney General's Office is prepared to take legal action to enforce the law and protect Rhode Islanders from unlawful collection practices.

The guidance is based on Rhode Island law that exempts certain income and property – for example, certain funds provided for relief of the poor or in aid of unemployment, public assistance, and particular retirement benefits – from seizure or garnishment by creditors.

Last month, Congress passed the CARES Act, which provides emergency assistance for individuals, families, and businesses affected by the 2020 coronavirus pandemic. Under the Act, eligible individuals and families can receive a one-time cash payment of up to \$1,200 for each individual or \$2,400 for eligible individuals filing a joint tax return, plus an additional \$500 for each dependent child.

Because the CARES Act does not explicitly designate these emergency stimulus payments as exempt from garnishment, as similar government payments (such as social security, disability and veterans' benefits) generally are, the Office developed the guidance to advise Rhode Island banking institutions and lenders.

The Attorney General also joined 24 Attorneys General on a [letter to the U.S. Department of the Treasury](#) asking the agency to protect CARES Act payments to the same extent as other government relief programs and ensure the payments go to individuals, families, and businesses affected by the 2020 coronavirus pandemic.

[View the full guidance on CARES Act Relief funds](#)

Concerns about seizure or debt collection of CARES Act payments can be directed to RIAG Consumer Protection team at 401-274-4400 or consumers@riag.ri.gov.

Visit the [RIAG COVID-19 Resource Page](#) for more information about how the Office is protecting consumers.

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