



FLORIDA DEPARTMENT OF
EDUCATION
fldoe.org



Employer's
Garnishment
Handbook

2014



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UNITED STATES DEPARTMENT OF EDUCATION
830 First Street, NE
Union Center Plaza
Washington, D.C. 20202

The following organizations have agreements with the U.S. Department of Education to participate in the Federal Family Education Loan (FFEL) Program as guaranty agencies under Section 428(b) of the Higher Education Act of 1965, as amended (HEA). The guaranty agencies on this list are authorized by section 488A of the HEA, to issue administrative wage garnishment withholding orders at a rate of 15% to employers, to recover FFEL debts owed by individuals who have defaulted on their student loan repayment obligations. This authority does not apply to Federal agencies or their employees.

AMERICAN STUDENT ASSISTANCE (MASSACHUSETTS)
STUDENT LOAN GUARANTEE FOUNDATION OF ARKANSAS
CALIFORNIA STUDENT AID COMMISSION
COLORADO STUDENT LOAN PROGRAM
CONNECTICUT STUDENT LOAN FOUNDATION
EDUCATION ASSISTANCE CORPORATION (SOUTH DAKOTA)
EDUCATIONAL CREDIT MANAGEMENT CORPORATION
FLORIDA DEPARTMENT OF EDUCATION/OFFICE OF STUDENT FINANCIAL ASSISTANCE
GEORGIA HIGHER EDUCATION ASSISTANCE FOUNDATION
GREAT LAKES HIGHER EDUCATION CORPORATION (WI)
ILLINOIS STUDENT ASSISTANCE COMMISSION
IOWA COLLEGE STUDENT AID COMMISSION
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY
LOUISIANA OFFICE OF STUDENT FINANCIAL ASSISTANCE
FINANCE AUTHORITY OF MAINE
MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY
MISSOURI DEPARTMENT OF HIGHER EDUCATION
MONTANA GUARANTEED STUDENT LOAN PROGRAM
NATIONAL STUDENT LOAN PROGRAM (NEBRASKA)
NEW HAMPSHIRE HIGHER EDUCATION ASSISTANCE FOUNDATION
NEW JERSEY HIGHER EDUCATION ASSISTANCE AUTHORITY
NEW MEXICO STUDENT LOAN GUARANTEE CORPORATION
NEW YORK STATE HIGHER EDUCATION SERVICES CORPORATION
NORTH CAROLINA STATE EDUCATION ASSISTANCE AUTHORITY
STUDENT LOANS OF NORTH DAKOTA
OKLAHOMA GUARANTEED STUDENT LOAN PROGRAM
OREGON STUDENT ASSISTANCE COMMISSION
AMERICAN EDUCATION SERVICES/PHEEA
RHODE ISLAND HIGHER EDUCATION ASSISTANCE AUTHORITY
SOUTH CAROLINA STUDENT LOAN CORPORATION
TENNESSEE STUDENT ASSISTANCE CORPORATION
TEXAS GUARANTEED STUDENT LOAN CORPORATION
USA FUNDS
UTAH HIGHER EDUCATION ASSISTANCE AUTHORITY

www.FloridaStudentFinancialAid.org

VERMONT STUDENT ASSISTANCE CORPORATION
NORTHWEST EDUCATION LOAN ASSOCIATION (NELA)

www.FloridaStudentFinancialAid.org

Post Office Box 7019, Tallahassee, Florida 32314-7019
800-366-3475/850-410-5200 © 2014, Florida Department of Education. All Rights Reserved.

Dear Employer:

Each year, Federal taxpayers back billions of dollars in loans made to students and their parents by banks, schools, and the government itself. When a borrower repays a federally supported student loan, everyone benefits. The borrower maintains a good credit rating. Lawmakers continue their support of the loan program—enabling more people to pursue educational dreams and providing an educated work force for employers. Fewer taxpayer dollars are needed to pay for loan programs. Although over 85 percent of borrowers repay their loans, defaults do occur, and they remain a serious problem.

As the administrator of the Federal Family Education Loan Program (FFELP) in Florida, the Office of Student Financial Assistance (OSFA) pursues the collection of student loans aggressively through various means, including borrower telephone and letter contacts, credit bureau reporting, withholding of Internal Revenue Service (IRS) refunds and Florida Lottery winnings, and wage garnishment. Section 488A of the Higher Education Act authorizes OSFA to collect defaulted Federally financed student loans by means of an administrative garnishment order to the employer, without need for a court order. This order requires the employer to withhold and pay over to OSFA a portion of the debtor's disposable pay. Federal law authorizing this action supersedes any state law that might limit or prohibit wage garnishment, or would require a creditor to obtain a judgment or use specific procedures for wage garnishment. Beginning July 1, 2006, OSFA will issue garnishment orders to employers to withhold 15% of the borrower's wages for repayment on student loans, part of the Deficit Reduction Act of 2005.

The cooperation from employers has contributed and will continue to contribute to the significant results in this program. The handbook included with this letter will provide you with more information about the wage garnishment program and how it works. OSFA has worked to minimize any impact the program might have on your business operations. If you have any questions, please contact OSFA's Customer Service Unit at (800) 262-6732 or by e-mail at Wage.Questions@fldoe.org.

Wage garnishment helps ensure that those borrowers who were assisted by Federally supported student loans pay their debt so that others may receive assistance to pursue educational dreams. Thank you for working with us on this important goal.

Sincerely,

Administrative Wage Garnishment Unit

The Student Loan Programs

Program Overview

OSFA collects loans made under three separate Federally financed education loan programs, as well as overpayments to student grant recipients. The largest of the three loan programs is the Federal Family Education Loan Program (FFELP). Formerly called the Guaranteed Student Loan Program, the FFELP was created by the Higher Education Act of 1965 in an effort to provide incentives for the use of private capital to fund low interest long-term loans for postsecondary education. Students and their parents go to private lenders for a FFELP loan; State and non-profit organizations, called “guaranty agencies,” guarantee repayment of the loan in the event of default, death or disability of the borrower. OSFA in turn reinsures these guarantors against their losses, and subsidizes the loans.

When a FFELP borrower defaults, the guaranty agency pays the lender, receives Federal reinsurance, takes assignment of the loan from the bank, and then attempts to collect. The Guarantor may assign the loan to the U.S. Department of Education (Department), which then collects the debt directly, using collection contractors, Federal offsets, credit bureau reporting, and wage garnishment.

Under the Direct Loan Program, loans are made to students and parents. These loans have the same terms as FFELP loans. OSFA collects those loans that default using the same tools as it uses for FFELP loans.

Default Rates

Most students repay their FFELP loans. However, between 10 and 15 percent of the borrowers in this program do not repay their loans. Many of these borrowers are employed and are able to make payments. When the borrowers default, it is ultimately the taxpayers who pay the expense for their FFELP loans.

Default Prevention and Collection

A number of regulations and incentives are in place to prevent the default rate from rising. OSFA has substantially increased default prevention efforts for the loans we guarantee. In addition, Congress has authorized guaranty agencies and the U.S. Department of Education to collect on defaulted loans through the administrative withholding of a portion of a defaulted borrower’s wages.

Legislative Authority for Wage Withholding

Public Law 102-164, 109-171; Section 488A of the Higher Education Act; 20 U.S.C. Section 1095a et seq. allows OSFA to administratively garnish up to 15 percent of a debtor's disposable pay as defined by 15 U.S.C. Section 1673, unless the debtor provides OSFA with written consent to deduct a greater amount. This amount shall be deducted until the defaulted loan has been paid in full. This law supersedes any state laws governing wage garnishment.

OSFA believes wage withholding encourages many employed defaulted loan borrowers to repay their loans. In cases where borrowers refuse to honor their obligations, wage withholding is an effective debt collection tool.

The Basic Steps Employers Follow for Withholding

Procedures

STEP	ACTION
1	Read the Order of Withholding from Earnings (the Order). It contains instructions on how to withhold and pay the required amounts.
2	Calculate (using the worksheet provided) and deduct the amount to be withheld from the debtor's pay for the first pay period that occurs after the employer receives the Order.
3	Send the amount deducted to OSFA according to the instructions
4	Repeat steps 2 and 3 each pay period.

OSFA Action

OSFA sends the employer an Order of Withholding from Earnings (*Attachment A*), which provides the borrower's name, address, and social security number, as well as instructions for withholding. A sample Order is provided as Attachment A.

Employer Responsibility

The employer should complete and return the Employer Acknowledgment of Wage Withholding (*Attachment B*) within 20 business days. If the borrower is no longer employed by your organization when you receive the Order, simply indicate this on the Employer Acknowledgment of Wage Withholding and return it to OSFA.

Employee Notification

OSFA provided the employee borrower with the following information prior to sending the employer the Order of Withholding from Earnings:

- Notices of delinquency;
- A Notice Prior to Wage Withholding;
- An opportunity to contest the withholding and information about his or her rights and responsibilities in the process; and
- An opportunity to prevent wage garnishment by entering a voluntary repayment agreement with OSFA.

Amount of Withholding

The instructions below explain how to calculate the amount of earnings to be withheld.

STEP	ACTION
1	Read the Order of Withholding from Earnings.
2	Identify the debtor named in the Order.
3	Identify the debtor's gross earnings for the pay period. "Earnings" of the debtor's mean compensation paid or payable personal services, whether denominated as wages, salary, commission, bonus, or otherwise.
4	Identify amounts that can be excluded from withholding. These are limited to health insurance premiums and amounts required by law to be withheld, such as state (if applicable) and federal income tax, Federal FICA or OASI tax (Social Security). -Do not include deductions for savings bonds, employee contributions to retirement plans, and the like.
5	Calculate disposable earnings by subtracting excluded amounts (Step 4) from the debtor's gross earnings (Step 3).
6	Compute the required withholding amount by using the worksheet on the reverse side of the Employer Acknowledgement Form. The result is the amount to be withheld from the debtor's wages each pay period. This figure may be rounded off to a flat dollar amount as long as the resulting figure does not exceed 15 percent of the debtor's disposable pay.

How to Remit Withheld Earnings

STEP	ACTION
1	Process check(s) for the required withholding amount calculated according to the instructions provided. Make check(s) payable to Florida Department of Education.
2	Ensure each check includes the information listed below: <ul style="list-style-type: none"> • Debtor's Name • Debtor's Account Number or Social Security Number • Employer Name • Federal Employer Identification Number
3	Send the check to the address below or make payments online at http://www.floridastudentfinancialaid.org : Florida Department of Education Office of Student Financial Assistance Post Office Box 865435 Orlando, FL 32886-5435 Employers may also make payments by telephone by calling toll-free at 1-866-729-3673 and providing the employee's Social Security Number.

Account Number

For the protection of our borrower's privacy, we ask that employers enclose the account number as found on the Order of Withholding from Earnings. A Social Security Number may be included if an account number is not available.

Frequency of Payments

Although deductions should be made at each pay period, whether weekly, biweekly, semimonthly, etc., remittance to OSFA need not be made more than at least **once each month**. The employer is not required to change normal pay and disbursement cycles to comply with the Order.

Two or More Borrowers

If the employer is making payments to OSFA for two or more borrowers, the employer may combine payments as long as the check stub and Payment Transmittal Form (*Attachment H*) detail each debtor's name, account number, or Social Security Number, and the amount remitted for each.

Multiple Withholdings

Informing OSFA

The Employer must notify OSFA in writing if an employee borrower is subject to other garnishments. OSFA will provide assistance in determining how to proceed. It is particularly important that OSFA is contacted when multiple garnishments prohibit a withholding or change the amount required to be withheld. Always wait for a Release of Order of Withholding from Earnings (*Attachment C*) before discontinuing withholding payments to OSFA.

Limits Required by Law

The Consumer Credit Protection Act (15 U.S.C. Section 1671 *et seq.*) provides for a 25 percent limit of the total amount of wages that can be withheld from an individual. (The limit is 50-60 percent for child support garnishments.) If the borrower is subject to multiple garnishments, this limit may affect the amount that may be withheld for student loan debts. Requirements for calculating these limits are very specific. For more information, please refer to 29 CFR 870.1, Subpart B. As a general rule, if the borrower has 25 percent or more of his or her wages withheld at the time the employer receives the Order, the employer may not withhold additional amounts for student loan debts, and the employer is required to obtain a Subordination of Order of Withholding from Earnings (*Attachment G*) from OSFA.

However, if the present amount withheld is less than 25 percent, the employer is required to withhold up to that limit, but please contact OSFA before taking any action to ensure the appropriate amount is being deducted.

Multiple Student Loan Garnishments

The U.S. Department of Education requires multiple student loan garnishments on a borrower if the first garnishment results in a withholding of less than 25 percent of the borrower's disposable pay. This includes withholding orders from a Guarantor and the U.S. Department of Education or orders from more than one Guarantor. Multiple garnishments cannot cause the total amount of wages withheld from a borrower's disposable pay to exceed 25 percent; however, there are certain exceptions. The total amount withheld will vary from 25 percent:

- If an order is for child support, in which case up to 50-60 percent of a borrower's disposable pay may be garnished for support; or
- If the amount by which the borrower's disposable earnings for that week exceeds 30 times the minimum hourly wage and is less than 25 percent of the borrower's earnings, in which case the lesser amount is the maximum amount that can be withheld. 15 U.S.C. Section 1673 (a) (1) and (2). See AWG Worksheet Instructions (*Attachment I*).

A first-in-time rule applies to multiple student loan garnishments; that is, an employer must honor the first student loan withholding order it receives to the fullest extent that a borrower's earnings are eligible for withholding. If, after application of the first student loan garnishment, additional earnings are eligible for withholding, the employer should then apply the next student loan withholding order it has received to the extent earnings remain eligible for withholding. Please note that if no amount of a borrower's disposable earnings is available to honor an OSFA Order to Withhold Earnings, or if the amount available is less than 15 percent of disposable pay, an employer must still notify OSFA regarding its inability to comply, or fully comply, with the withholding order.

Prioritizing Garnishments

Garnishments for Child Support and IRS levies take precedence over withholding for student loan debts, regardless of when they begin. If the employer receives a garnishment order for Child Support or IRS levy after receipt of a withholding order from OSFA, immediately contact the OSFA Customer Service Unit toll-free at 1-800-366-3475. Other questions about prioritizing multiple garnishments should also be directed to the Customer Service Unit.

When to Stop Withholding

Release of Order

OSFA will send a Release of Order of Withholding from Earnings (*Attachment C*) to cancel the wage withholding. Employers are required to continue to garnish and forward the employee's disposable pay until notified by such Release Order. Employers must then complete and return the Employer Acknowledgment of Release of Order of Withholding from Earnings received (*Attachment D*), which is provided with the Release Order.

When the Borrower Ends Employment

When a borrower for whom a withholding order is in effect terminates employment, the employer is required to notify OSFA in writing within 10 business days of the borrower's termination. In addition, please supply the borrower's last known address and the name, address, and telephone number of his or her new employer, if known. This will help ensure the borrower can be located and the new employer notified promptly of the withholding requirement. Income earned up to the termination date and any other compensation, such as severance pay, is subject to withholding. An Employer Notice of Change in Employment (*Attachment E*) may be used for this purpose. Please feel free to make as many copies as needed.

Employer Compliance

Employers can help keep Federal Family Education Loan Program taxpayer costs down by complying with these wage garnishment procedures. There are penalties for non-compliance with the Order of Withholding from Earnings (*Attachment A*) and for retaliation against employees. If an employer fails to withhold wages following the receipt of the employee's Order of Withholding from Earnings, OSFA may sue the employer to recover any amount the employer fails to withhold from an employee's wages, plus attorneys' fees, costs, and punitive damages, at the court's discretion.

Employer Discrimination

Under federal law, an employer may not discharge from employment, refuse to employ, or take disciplinary action against an individual simply because that individual is subject to wage withholding. The affected employee may sue an employer who takes such action, and should the employee prevail, the court must award attorneys' fees, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonable and necessary.

Debtor Files Bankruptcy

If a debtor from whom the employer is withholding earnings notifies the employer that he or she has filed bankruptcy, the employer should advise the debtor that the debtor is responsible for giving notice to OSFA. The employer may suspend withholding in order to notify OSFA of the debtor's statement. OSFA encourages an employer that receives actual proof of bankruptcy filing by the debtor to transmit those documents to OSFA at (850) 410-6849.

Employer Files Bankruptcy

An employer who files for protection in bankruptcy remains subject to the Order and must continue to withhold earnings pursuant to the Order.

Inquiries

Correspondence Address*	Questions about administrative wage garnishment for defaulted student loans should be directed to: Florida Department of Education Office of Student Financial Assistance Administrative Wage Garnishment Post Office Box 7019 Tallahassee, Florida 32314-7019 Toll-free 1-800-366-3475 Fax: 850-410-6849 E-mail: Wage.Questions@fldoe.org
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***PLEASE DO NOT SEND CHECKS TO THIS ADDRESS.**

Title 15 >Chapter 41>Subchapter II

15 U.S.C. 1673. Restriction on Garnishment

(a) Maximum allowable garnishment

Except as provided in subsection (b) of this section and in section 1675 of this title, the maximum part of the aggregate disposable earnings of an individual for any workweek which is subjected to garnishment may not exceed

- (1) 25 per centum of his disposable earnings for that week, or
- (2) the amount by which his disposable earnings for that week exceed thirty times the Federal minimum hourly wage prescribed by section 206 (a)(1) of title 29 in effect at the time the earnings are payable, whichever is less. In the case of earnings for any pay period other than a week, the Secretary of Labor shall by regulation prescribe a multiple of the Federal minimum hourly wage equivalent in effect to that set forth in paragraph (2).

(b) Exceptions

- (1) The restrictions of subsection (a) of this section do not apply in the case of
 - (A) any order for the support of any person issued by a court of competent jurisdiction or in accordance with an administrative procedure, which is established by State law, which affords substantial due process, and which is subject to judicial review.
 - (B) any order of any court of the United States having jurisdiction over cases under chapter 13 of title 11.
 - (C) any debt due for any State or Federal tax.
- (2) The maximum part of the aggregate disposable earnings of an individual for any workweek which is subject to garnishment to enforce any order for the support of any person shall not exceed—
 - (A) where such individual is supporting his spouse or dependent child (other than a spouse or child with respect to whose support such order is used), 50 per centum of such individual's disposable earnings for that week; and
 - (B) where such individual is not supporting such a spouse or dependent child described in clause (A), 60 per centum of such individual's disposable earnings for that week; except that, with respect to the disposable earnings of any individual for any workweek, the 50 per centum specified in clause (A) shall be deemed to be 55 per centum and the 60 per centum specified in clause (B) shall be deemed to be 65 per centum, if and to the extent that such earnings are subject to garnishment to enforce a support order with respect to a period which is prior to the twelve-week period which ends with the beginning of such workweek.

(c) Execution or enforcement of garnishment order or process prohibited

No court of the United States or any State, and no State (or officer or agency thereof), may make, execute, or enforce any order or process in violation of this section.

15 U.S.C. 1674 Restriction on discharge from employment by reason of garnishment

(a) Termination of employment

No employer may discharge any employee by reason of the fact that his earnings have been subjected to garnishment for any one indebtedness.

(b) Penalties

Whoever willfully violates subsection (a) of this section shall be fined not more than \$1,000, or imprisoned not more than one year, or both.

Important:

Employers with questions regarding the administrative wage garnishment process should contact our Customer Service Unit by calling toll-free at 1-800-366-3475 or by e-mail at Wage.Questions@fldoe.org

Title 20>Chapter 28> Subchapter IV>Part F> 20 U.S.C. Section 1095a et seq.

Education.

20 Section 1095a

Section 1095a. Wage garnishment requirement

(a) Garnishment requirements

Notwithstanding any provision of State law, a guaranty agency, or the Secretary in the case of loans made, insured or guaranteed under this subchapter and part C of subchapter I of chapter 34 of title 42 that are held by the Secretary, may garnish the disposable pay of an individual to collect the amount owed by the individual, if he or she is not currently making required repayment under a repayment agreement with the Secretary, or, in the case of a loan guaranteed under part B of this subchapter on which the guaranty agency received reimbursement from the Secretary under section 1078 (c) of this title, with the guaranty agency holding the loan, as appropriate, provided that—

- (1) the amount deducted for any pay period may not exceed 15* percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved;
- (2) the individual shall be provided written notice, sent by mail to the individual's last known address, a minimum of 30 days prior to the initiation of proceedings, from the guaranty agency or the Secretary, as appropriate, informing such individual of the nature and amount of the loan obligation to be collected, the intention of the guaranty agency or the Secretary, as appropriate, to initiate proceedings to collect the debt through deductions from pay, and an explanation of the rights of the individual under this section;
- (3) the individual shall be provided an opportunity to inspect and copy records relating to the debt;
- (4) the individual shall be provided an opportunity to enter into a written agreement with the guaranty agency or the Secretary, under terms agreeable to the Secretary, or the head of the guaranty agency or his designee, as appropriate, to establish a schedule for the repayment of the debt;

***Deficit Reduction Act 2005**

The maximum amount deducted from any pay period has been changed from 10 percent to 15 percent of disposable pay. This change was made by the passing of the Deficit Reduction Act of 2005 (S. 1932) Section 8024, which revises the Higher Education Act of 1965, as amended, Section 488A(a)(1) to read as follows:

(1) the amount deducted for any pay period may not exceed 15 percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved.

- (5) the individual shall be provided an opportunity for a hearing in accordance with subsection (b) of this section on the determination of the Secretary or the guaranty agency, as appropriate, concerning the existence or the amount of the debt, and, in the case of an individual whose repayment schedule is established other than by a written agreement pursuant to paragraph (4), concerning the terms of the repayment schedule;
- (6) the employer shall pay to the Secretary or the guaranty agency as directed in the withholding order issued in this action, and shall be liable for, and the Secretary or the guaranty agency, as appropriate, may sue the employer in a State or Federal court of competent jurisdiction to recover, any amount that such employer fails to withhold from wages due an employee following receipt of such employer of notice of the withholding order, plus attorneys' fees, costs, and, in the court's discretion, punitive damages, but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph;
- (7) if an individual has been reemployed within 12 months after having been involuntarily separated from employment, no amount may be deducted from the disposable pay of such individual until such individual has been reemployed continuously for at least 12 months; and
- (8) an employer may not discharge from employment, refuse to employ, or take disciplinary action against an individual subject to wage withholding in accordance with this section by reason of the fact that the individual's wages have been subject to garnishment under this section, and such individual may sue in a State or Federal court of competent jurisdiction any employer who takes such action. The court shall award attorneys' fees to a prevailing employee and, in its discretion, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonably necessary.

(b) Hearing requirements

A hearing described in subsection (a)(5) of this section shall be provided prior to issuance of a garnishment order if the individual, on or before the 30th day following the mailing of the notice described in subsection (a)(2) of this section, and in accordance with such procedures as the Secretary or the head of the guaranty agency, as appropriate, may prescribe, files a petition requesting such a hearing. If the individual does not file a petition requesting a hearing prior to such date, the Secretary or the guaranty agency, as appropriate, shall provide the individual a hearing under subsection (a)(5) of this section upon request, but such hearing need not be provided prior to issuance of a garnishment order. A hearing under subsection (a)(5) of this section may not be conducted by an individual under the supervision or control of the head of the guaranty agency, except that nothing in this sentence shall be construed to prohibit the appointment of an administrative law judge. The hearing official shall issue a final decision at the earliest practicable date, but not later than 60 days after the filing of the petition requesting the hearing.

(c) Notice requirements

The notice to the employer of the withholding order shall contain only such information as may be necessary for the employer to comply with the withholding order.

(d) No attachment of student assistance

Except as authorized in this section, notwithstanding any other provision of Federal or State law, no grant, loan, or work assistance awarded under this subchapter and part C of subchapter I of chapter 34 of title 42, or property traceable to such assistance, shall be subject to garnishment or attachment in order to satisfy any debt owed by the student awarded such assistance, other than a debt owed to the Secretary and arising under this subchapter and part C of subchapter I of chapter 34 of title 42.

(e) “Disposable pay” defined

For the purpose of this section, the term “disposable pay” means part of an employee’s weekly, biweekly, etc. compensation for personal services that remains after the deduction of health insurance premiums and any amounts required by law to be withheld; includes, but is not limited to: salary, bonuses, commissions or vacation pay.



Administrative Wage Garnishment Instructions and Attachments

(SAMPLE)
ATTACHMENT A

EMPLOYER:

«Emp_Name»
«Emp_Addr_4_Gar»
«Emp_City», «Emp_State» «Emp_Zip»

STUDENT LOAN DEBT OF EMPLOYEE:

«L_NAME»

**ORDER OF WITHHOLDING FROM EARNINGS
ISSUED ON September 22, 2016.**

Pursuant to authority granted the Florida Department of Education, Office of Student Financial Assistance (OSFA) by Federal Law (Public Law 102-164, as amended by Public Law 109-171; 20 U.S.C. §1095a *et seq.*), as **the employer** of the debtor named below, you are **HEREBY ORDERED AND DIRECTED** to withhold income from the debtor's disposable pay for payment of defaulted student loan(s), as follows:

Debtor: «L_NAME»

Address: «BORR_ADDR»
«Borr_City», «Borr_State» «Borr_Zip»

SSN: «BORR_SSN»

Acct. No.: «AcctNum»

Total Amount Currently Due: «MODOWENBLC»**

Amount to Withhold:

Employer **SHALL DEDUCT AND PAY** to OSFA from the debtor's wages the smallest of –

- The amount specified in the Order of Withholding from Earnings, or
- **Fifteen percent (15%) from the debtor's disposable pay** for each pay period (not to exceed 15% of the debtor's disposable pay), or
- The amount permitted by 15 U.S.C. 1673, unless the debtor provides OSFA with written consent to deduct a greater amount.

This amount shall be deducted until the amount set forth above as the "Total Amount Currently Due"*** plus all further accrued interest, penalties and other assessed costs are fully paid.

Time for Withholding:

Employer is **DIRECTED to begin withholding** from the debtor's disposable pay beginning with **the first pay period** that occurs after the issuance of this Order of Withholding from Earnings.

Method of Payment:

Employer is **DIRECTED TO PAY all amounts withheld** on each regular payday, no less frequently than once each month, to the address listed below or online at <http://www.floridastudentfinancialaid.org>.

Florida Department of Education
Office of Student Financial Assistance
Post Office Box 865435
Orlando, FL 32886-5435

All payments MUST identify the debtor and the debtor's account number.

Section 488A of the Higher Education Act of 1965, as amended, provides that an employer who fails to comply with a garnishment order issued under this law will be liable for any amounts that are not so withheld following receipt, in addition to cost of suit as a result of legal action authorized under law.

The Administrative Wage Garnishment Employer Handbook is available online at http://www.floridastudentfinancialaid.org/FFELP/ffelp_homepage.html. If you are unable to access this information online, please contact our Customer Service Unit staff by calling toll-free at 1-800-366-3475.

Should you have any questions or concerns regarding this Second Order, or the wage withholding process, please contact our Customer Service Unit staff by calling the number listed above or e-mail the Administrative Wage Garnishment Unit staff at Wage.Questions@fldoe.org.

OFFICE OF STUDENT FINANCIAL ASSISTANCE

**(SAMPLE)
ATTACHMENT B**

STUDENT LOAN DEBT OF _____, DEBTOR
EMPLOYER IDENTIFICATION NUMBER (EIN) _____

EMPLOYER ACKNOWLEDGEMENT OF WAGE WITHHOLDING

I, _____ on behalf of _____
(Name) (Employer)
acknowledge receipt of the Order of Withholding from Earnings for _____
(Debtor)

(Debtor's Account Number)

**You must complete the Administrative Wage Garnishment Withholding Worksheet
on the reverse side of this form before you complete the section below.**

Please check all that apply:

- The above-named debtor is an employee of this organization and payments of approximately \$ _____ (amount on the order, up to 15 percent of disposable pay* or amount permitted by 15 U.S.C. 1673) will be forwarded to the Florida Department of Education on a _____ (weekly/biweekly/other) basis.
- The above-named debtor is an employee of this organization; however, he/she is currently being garnished at _____%. Therefore, our organization will send payments of approximately \$ _____ on a _____ (weekly/biweekly/other) basis.
- The above-named debtor of this organization has an insufficient garnishment amount and no monies will be remitted.
- The above-named debtor of this organization is ineligible for wage garnishment for the following reason(s):

- The above-named debtor is no longer employed or has never been employed by this organization.
Type of Termination: Voluntary _____ Involuntary _____
Debtor's Subsequent Employer and Telephone Number (if available): _____
- The address this organization has for this debtor is different from the address listed on the Order of Withholding from Earnings. Our records indicate the address is:

(Employer Signature)

(Employer Telephone Number)

(Date)

(Employer Fax Number)

PLEASE RETURN THIS FORM WITHIN 20 BUSINESS DAYS TO THE CORRESPONDENCE ADDRESS OR FAX NUMBER BELOW.

Correspondence Address:
Florida Department of Education
Office of Student Financial Assistance
Administrative Wage Garnishment Unit
Post Office Box 7019
Tallahassee, FL 32314-7019
Fax Number: (850) 410-6849

Payment Address:
Florida Department of Education
Administrative Wage Garnishment Unit
Post Office Box 865435
Orlando, FL 32886-5435

(SAMPLE)
ATTACHMENT C

**FLORIDA DEPARTMENT OF EDUCATION
OFFICE OF STUDENT FINANCIAL ASSISTANCE**

EMPLOYEE NAME:
«L_NAME», DEBTOR

EMPLOYER:
«Emp Name»
«Emp Addr 4 Gar»
«Emp City», «Emp State» «Emp Zip»

RELEASE OF ORDER TO WITHHOLD EARNINGS

The Order of Withholding from Earnings issued by the Florida Department of Education, Office of Student Financial Assistance on «DTOWESNT», for the debtor below is hereby CANCELED AND RELEASED.

Debtor: «L_Name»
«Borr_Addr»
«Borr_City», «Borr_State» «Borr_Zip»

SSN: «Borr_SSN»

FROM AND AFTER THE DATE OF THIS RELEASE, THE EMPLOYER IS NO LONGER REQUIRED TO WITHHOLD INCOME FROM THE DEBTOR'S PAY.

THIS RELEASE OF ORDER OF WITHHOLDING FROM EARNINGS is issued on

_____.

Agent for OSFA: Clerk 000 for _____
Lou Anne Standley, Director

OFFICE OF STUDENT FINANCIAL ASSISTANCE

(SAMPLE)
ATTACHMENT D

**FLORIDA DEPARTMENT OF EDUCATION
OFFICE OF STUDENT FINANCIAL ASSISTANCE**

RE: STUDENT LOAN DEBT OF
_____, DEBTOR

**EMPLOYER ACKNOWLEDGMENT OF
RELEASE OF ORDER TO WITHHOLD EARNINGS**

I, _____, on behalf of _____
(Name) (Employer)

acknowledge receipt of the Release of Order of Withholding from Earnings for
_____, _____
(Debtor) (Account Number)

I understand and acknowledge that this company is no longer required to withhold wages for the debtor referenced above.

Signature

Date

Telephone Number

RETURN THIS FORM WITHIN 10 BUSINESS DAYS BY FAX TO (850) 410-6849 OR TO:

Florida Department of Education
Office of Student Financial Assistance
Administrative Wage Garnishment Unit
Post Office Box 7019
Tallahassee Florida 32314-7019
Fax: (850) 410-6849

OFFICE OF STUDENT FINANCIAL ASSISTANCE

(SAMPLE)
ATTACHMENT E

RE: STUDENT LOAN DEBT OF
_____, DEBTOR

EMPLOYER NOTICE OF CHANGE IN EMPLOYMENT

I, _____, on behalf of _____
(Name) (Employer)

notify the Florida Department of Education, Office of Student Financial Assistance of the following information:

_____, _____
(Debtor) (Acct No. or SSN)

Date of Termination: _____

[] VOLUNTARY TERMINATION [] INVOLUNTARY TERMINATION

Debtor's Last Known Address _____

Debtor's New Employer and Telephone Number (if available):

Signature

Date

Telephone Number

RETURN THIS FORM WITHIN 20 BUSINESS DAYS BY FAX TO (850) 410-6849 OR TO THE ADDRESS BELOW:

(SAMPLE)
ATTACHMENT F

OFFICE OF STUDENT FINANCIAL ASSISTANCE

EMPLOYER:

«Emp_Name»
«Emp_Addr_4_Gar»
«Emp_City», «Emp_State» «Emp_Zip»

STUDENT LOAN DEBT OF EMPLOYEE:

«L_NAME»

**MODIFICATION OF ORDER OF WITHHOLDING FROM EARNINGS
ISSUED ON September 22, 2016**

Pursuant to authority granted the Florida Department of Education, Office of Student Financial Assistance (OSFA) by Federal Law (Public Law 102-164, as amended by Public Law 109-171; 20 U.S.C. §1095a *et seq.*), as the employer of the debtor named below, you are **HEREBY ORDERED AND DIRECTED** to withhold income from the debtor's disposable pay for payment of defaulted student loan(s), as follows:

Debtor: «L_NAME»

Address: «BORR_ADDR»
«Borr_City», «Borr_State» «Borr_Zip»

SSN: «BORR_SSN»

Acct. No.: «AcctNum»

Total Amount Currently Due: «MODOWENBLC»**

The Order of Withholding from Earnings issued by the Florida Department of Education, Office of Student Financial Assistance on «DTOWESNT», for the debtor named above is hereby **MODIFIED**.

Amount to Withhold:

Employer **SHALL DEDUCT AND PAY** to OSFA from the debtor's wages the smallest of –

- \$ _____ per pay cycle, or
- The amount permitted by 15 U.S.C. 1673, unless the debtor provides OSFA with written consent to deduct a greater amount.

This amount shall be deducted until the amount set forth above as the “Total Amount Currently Due”** plus all further accrued interest, penalties and other assessed costs are fully paid.

Time for Withholding:

Employer is **DIRECTED to begin withholding** from the debtor’s disposable pay beginning with **the first pay period** that occurs after the issuance of this Modified Order of Withholding from Earnings.

Method of Payment:

Employer is **DIRECTED TO PAY all amounts withheld** on each regular payday, no less frequently than once each month, to the address listed below or online at <http://www.floridastudentfinancialaid.org>.

Florida Department of Education
Office of Student Financial Assistance
Post Office Box 865435
Orlando, FL 32886-5435

All payments MUST identify the debtor and the debtor’s account number.

The Administrative Wage Garnishment Employer Handbook is available online at http://www.floridastudentfinancialaid.org/FFELP/ffelp_homepage.html. If you are unable to access this information online, please contact our Customer Service Unit staff by calling toll-free at 1-800-366-3475.

Should you have any questions or concerns regarding this Order, or the wage withholding process, please contact our Customer Service Unit staff by calling the number listed above or e-mail the Administrative Wage Garnishment Unit staff at Wage.Questions@fldoe.org.



**(SAMPLE)
ATTACHMENT G**

RE: STUDENT LOAN DEBT OF
_____, DEBTOR

SUBORDINATION OF ORDER TO WITHHOLD EARNINGS

The Order of Withholding from Earnings issued by the Florida Department of Education, Office of Student Financial Assistance on MM/DD/YYYY for the debtor named below is hereby SUBORDINATED to the right of _____ to withhold debtor's wages.

Debtor:

Address:

Social Security Number:

Account Number:

From the date of this Subordination to the date of release or extinguishment of the right of _____ to withhold debtor's wages, the employer is NOT required to withhold income from the debtor's pay pursuant to OSFA's Order to Withhold Earnings.

At such time as the right of _____ to withhold debtor's wages is released or extinguished, employer's obligation to withhold pursuant to OSFA's Order of Withholding from Earnings shall commence in full force and effect.

THIS SUBORDINATION OF ORDER OF WITHHOLDING FROM EARNINGS IS ISSUED ON _____.

ADMINISTRATIVE WAGE GARNISHMENT

**(SAMPLE)
ATTACHMENT H**

PAYMENT TRANSMITTAL FORM

TRANS TYPE	NAME	ACCT NO. PROVIDED OR SSN	PAYMENT DATE	PAYMENT AMOUNT
18				
18				
18				
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18				

Please complete and submit this form with each payment made payable to Florida Department of Education to the address below or you may make payments online at <http://www.floridastudentfinancialaid.org>:

Florida Department of Education
Office of Student Financial Assistance
Administrative Wage Garnishment Unit
Post Office Box 7019
Tallahassee Florida 32314-7019
Fax: (850) 410-6849
Email: Wage.questions@fldoe.org

**AWG WORKSHEET INSTRUCTIONS
ATTACHMENT I**

Use the AWG WITHHOLDING WORKSHEET to calculate the amount of withholding for each pay period. At the top of each sheet, identify the **type of pay period** (e.g., weekly, biweekly, monthly, etc.) and the **end date of that period** in the spaces indicated.

LINE 1: “Disposable pay” is determined by (a) calculating the total compensation paid or payable for the employee’s services (e.g., wages, salary, commissions, bonus, severance pay, etc.) and (b) subtracting from that amount the sum of all amounts required by law to be withheld from that compensation, such as state (if any) and federal income tax, and federal FICA or OASI tax (social security) and health insurance premiums. You should not subtract amounts withheld for savings bonds, employee contributions to retirement plans and the like. Also, **be sure that you do not subtract garnishments**; these are considered in LINE 7.

LINE 2: Under 20 USC 1095a(a)(1), the amount deducted for any pay period may not exceed 15 percent of disposable pay, unless the individual consents, in writing, to a greater percentage.

LINE 3: The Consumer Credit Protection Act (15 USC 1671 et seq.) provides that, except in certain limited circumstances, the maximum part of the aggregate disposable earnings of an individual for any workweek, which is subject to garnishment, may not exceed 25%.

LINE 4: Be sure to enter the correct federal minimum hourly wage.

LINE 5: The Consumer Credit Protection Act excludes from garnishment a “floor” level of disposable pay per workweek in an amount equal to 30 times the federal minimum hourly wage.

LINE 7: If the employee is subject to multiple garnishments during a pay period, federal law may limit your ability to withhold, for that pay period, the full amount called for under the Order. For further information, please refer to the section in your Handbook on “Multiple Withholdings.”

LINE 10: Of the amounts calculated in Lines 2, 8, and 9, insert here whichever amount is lowest.

LINE 11 You may round off the figure to a flat dollar amount, so long as the resulting figure does not exceed Line 9.

AWG WITHHOLDING WORKSHEET

**(SAMPLE)
ATTACHMENT J**

***Disposable pay**—part of an employee’s weekly, biweekly, or monthly compensation for personal services that remains after the deduction of health insurance premiums and any amounts required by law to be withheld; includes, but is not limited to salary, bonuses, commissions or vacation pay.

Amounts required by law to be withheld—Social Security taxes and withholding taxes; not any amount withheld under a court order or other Administrative Wage Garnishment Order.

ADMINISTRATIVE WAGE GARNISHMENT WITHHOLDING WORKSHEET

For the _____ pay period ending _____.
(type) (date)

- 1. Enter employee’s disposable pay. 1. \$ _____
- 2. Multiply the amount in Line 1 by 15% (.15). 2. \$ _____
- 3. Multiply the amount in Line 1 by 25% (.25). 3. \$ _____
- 4. Enter the applicable federal minimum hourly wage. 4. \$ _____
- 5. Multiply the amount in Line 4 by 30 (weekly). 5. \$ _____
Multiply the amount in Line 4 by 60 (biweekly).
Multiply the amount in Line 4 by 65 (semimonthly).
Multiply the amount in Line 4 by 120 (monthly).
- 6. Subtract Line 5 from Line 1. 6. \$ _____ *
- 7. Enter the sum of all other garnishments being withheld from disposable pay. 7. \$ _____
- 8. Subtract Line 7 from Line 3. 8. \$ _____ *
- 9. Subtract Line 7 from Line 6. 9. \$ _____
- 10. Enter the lesser of Lines 2, 8 or 9. 10. \$ _____
- 11. Remit the amount entered on Line 10.

***IF THIS AMOUNT IS ZERO OR LESS, NO REMITTANCE IS REQUIRED FOR THIS PAY PERIOD.**

Make check payable to the Florida Department of Education and identify the name and Account/Social Security Number of the debtor.

Send all amounts withheld on each regular payday, no less frequently than once each month, to the address listed below or online www.FloridaStudentFinanciaAid.org.

Payment Address:

Florida Department of Education
Office of Student Financial Assistance
Post Office Box 865435
Orlando, FL 32886-5435