One agency requested clarification concerning the exclusion in § 582.103(b)(1) of amounts withheld for benefits payable under title II of the Social Security Act. After consulting with the Social Security Administration, we have deleted that provision and renumbered the section.

Two commenters noted the exclusion in § 582.103(e) of all amounts contributed to the Thrift Savings Fund and asked whether amounts deducted for Thrift Savings Fund loan repayments were also to be excluded. In response to this comment, OPM requested guidance from the Federal Retirement Thrift Investment Board. OPM concurs with the Board's conclusion that these repayment amounts should not be added to the list of exclusions in § 582.103.

One agency commented that some of its employees were attempting to reduce their liability for garnishment orders by increasing their voluntary allotments. We would emphasize that only the items listed as exclusions in § 582.103 may be deducted from an employeeobligor's pay before a garnishment is processed. It may, therefore, be necessary to terminate a voluntary allotment in order to comply with a commercial garnishment order.

While one agency correctly noted that our exclusion for debts due the United States in § 582.103(a) does not list the various types of debts due the United States or the order of precedence for such debts, the General Accounting Office already maintains such a list.

While three Federal agencies expressed disagreement with the statement in § 582.202(a) that legal process need not expressly name the agency as a garnishee, this statement is mandated by the decision of the United States Court of Appeals for the Federal Circuit that was announced in *Millard* v. *United States*, 916 F.2d 1 (Fed. Cir. 1990). We have amended § 582.202(a) in response to one agency's comment to expressly include interrogatories.

One commenter noted that the interim regulations permitted State courts to garnish the salaries of persons who live and work in a different State and concluded that this raised "a possible constitutional question" as to the legality of the regulations. In fact, the Federal Government has been honoring garnishment orders based on child support and alimony obligations that extended beyond State boundaries for many years and OPM disagrees with any suggestion that such orders or the regulations that provide for the processing of such orders might be unconstitutional merely because they effect employee-obligors who live and/

or work in other States. More importantly, OPM believes that this is another area where the Federal Government's responsibilities as an employer are limited and that an employing Federal agency is not required to review each order to determine whether the court that issued the order had lawfully acquired jurisdiction over the out-of-State obligor. See United States v. Morton, 467 U.S. 822, 828–830 (1984). This same commenter also suggested that the regulations be amended to require that in addition to providing the employeeobligor with a copy of the legal process, Federal agencies should be required to provide employee-obligors with copies of any other documents submitted with the legal process. OPM is confident that Federal agencies will use their discretion to provide their employees with copies of any accompanying documents that will be helpful or informative to the employee. However, to require that employing agencies provide all documentation regardless of relevance or potential value to the employee-obligor would, we believe, place an undue burden on Federal agencies.

Two agencies commented on the fact that § 582.202(b) does not mandate service by certified or registered mail. This provision is in accordance with the express language of 5 U.S.C. 5520a(c)(1) and does reflect a change from the provisions applicable to service of process for garnishment of child support and alimony obligations. OPM emphasizes that agencies may not construe *may* to mean *must;* it was the clear intent of Congress to permit less restrictive service of process under this part.

Several commenters, including an employee organization and a law firm that wrote on behalf of a collectors association, expressed a need to clarify the fact that a creditor need not necessarily know or provide all of the information listed in § 582.203(a), particularly the employee-obligor's date of birth or social security number, in order to have a garnishment order processed by a Federal agency. In an effort to clarify this fact, we have amended § 582.203(a). In response to a request from the Treasury Department, we have added a new section, § 582.204, concerning electronic disbursement.

Several commenters noted that two provisions in the interim regulations— § 582.303(a) which reiterates the requirement in 5 U.S.C. 5520a(d) that agencies respond to interrogatories and § 582.306(c) which states that agencies shall provide information concerning subsequent employment—may conflict

with the Privacy Act, 5 U.S.C. 552a, as implemented by numerous Federal regulations including OPM's own disclosure regulations codified at 5 CFR 297.402, which permit disclosure in response to legal process only where the legal process is signed by a judge. While it might be argued that 5 U.S.C. 5520a(d) should be construed as an implicit exception to the Privacy Act and to the regulations that agencies have promulgated to implement the Privacy Act, OPM strongly recommends that agencies establish routine uses that will enable them to respond to interrogatories served in accordance with this part and, where appropriate, to provide subsequent employment information, notwithstanding the absence of a judge's signature or some other omission otherwise barred by the agency's disclosure restrictions.

An employee organization commented that OPM exceeded its statutory authority by providing in § 582.303(a) that agencies may respond to garnishment orders after 30 days where a longer period is provided by local law as well as by State law as expressly stated in 5 U.S.C. 5520a(d). While OPM concurs that section 5520a(d) expressly refers only to State law, references to State law have historically included both State and local law. See, e.g., Ex parte Virginia, 100 U.S. 339 (1879), as discussed in Civil Rights Cases, 109 U.S. 3, 57-58 (1883) (Harlan, J., dissenting). For the same reason, we have declined to amend § 582.402 to exclude references to local law.

One agency suggested that § 582.303(a) be amended to clarify that agencies need only respond once to legal process. We have amended § 582.303(a) in response to this suggestion.

One agency commenter noted that § 582.303 was redundant and suggested that the word *effectively* be replaced with the word *validly*. We have amended this section in response to these comments.

OPM received conflicting agency recommendations concerning the action to be taken where an employee-obligor appeals a garnishment action, and we have decided not to amend § 582.305(c) at this time.

An association of collection attorneys commented that in the collection world there are two major areas: *commercial* and *retail* with *commercial* referring to the collection of debts from firms and *retail* referring to collection from consumers. While we appreciate the fact that our terminology is not consistent with the nomenclature used by some private attorneys, we have determined