

Geoff Oldfather: Garnishing benefits 'blatantly illegal' in case of Martin County former Marine

By Geoff Oldfather

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Former Marine Joe Ricci is 100 percent disabled and depends on his Veteran's Administration and Social Security checks to survive.

Bank of America didn't care.

In a move that Hobe Sound attorney W. Trent Steele said is "blatantly illegal" and ignores federal and state laws, the bank froze Ricci's account and said it was sending every dime he had — between \$3,000 and \$4,000 — to an automotive finance company in Indiana.

For almost two weeks, Ricci, 69, couldn't buy groceries or gas. He couldn't pay his mortgage. He couldn't buy his medications.

"I couldn't do anything," Ricci said. "It was crazy."

Ricci, also from Hobe Sound, discovered his account was garnished because a relative for whom he co-signed a car loan quit making payments. Bank of America didn't return calls for comment.

Steele said regardless of the reason, it's illegal to garnish someone's direct-deposited Veterans Administration or Social Security benefits — and banks and creditors know that.

Some of the nation's largest banks are doing it anyway, and the U.S. Senate Special Committee on Aging is pushing for an investigation, according to a committee report.

"A lot of people, veterans and the elderly, are getting behind financially for whatever reason and they get judgments levied against them and the banks get away with it because people don't know they're not supposed to do it," Steele said.

"Basically they knuckle under," Steele said.

Steele finally got the garnishment withdrawn after he proved to an attorney for the automotive finance company that the only money Ricci had in his account came from his VA and Social Security checks.

Steele threatened to sue unless the court order freezing Ricci's account was withdrawn, and on Friday, Ricci's bank released the funds.

"I got a good attorney, and I got all my money, thank God," Ricci said.

Members of the Special Committee on Aging sent a letter to the Social Security Administration's inspector general asking the office "to investigate this increasingly widespread yet federally prohibited method of collecting debt from senior citizens, veterans and the disabled."

The report, according to committee members, shows that "two-thirds of America's 12 largest banks are violating federal law by garnishing accounts that contain government benefits."

"I don't know how they're getting away with it," Steele said.

He said if someone's government benefit checks are being garnished they need to immediately tell the bank it is illegal.

"They can't keep getting away with this," Steele said. "And I want people to know."

Martin County columnist Geoff Oldfather can be reached at (772) 221-4217 or geoff.oldfather@scripps.com. Now, you can get even more Oldfather, interact with him, suggest column topics and join the discussion on his blog at www.tcpalm.com/oldfather. Plus, catch Geoff Sunday mornings from 8 a.m. to 9 a.m. for live talk radio on The Coast, 101.3 FM, for the Coast Forum.

ARE YOU AFFECTED?

If your government benefit checks have been garnished contact:

Democratic/Majority Office

G31 Dirksen Senate Office Building

Washington, D.C. 20510

Phone: (202) 224-5364

Fax: (202) 224-9926

Online: www.aging.senate.gov



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