

Town Hall Q&A

With a few updates...

April 22, 2020

PPP Funding Update



Garnishments

Employers' Duty to Process Wage Garnishments Remains Unchanged During COVID-19

Make a plan to address garnishments

- How will they be processed
- Fix backlog
- Document



Garnishments

Employers' Duty to Process Wage Garnishments Remains Unchanged During COVID-19

Make a plan to address garnishments

- How will they be processed
- Fix backlog
- Document



You can still face wage withholdings if you owe:

- **Child Support:** The U.S. Department of Health and Human Services has confirmed all child support orders are still in effect. Its Electronic Income Withholding Orders system is still active. Child support payments are still being processed at the federal and state level.
- **Creditors:** Whether creditors can pursue collections activities such as wage garnishment depends on the state. In some locations, courts have ordered temporary halts of such activities, but in most jurisdictions, creditor garnishments haven't been addressed.



Federal Student Loans vs Private Student Loan Garnishments

- If you owe federal student loans, garnishments have been put on hold until Sept. 30, 2020, and interest is now at 0%. The CARES Act passed by Congress in March also instructs private lenders to halt collections. Most private student loan lenders are allowing borrowers to pause their payments if they've experienced financial difficulties due to the virus.

Dept/Tax Levies

- The IRS has announced that liens and levies are suspended, which includes systematic ones and those initiated by field revenue officers.

► **Qualifying Reasons for Leave**

Under the FFCRA, an employee qualifies for paid sick time if the employee is unable to work (**or unable to telework**) due to a need for leave because the employee:

1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;
2. has been advised by a health care provider to self-quarantine related to COVID-19;
3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis;
4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2);
5. is caring for a child whose school or place of care is closed (or child care provider is unavailable) for reasons related to COVID-19; or
6. is experiencing any other substantially-similar condition specified by the Secretary of Health and Human Services, in consultation with the Secretaries of Labor and Treasury.

Under the FFCRA, an employee qualifies for expanded family leave if the employee is caring for a child whose school or place of care is closed (or child care provider is unavailable) for reasons related to COVID-19.

► **Calculation of Pay** ^[5]

For leave reasons (1), (2), or (3): employees taking leave shall be paid at either their regular rate or the applicable minimum wage, whichever is higher, up to \$511 per day and \$5,110 in the aggregate (over a 2-week period).

For leave reasons (4) or (6): employees taking leave shall be paid at $\frac{2}{3}$ their regular rate or $\frac{2}{3}$ the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a 2-week period).

For leave reason (5): employees taking leave shall be paid at $\frac{2}{3}$ their regular rate or $\frac{2}{3}$ the applicable minimum wage, whichever is higher, up to \$200 per day and \$12,000 in the aggregate (over a 12-week period—two weeks of paid sick leave followed by up to 10 weeks of paid expanded family and medical leave). ^[6]

Employer's Side of Unemployment Claims

- *Traditional* steps when employee is laid off:
 1. Employee files claim
 2. Claim is sent to Virginia Employment Commission (VEC)
 3. VEC contacts employer too see if leaving was voluntary or not
 4. Claim will be either approved or denied



Volume of Claims = Untraditional Steps

- Unlike how unemployment claims typically work, VEC is now approving **ALL** unemployment claims without reaching out to employer for fraudulent claims
- The plan is for these claims to be approved on the front end and then checked in the future for fraud
- It is believed the IRS might recover these fraudulent claims through taxes



Future Steps

- Employers will receive a “Charge Report” with all displaced employees listed
- As the employer, you will have the chance to say which of those employees might have voluntarily resigned or been justly let go



What you can do now

- As the employer, you may report unemployment fraud on the front end
 - These individuals may be caught sooner than if you wait for Charge Report
- Can report anonymously to VEC by calling **1-800-782-4001**
- Customer Contact Centers at **1-866-832-2363**
 - Disclaimer: with the high call volume VEC is receiving right now, your hold time might be longer than usual



Contract Workers Filing Unemployment (PUA)

- As far as the employer is concerned, contract workers listing them as recent employer is *okay*
- Virginia Employment Commission website provides link for independent contractors, gig workers, self employed individuals, etc., to apply for PUA once denied traditional unemployment
 - * first link on homepage [“Application now available for Pandemic Unemployment Assistance \(PUA\) - Click Here for Information”](#)



BIG THANK YOU

- Mark Brickey, our friend from VEC for providing us with this helpful information on the employer's side of unemployment!
- <https://www.vec.virginia.gov/>



We are answering your questions live on the air right now.

Please submit questions through the **Q&A function**,
not the chat option at the bottom of your screen.



Additional questions?

Please email:

questions@dominionpayroll.com

For resources, updates, webinar schedule, and FAQ's, please visit our

[COVID-19 Updates & Resources page](#)



As requirements change and laws are passed, we will update you as soon as possible.

Don't forget to wash your hands!

