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| |  |  | | --- | --- | | |  | | --- | | LEO Banner | | | |  | | --- | | **--- PRESS RELEASE ---** | | | |  |  |  |  | | --- | --- | --- | --- | | |  | | --- | | **FOR IMMEDIATE RELEASE:** Friday, April 8, 2022 | | |  | | --- | | **MEDIA CONTACT:**[Nick Assendelft](mailto:assendelftn@michigan.gov)517-388-3135 | | | | |  | | --- | | **UIA temporarily pauses new wage garnishments, state tax refund intercepts for those facing federal benefits claims overpayments**  The Michigan Unemployment Insurance Agency (UIA) has paused new wage garnishments and intercepts of State of Michigan tax refunds in approximately 398,000 cases where workers collected federal unemployment benefits during the COVID-19 pandemic, until at least May 7 while UIA completes its review of claimant accounts that may qualify for overpayment waivers.  The U.S. Department of Labor (USDOL) granted the temporary pause after Governor Whitmer intervened seeking the legal authority from USDOL and Congress to hold state collections until cases could be reviewed and/or issued waivers so that eligible Michiganders are not negatively affected for following the established rules when they applied for benefits.  “This pause on collections is one of several steps that will provide relief for many Michigan workers,” UIA Director Julia Dale said. “There will be more good news in the weeks to come for those waiting to hear about overpayment waivers. This is part of my commitment to restore public confidence in the UIA’s ability to efficiently and effectively serve Michigan’s workers and our business community.”  The collections pause involves cases where workers were told they must pay back benefits they received. About 385,000 of the total cases include overpayments under the Pandemic Unemployment Assistance (PUA) program.  The pause applies to overpayments of federal benefits received before September 4, when the pandemic unemployment benefits programs under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and its extensions ended. Besides PUA, the CARES ACT programs included Federal Pandemic Unemployment Compensation (FPUC), Pandemic Emergency Unemployment Compensation (PEUC), Mixed Earnings Unemployment Compensation (MEUC) and federal reimbursement for the first week of benefits.  During the pause, UIA will not issue new wage garnishments or intercept State of Michigan tax refunds. The pause does not stop collections activities such as existing wage garnishments, intercepting federal tax returns, deducting a percentage from current unemployment benefit payments, or recovering overpayments for other states. Collections of overpayments made before the onset of the pandemic in March 2020 will not be paused.  The pause will allow UIA to complete its review of claims, based on USDOL guidance, regarding overpayment waivers for those who received federal pandemic assistance. A decision on who qualifies for an overpayment waiver is pending while UIA tests its system processes over the next weeks to identify potential recipients. Claimants will be notified by letter and through their MIWAM accounts if they are granted an overpayment waiver.  If UIA determines that a worker’s overpayment qualifies for a waiver, any money collected so far on the overpayment will be refunded or applied against other outstanding debts. If a waiver does not apply, the pause will be lifted and collections will resume.  Governor Whitmer has been advocating for USDOL to expand the eligibility for waivers for Michigan workers who received PUA. Governor Whitmer met with USDOL Secretary Marty Walsh to discuss the need for waivers and Director Dale met with USDOL Director of Intergovernmental Affairs Richard Cesar to advocate for waivers for Michigan’s workers. In February, the request for expanded waivers was granted.  Waivers will not be applied to claims where UIA determines fraud is involved.  Since the start of the pandemic, the State of Michigan has been committed to helping Michiganders who have fallen on hard times. UIA worked quickly to increase the department’s capacity to address Michiganders’ unprecedented needs during a once in a lifetime global pandemic. When the federal government’s lack of clarity caused issues regarding who could receive payments, UIA successfully sought a pause on collections. When criminal enterprises tried to infiltrate UIA, the department hired former law enforcement and worked to hold bad actors accountable. A recent bipartisan supplemental will bolster these efforts until the UIA system can be modernized and upgraded to better serve Michiganders.  ### | | | |  |  | | --- | --- | | |  | | --- | | [LEO Mission and Vision. Visit Michigan.gov/LEO to learn more.](https://lnks.gd/l/eyJhbGciOiJIUzI1NiJ9.eyJidWxsZXRpbl9saW5rX2lkIjoxMDAsInVyaSI6ImJwMjpjbGljayIsImJ1bGxldGluX2lkIjoiMjAyMjA0MDguNTYxNTM1NzEiLCJ1cmwiOiJodHRwczovL3d3dy5taWNoaWdhbi5nb3YvbGVvP3V0bV9tZWRpdW09ZW1haWwmdXRtX3NvdXJjZT1nb3ZkZWxpdmVyeSJ9.5e-X7lj7fIQirT-lKRA39DCoxODumTbhr9Afke3YNSg/s/1302723068/br/129569509858-l) | | | |