



LEGISLATIVE UPDATE



April 3, 2020

Welcome to GHLA @ the Capitol, your weekly update about news you need to know related to Georgia's lodging industry and the 2020 General Assembly. GHLA's legislative team will be your eyes and ears under the Gold Dome.

Governor Kemp Issues Shelter-in-Place Order

Yesterday, the Governor issued a long-awaited executive order that requires Georgians to shelter in place in their homes. The order has provisions immediately following in the same executive order for "performing necessary travel." The order allows for "workers who support food, shelter, and social services, and other necessities of life for needy groups and individuals, including in-need populations and COVID-19 responders" to operate as necessary. The Governor's order directs the Georgia Department of Economic Development to give guidance to industry associations. As such, late last evening, [we delivered the letter linked here to the Department](#). We have received verbal guidance today to direct any inquiries to the Department of Homeland Security's [CISA guidance](#) as well as the abovementioned sections of the executive order as allowing any hotel to stay open to provide shelter. While the order requires guidance to be "in writing," we believe this guidance is consistent with the intent of the Governor's executive order.

Finally, the order expires on April 13, 2020; however, hoteliers should be prepared for this order to be extended if circumstances do not improve here in Georgia. These are extraordinary times for our industry and our country. Use common sense and understand that the Governor's sole intent is to take "temporary actions, necessary and appropriate to protect the health, safety and welfare of Georgia's residents and visitors."

To view Governor Kemp's Executive Order please visit [here](#).

DOL Provides Preliminary Unemployment Guidance to Georgia Businesses

On April 1, 2020, the team participated in a call with the Department of Labor (DOL) Commissioner Mark Butler as he provided some initial guidance on the new emergency regulations as well as his understanding of the CARES Act. At the bottom of this newsletter, there is a link to register for GHLA's DOL update with the Commissioner that will take place on Monday, April 6, 2020.

Georgia expanded unemployment benefits to cover individuals temporarily unable to work due to the COVID-19 public health emergency who plan to return to work when the crisis ceases. Additionally, the Department of Labor has changed the following:

- Extended the length of time an individual can collect benefits from 14 weeks to 26 weeks
- Ensured that employers' unemployment insurance tax rate will not be affected by claims during this emergency
- Stated that the first \$300 of wages earned in a week will not count against eligible unemployment benefits paid
- Suspended work search and other in-person requirements for benefit claimants
- Mandated that employers file partial claims (for both full-time and part-time employees) on behalf of employees affected by COVID-19, therefore expediting the issuance of payment to affected workers

Commissioner Butler praised his team's hard work and indicated the IT team at DOL is working to scale up for the massive influx of claims. DOL typically processes 5,000 claims per week, and had processed around 100,000 the evening before his presentation. DOL is still awaiting federal guidance and they will be publishing additional information as soon as that information is made available. Some initial questions the Commissioner answered are below:

What happens to an employer who had fired someone right before the CARES Act was passed?

Commissioner Butler responded that a business may rehire them if they were let go after February 15, 2020, and still get credit back on their payroll.

In response to written questions, the Commissioner made some comments on filing partial claims.

The Commissioner explained that a partial claim doesn't mean an employee receives only part of an unemployment check. They are still your employee, but not receiving pay. Most states have gotten rid of this process and don't offer it. DOL allows this, so the employer can upload all the employee information at one time to get them unemployment faster, and GA DOL can approve these claims in about 48 hours.

Many participants asked about the total impact of the CARES Act.

Commissioner Butler said they are still awaiting guidance about how to administer the CARES Act. While it's normal for the states to wait on federal guidance for administering a new program, he feels a sense of urgency given the number of inquiries the office is receiving. He confirmed that those on regular unemployment would receive \$600 federal and an adjusted state amount depending on their specific situation.

Attendees asked about contractors and 1099s:

Commissioner Butler commented that the difficulty with contractors currently is that there is no information about them in the unemployment system. They will be eligible for the \$600 per week benefit. As it stands, the system is not set up to make payments to individuals who are not currently paying in. DOL is working to resolve this quickly to process their claims.

There are essential employer sectors hiring right now. How can that employer check with DOL to make sure they're not hiring someone who is also drawing unemployment?

Commissioner Butler outlined several ways this can happen. If a business is completing its new hire reporting (and uploading that report into the system), DOL can cross-check that information quickly.

"It's up to that individual to let DOL know what they made on gross wages or if their previous employer filed; the employee is supposed to let the former employer know." He also commented that if a business brings back a fired employee, the company needs to report that information.

How much can an individual make per week and still receive unemployment currently?

- The amount of money an individual can make per week when receiving unemployment was previously \$50 per week under the old rules; it has been increased to \$300.
- Max amount someone can receive is \$365. An employer can pay them up to \$300 per week at their job, and then they can still receive the full unemployment amount and an additional \$600 with the CARES Act.
- Once they are paid over \$300, there is a dollar for dollar subtraction.

If an employee doesn't meet the DOL standard wage requirements because they recently moved to Georgia, should they file for UI benefits in the previous state or work with your office?

Commissioner Butler commented that they could apply in either state, but it will be quicker for them if they apply in the previous state. Georgia is at the end of Q1 and does not yet have wage reports.

- The individual can apply in Georgia, and DOL will work with the interstate claims system to accommodate them. He notes that that system is pretty overloaded, and it will longer since they have to retrieve their information from another state.

Does Georgia plan to waive the 7-day waiting period for benefits and the requirement that they actively search for work while receiving benefits?

Yes, it's in the emergency rule. Georgia doesn't have a waiting week like many other states.

Georgia waived the work-search and in-person requirements for filing. If an individual is receiving automated messages telling them to report to their employment offices, those requirements are waived due to COVID concerns. Anything under the COVID banner on their website supersedes their standard practices. No work search requirement right now.

What is the employer's responsibility if you have an employer that is commission-based?

Butler said if you have commission-based employees, he is going to assume they are not bringing in as much work right now. He suggests that businesses preemptively file a partial claim so they can at least have some cashflow. If the individual ends up earning commissions, it'll be subtracted out of what they'll receive from the state. DOL won't charge your account, they will be covering it.

To see the emergency regulations please visit this DOL [webpage](#).

As a reminder, **GHLA will be holding a labor update for the hotel and lodging industry on Monday, April 6 from 11:00 AM - 11:45 AM EST.** Please register [here](#) before the event and make sure to have your questions available. You can submit questions during the registration process for Commissioner Butler to answer on the call.

Legislative Tracking Update

Please [click here to go to our Legislative tracking page](#) for the complete list of bills we are watching.

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