

STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
P.O. BOX 942850
SACRAMENTO, CA 94250-5878

DATE: September 14, 2020 PERSONNEL LETTER #20-019

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Jil Barraza, Chief
Personnel and Payroll Services Division

RE: UPDATE FOR TEMPORARY CANCELLATION OF DEFAULT STUDENT LOAN GARNISHMENTS

This letter is to provide an update to Payroll Letters #20-009 and #20-004. The State Controller's Office (SCO) temporarily cancelled default student loan garnishments per section 4513(a) of the COVID-19 Pandemic Education Relief Act of 2020 in the April 2020 pay period.

Per the U.S. Secretary of Education the suspension period is extended through December 31, 2020. The SCO will reestablish the cancelled default student loan garnishments in the January 2021 pay period prior to monthly payroll cutoff.

Agencies and Campuses should not submit new STD. 639 forms to establish 339-008 garnishments until the January 2021 pay period. If a STD. 639 form is received to establish a new 339-008 garnishment, it will be returned to the requesting Agency or Campus. The Personnel/Payroll Operations Bureau will resume processing these documents upon the conclusion of the suspension period.

The SCO will not take administrative action to cancel Franchise Tax Board (FTB) Student Loan Collections garnishments. These garnishments are identified by deduction code 339-004 along with other FTB garnishments such as State Tax Levies. Employees will need to communicate with their loan administrator to request refund of the garnishment, if eligible.

For additional questions regarding this letter, please use the following contact information:

<u>SUBJECT AREA</u>	<u>CONTACT</u>	<u>TELEPHONE NUMBER/EMAIL</u>
General Payroll Procedures	Statewide Customer Contact Center SCO	(916) 372-7200
HR Suggestions Email Inbox (All HR Staff)	Personnel and Payroll Services Division SCO	PPSDHRSuggestions@sco.ca.gov
Escalation Email Inbox (HR Supervisors and Managers)	Personnel and Payroll Services Division SCO	PPSDOps@sco.ca.gov

JEB:AFB:SACS