

Summary of Unemployment Compensation Expansion in CARES

On March 25, 2020, Congress came to an agreement on the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). Below is a summary of the expanded unemployment compensation assistance the new law offers.

Emergency Increase in Unemployment Compensation

Benefits. For any week from now until July 31, 2020, in which an individual is eligible to receive regular compensation under state law, their benefits will now include the amount the employee was otherwise entitled to under state law, plus an additional \$600.

Pandemic Emergency Unemployment Compensation.

Individuals who have exhausted all rights to regular unemployment compensation under state or federal law, have no rights to regular unemployment compensation under state or federal law, are not receiving compensation under Canadian law and are able, available and actively seeking work, may receive unemployment compensation equal to the state weekly benefit amount, plus \$600. This assistance will be available for 13 weeks. This will be paid before any extended unemployment compensation benefits are paid.

Pandemic Unemployment Assistance. From now through December 31, 2020, an individual is entitled to pandemic unemployment benefits for weeks:

- the individual is unemployed, partially unemployed, or unable to work;
- not entitled to regular or extended benefits or pandemic emergency unemployment compensation, including one who has exhausted their rights to regular or extended unemployment benefits; and
- Provides certification as specified below.

Individuals may receive the State weekly unemployment benefit (at least 50% of regular compensation) plus an additional \$600. Individuals may not receive these benefits for more than 39 weeks, which includes the weeks an individual received regular or extended benefits.

Certification under Pandemic Unemployment Assistance.

The individual must provide certification that s/he is otherwise able and available for work under state law, but s/he is unemployed (or partially so) because:

- S/he has been diagnosed with coronavirus, or has symptoms;
- Member of his/her household has been diagnosed with coronavirus;
- S/he is providing care for a family member with coronavirus;

- A child for whom individual has primary care is unable to attend school or another facility, which is closed because of coronavirus (and that care is required for the individual to work);
- S/he is unable to reach place of work because of a coronavirus-imposed quarantine;
- S/he is unable to reach place of work because health care provider advised him/her to self-quarantine due to coronavirus;
- S/he was scheduled to start work, but doesn't have a job or is unable to get to the job because of coronavirus;
- S/he has become the breadwinner or support for household because the head of the household died due to coronavirus;
- S/he had to quit his/her job because of coronavirus;
- Individual's place of employment is closed due to coronavirus;
- Individual meets any other criteria established by Secretary of Labor for unemployment assistance; OR
- Is self-employed, seeking part-time employment, does not have sufficient work history for UI benefits or would otherwise not qualify for regular, extended or emergency benefits

Who is excluded from coverage? An individual who has the ability to telework with pay, or an individual who is receiving paid sick leave or other paid leave benefits (even if qualified under the above).

Waiver of One Week Waiting Period. Compensation will be paid to individuals for their first week of regular unemployment without a waiting week.

Implementation. The new law will be implemented through agreements with states which the Secretary of Labor believes have an adequate system to administer the aid. States will receive the full amount to administer the aid and any consequential expenses from the federal government. States received 100 percent of the total amount of Federal Pandemic Unemployment compensation paid to individuals.

Short Term Compensation Program. States with Short Term Compensation Programs (those where employers voluntarily participate and reduce employee hours in lieu of layoffs, by at least 10% and not more than 60%, and employees receive a pro rata portion of unemployment compensation) will be reimbursed for payments. States may choose to create such a program after this law is enacted, but such states must require employers pay half of short-term compensation paid to employees.



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