

CORONAVIRUS RELIEF PACKAGE:

Unemployment Benefits Expanded:

What You Should Know



Amid the COVID-19 pandemic, employees across the country face mounting uncertainty on how- or if- they will financially survive the economic impact of the global health crisis.

Fortunately, there is good news for millions of struggling workers. The CARES Act, which became law on March 27, provides \$2 trillion of financial relief in some way to nearly every U.S. citizen. One of the law's provisions includes expanded unemployment insurance, even to individuals who are usually ineligible.

Here's what you need to know if you are an employee who has been affected by COVID-19.

If you weren't eligible for unemployment before, you might be now

Freelance workers, independent contractors, and self-employed individuals are usually ineligible for unemployment insurance, the relief bill expands unemployment benefits to workers falling under these categories. While it may be more difficult to calculate the correct amount of benefits due to income fluctuations in these types of roles, affected individuals will still be eligible. That's good news for workers who will now be eligible to receive unemployment relief.

There is extra money available

To help workers maintain their full salary or at least very close to it, unemployed individuals will now receive an extra \$600 per week in addition to state unemployment. The unemployment insurance will be available for a total of 39 weeks. The additional money will supplement state unemployment, which averages \$385 a week across the U.S., and will help affected individuals to stay financially afloat during the pandemic.

You may not have to wait 7 days or meet typical eligibility requirements

Under normal circumstances, most states require a seven-day waiting period for anyone applying for unemployment benefits. But, in light of current circumstances, the Federal government has agreed to cover the first week of unemployment costs for any states that suspend the waiting period.

Additionally, individuals seeking unemployment insurance in the wake of the current pandemic will not be required to follow the usual requirements of being involuntarily laid off, being able to work, and actively seeking employment. Individuals unable to work for various reasons due to COVID-19, including anyone who was diagnosed, awaiting diagnosis, or had a family member diagnosed, would also be eligible for unemployment.

You may be eligible for sick pay or family leave even if you aren't sick

The *Families First Coronavirus Response Act*, which was signed into law on March 18, provides paid sick or family leave for up to 12 weeks, even for individuals who normally don't receive paid sick leave. Sick leave provisions include up to 80 hours at full pay, with a maximum of \$511 per day for employees who are unable to work due to diagnosis or quarantine due to COVID-19. The same employees can also receive sick pay if they are caring for family members who have been diagnosed with or suspected of having COVID-19 or caring for children whose schools are daycares have been closed. In these circumstances, sick pay will be calculated at two thirds of pay and a maximum of \$200 per day or \$1,000 per week.

Family leave provisions include up to 12 weeks of paid time off (with the first two weeks unpaid) for employees who are unable to work due to caring for someone with COVID-19 or caring for children whose schools or daycares are closed due to the pandemic. In these situations, pay would also be calculated at two-thirds of salary with a maximum of \$200 per day or \$1,000 per week.

Businesses with fewer than 50 employees may get exemptions from the policy due to the hardship it would cause.

Even if you aren't laid off, you may still be able to receive unemployment

While typically not eligible for unemployment, the law includes provisions for furloughed workers. Even though they are not actually laid off, these workers can receive unemployment insurance while still receiving company benefits, including health insurance.

Don't give up if unemployment systems are overwhelmed

State unemployment claims are at a record high, which means many systems have become overwhelmed with applications, even leading to website crashes. During this unprecedented time, remember to be persistent. Don't give up! Keep checking your state unemployment website to apply for unemployment insurance benefits. Eventually, you will get through.

While this is an unprecedented time, these new measures may offer some comfort to affected workers. Due to the complexities and new regulations of the new law, we will continue to provide updates as they become available.