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CARES Act: Relief for Workers Affected by Coronavirus Act Section 2102: PANDEMIC UNEMPLOYMENT ASSISTANCE

We would like to preference the guidance and summary provided here with the fact that each state unemployment compensation agency is individually responsible for enacting the provision provided in this new law. As with anything done on the state level, there will be differences in how and when provisions are ready to be implemented and the process for filing will vary greatly from state to state. This law was passed by Congress and signed by the president on Friday, March 27, 2020. The regulations, administrative processes and disbursement of funds to the states could take days if not weeks. The key will be to stay connected to your state's unemployment compensation website for updated information on how and when to apply. Many employees, and the administrators as well, are completely unfamiliar with how the unemployment compensation system works even under normal circumstances so we have to be patient, have some grace and know that everything is going to be a learning process from day by day...and is also changing day by day. If you or your employees have filed before and were denied, you/they should file again once your state has this process up and running.

APPLICABILITY:

- For weeks of unemployment, partial unemployment or inability to work directly related to the COVID 19 Public Health Emergency beginning on January 27, 2020 and ending on December 31, 2020.
- Unemployment Compensation benefits are available for qualifying reasons for up to 39 weeks as long as the individual remains unemployed, partially unemployed or unable to work related to the COVID 19 Public Health Emergency.
- Does not require individuals to be actively seeking work/employment to remain eligible for benefits.

AMOUNT OF BENEFITS:

- Regular State unemployment compensation payment per your state's guidelines AND
 - An additional Federal Pandemic Unemployment Compensation payment of \$600 per week (available through 7/31/2020 only)
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- ❖ States may elect to combine the payments into one payment or in separate payments, but such payments must be sent on a weekly basis.
 - ❖ Payments are immediate upon qualifying reason and eliminates any waiting period (the waiting week) under many state unemployment compensation regulations.
 - ❖ The CARES Act also provides pro-rated benefits for employees who have their hours reduced instead of being laid off completely.

QUALIFYING REASONS:

1. Individual is diagnosed with COVID 19 or is experiencing symptoms and is seeking a diagnosis
2. A member of the individual's household has been diagnosed with COVID 19
3. The individual is the providing care for a family member or member of the household diagnosed with COVID 19
4. The individual is the primary caregiver of a child or other person in the household that is unable to attend school or another facility due to a COVID 19 closure
5. The individual is unable to reach the place of employment because of a COVID 19 imposed quarantine
6. The individual is unable to reach their place of employment because of a self-quarantine advised by a health care provider due to COVID 19 concerns
7. The individual was scheduled to commence employment and does not have a job or is unable to reach the job due to COVID 19
8. The individual has become major support for the household because the head of household died as a result of COVID 19
9. The individual has to quit his or her job as a direct result of COVID 19 or,
10. The individual's place of employment is closed due to the COVID 19 public health emergency

INDIVIDUALS ELIGIBLE:

The CARES Act extends unemployment compensation benefits to individuals who are self-employed, seeking part-time employment, or do not have the sufficient work history needed to qualify for regular unemployment compensation. This will include sole-proprietors, independent contractors who are typically ineligible for regular unemployment compensation benefits.

Individuals who can telework and continue to be paid or who are receiving paid leave or other paid benefits are not eligible for Pandemic Unemployment Assistance.

If an employee is out of work for a qualifying reason under the FAMILIES FIRST CORONAVIRUS RESPONSE ACT Division E on or after 4/2/2020, they will need to be paid the two weeks paid leave before applying for unemployment compensation, as they are eligible for that paid leave. Refer to the FAMILIES FIRST summary we have posted for details on your requirements under that legislation.

NON-PROFITS and UNEMPLOYMENT COMPENSATION

- Not required to participate in many State Unemployment Programs (exempt) therefore employees are not eligible if they lose their job through no fault of their own typically
- Non-Profits can choose to participate fully in State UC Programs or be a self-insured where they only reimburse the state when someone collects.
- If you are an UC exempt non-profit your employees would become eligible for UC from the state IF the state agency waives their requirements OR if the president declares your state to be a "major disaster area" in which case employees who are unemployed as a direct result of the major disaster situation would be eligible for UC benefits under "Disaster Unemployment Assistance" (DUA) UC must be filed within 30 days of the declaration.