



## UNEMPLOYED OR REDUCED HOURS DUE TO COVID-19? WHAT YOU NEED TO KNOW

### ***Do I qualify for unemployment insurance?***

The CARES Act created a heavy incentive for every state to (1) expand access to unemployment insurance (UI) benefits; (2) increase the amount of UI payments; (3) extend the duration of UI benefits; and (4) eliminate waiting periods. In summary, the bill allows the federal government to pay for 100% of new increases in unemployment insurance. There is little reason for states *not* to offer these expanded benefits. If your state does participate, here is how it would impact you and your access to financial support via UI while you are fully or partially unemployed.

For workers who qualify for regular UI benefits:

- All weekly UI benefits will be increased by \$600 for the next four months (through July 31);
- State-law mandated “waiting periods” are waived;
- Benefits can be received for an additional 13 weeks beyond what state law typically allows; and
- These enhancements are for unemployment for any reason – not just COVID-19.

For workers who typically would not qualify for regular UI benefits:

- Access to the UI system is expanded – individuals who have exhausted their benefits, independent contractors, sole proprietors, those without a wage history, and others who usually would not qualify for UI benefits are eligible for regular UI payments;
- These individuals may receive benefits if they are unemployed or unavailable to work because of COVID-19 (but otherwise would be available for work);
- These workers are entitled to up to 39 weeks of UI benefits (including any benefits they received under regular UI);
- All weekly UI benefits will be increased by \$600 for the next four months (through July 31); and
- State-law mandated “waiting periods” are waived.

For workers who are eligible for regular UI, the increased benefits begin when the state enters into an agreement with the federal government. For workers who are not otherwise eligible for UI, but are now eligible, because of the CARES Act, the benefits begin with weeks of unemployment after January 27, 2020.

### ***How do I apply for unemployment insurance?***

Use this link to determine how and where to apply as well as how much you may receive in UI benefits.

<https://www.careeronestop.org/LocalHelp/UnemploymentBenefits/find-unemployment-benefits.aspx>

### ***Do I qualify for paid sick leave and how much would I receive in wages?***

The FFCRA created paid sick leave for employers with less than 500 employees. It is available to all employees, regardless of length of tenure with the employer. The employer would be required to cover 80 hours (full-time employees) or the average of a part-time worker’s hours over a 2-week period. Here is how much you can expect to receive.

A worker would receive up to \$511/day (\$5110 maximum) if they are unable to work because:

- Employee is subject to a public COVID-19-related quarantine or isolation order
- Health care provider has advised employee to self-quarantine



- Employee is experiencing COVID-19 symptoms and seeking diagnosis

A worker would receive 2/3 of their regular wages, capped at \$200/day (\$2000 maximum) if they are unable to work because they are:

- Caring for an individual subject to a public quarantine or isolation order or who has been advised to self-quarantine
- Caring for a son or daughter if the school or childcare facility is closed or childcare provider is unavailable
- Experiencing similar conditions, as specified by the US Department of Health and Human Services (HHS).

If your employer is part of a multiemployer bargaining unit, they may provide these wages to you through by paying into your multiemployer benefit plan, but only *if* the plan is set up to pay employees the required amount of wages described above.

#### ***Do I qualify for paid leave from the Family and Medical Leave Act (FMLA)?***

The FFCRA also created paid leave through the existing Family and Medical Leave Act (FMLA). It only applies to employers with *fewer* than 500 employees. However, it is only available to workers who have been employed for 30 days with the employer from which they are requesting the leave. Here is how much you can expect to receive.

- Requires employers to provide 10 days *unpaid* leave and up to an additional 10 weeks of *paid* leave to care for son or daughter whose school or childcare facility is closed, or childcare provider is unavailable for COVID-19 related reasons.
- Paid leave is 2/3 of regular wages, capped at \$200/day (\$10,000 maximum)
- Employees can elect to use accrued vacation, personal, medical or sick leave for the unpaid portion.
- Employers may take a credit against payroll taxes worth 100% of the amount they pay in required benefits (through Dec. 31, 2020).
- DOL can exempt employers with fewer than 50 employees if requirements would jeopardize business and can exclude certain healthcare workers and first responders.

#### ***Qualifying for more financial assistance besides UI, paid sick leave and paid leave from FMLA***

The CARES Act also provides direct payments to individuals and families. All U.S. residents with adjusted gross income up to \$75,000 (\$150,000 married), who are not a dependent of another taxpayer and have a work eligible social security number, are eligible for the full \$1,200 (\$2,400 married) payment. In addition, they are eligible for an additional \$500 per child. This is true even for those who have no income, as well as those whose income comes entirely from non-taxable means-tested benefit programs, such as SSI benefits. For most Americans, no action on their part will be required in order to receive a rebate check as IRS will use a taxpayer's 2019 tax return if filed, or their 2018 return. This includes many low-income individuals who file a tax return in order to take advantage of the refundable Earned Income Tax Credit and Child Tax Credit. The rebate amount is reduced by \$5 for each \$100 that a taxpayer's income exceeds the phase-out threshold (\$75,000 for individuals, \$150,000 married). The amount is completely phased-out for single filers with incomes exceeding \$99,000, \$146,500 for head of household filers with one child, and \$198,000 for joint filers with no children.

#### ***Do I qualify for receiving paid sick leave, paid leave from FMLA and UI benefits all at once?***

No. A worker must use their paid sick leave or paid leave from FMLA prior to applying for UI benefits.



***Do I qualify for receiving paid sick leave and/or paid leave from FMLA and the direct payment from the federal government?***

Yes. A worker can receive their direct payment while receiving wages from paid sick leave and/or paid leave from FMLA.

***Do I qualify for receiving UI benefits and the direct payment from the federal government at the same time?***

Yes. A worker can receive their direct payment while receiving UI benefits?

The following are anticipated real life scenarios of how this new federal and state financial aid will affect building trades men and women.

1. Jane Doe, a pipefitter, is laid off because the project site she was working on has been shut down due to Covid-19. She reported that she earned \$60,000 of income on her most recent tax return, and she is eligible for regular UI benefits because she was an employee and has a prior earning history. She will receive: (1) her weekly UI benefits, which are a percentage of her prior salary, *plus* (2) an extra \$600 per week (through July 31), *plus* (3) a \$1,200 tax credit. Her state normally limits allows 26 weeks up to 39 weeks of regular and extended UI benefits and applies a “waiting week” before benefits are sent. Under the CARES Act, she will be able to receive benefits immediately and for up to 52 weeks because of this bill.

2. John Smith is a first-year apprentice operating engineer. He started his apprenticeship in September but was laid-off in February because of COVID-19-related work slowdowns. He reported an income of \$20,000 on his most recent tax return. In normal circumstances, he would be denied UI under his state’s eligibility rules because of a lack of work history. Under the CARES Act, the state would be able to use any documentation he submits of his earnings during his apprenticeship to calculate an appropriate weekly benefit. He will receive: (1) weekly UI benefits based on the pay stubs that establish his pre-layoff wages, *plus* (2) an extra \$600 per week (through July 31), *plus* (3) a \$1,200 tax credit. He can receive these weekly UI benefits for up to 39 weeks, as long as his unemployment continues to be caused by COVID-19.

3. Jill Jones is an electrician who has been out of the workforce for a few years but was hired to start on a project at the end of March. This project was delayed because of COVID-19. While Jill would not typically be eligible for UI because of her lack of wage history, she can now apply for benefits because of the expanded access provisions of this bill. Because she did not report any income on her most recent tax return and has no wage history that can be used to calculate a weekly benefit amount, she will receive: (1) a “minimum flat benefit” based on the average weekly benefit paid in the state, *plus* (2) an extra \$600 per week (through July 31), *plus* (3) a \$1,200 tax credit. She will start receiving this benefit immediately because the state has waived its waiting period.