



A Union of Professionals

Summary of Unemployment Insurance Provisions in the Coronavirus Aid, Relief, and Economic Security Act

The CARES Act creates a Pandemic Unemployment Assistance program, which will be available for a large swath of workers who are not otherwise eligible for state unemployment insurance. Eligibility for the program runs from Jan. 27, 2020, through Dec. 31, 2020, so eligibility is retroactive. The duration is 39 weeks.

The act also creates a Pandemic Unemployment Compensation benefit of an additional \$600 per week for anyone receiving regular state unemployment insurance or Pandemic Unemployment Assistance. Pandemic Unemployment Compensation will last through July 31, 2020, and will not be paid retroactively.

Finally, the CARES Act enacts 13 weeks of Pandemic Emergency Unemployment Compensation for those who were classified as employees who have exhausted or will exhaust state unemployment insurance benefits without finding a new job.

Pandemic Unemployment Assistance: Covered individuals include people who are not eligible for regular state unemployment insurance, including those who have exhausted their state unemployment insurance benefits, including extended benefits. Applicants will need to provide self-certification that they:

(1) Are partially or fully unemployed; or

(2) Are unable and unavailable to work because of one of the following circumstances:

- They have been diagnosed with COVID-19 or have symptoms of it and are seeking diagnosis;
- A member of their household has been diagnosed with COVID-19;
- They are providing care for someone diagnosed with COVID-19;
- They are providing care for a child or other household member who can't attend school or work because it is closed due to COVID-19;
- They are quarantined or have been advised by a healthcare provider to self-quarantine;
- They were scheduled to start employment and do not have a job or cannot reach their place of employment as a result of a COVID-19 outbreak;
- They have become the breadwinner for a household because the head of the household has died as a direct result of COVID-19;
- They had to quit their job as a direct result of COVID-19;

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- Their place of employment is closed as a direct result of COVID-19; or
- They meet other criteria established by the secretary of labor; or

(3) Are self-employed; or

(4) Are seeking part-time employment (if state law allows for benefits for part-time workers); or

(5) Lack sufficient work history to qualify for unemployment insurance, or otherwise do not qualify for state unemployment insurance.

People who can telework with pay, and those receiving paid sick or paid leave benefits, cannot receive Pandemic Unemployment Assistance.

People eligible for Pandemic Unemployment Assistance can receive up to 39 weeks of benefits, through Dec. 31, 2020.

Pandemic Unemployment Assistance benefits are calculated the same way as federal Disaster Unemployment Assistance benefits under the Stafford Act, which have a minimum benefit that is equal to one-half the state's average weekly unemployment insurance benefit (about \$190 per week).

Pandemic Unemployment Compensation: Through July 31, 2020, all unemployment insurance and Pandemic Unemployment Assistance claimants will receive their usual calculated benefits plus an additional \$600 per week in compensation. The \$600 in extra compensation is not retroactive.

Pandemic Emergency Unemployment Compensation: An additional 13 weeks of state unemployment insurance benefits, tacked onto whatever the state offers (all but eight states offer 26 weeks of unemployment insurance).

Additional provisions:

Pandemic Unemployment Assistance, Pandemic Unemployment Compensation and Pandemic Emergency Unemployment Compensation are fully federally funded. States will receive additional administrative funds to administer these programs.

The additional \$600 per week may be paid either with the regular unemployment insurance payment or at a separate time—but it must be paid weekly.

There is a “nonreduction rule” providing that as long as the states are participating in these programs, they may not do anything to decrease the maximum number of weeks of unemployment insurance or the weekly benefits available under state law as of Jan. 1, 2020.

In order to receive Pandemic Emergency Unemployment Compensation, workers must be engaged in active work search requirements. However, the bill explicitly provides that “a State shall provide flexibility in meeting such [work search] requirements in case of individuals unable to search for work because of COVID-19, including because of illness, quarantine, or movement restriction.”

Additional protections:

If workers receive overpayments of Pandemic Unemployment Assistance, the state unemployment insurance agencies may waive repayment if the worker was “without fault” for the overpayment and if repayment would be “contrary to equity and good conscience.” No repayment will be required without the worker having an opportunity for a fair hearing.

Pandemic Unemployment Compensation payments are not income for purposes of eligibility for Medicaid and the State Children’s Health Insurance Program.

States that waive the one-week waiting period to receive unemployment insurance benefits will be reimbursed by the federal government for that week of benefits paid out to workers plus the administrative expenses necessary for processing those payments.

State unemployment insurance agencies have flexibility to hire additional staff through Dec. 31, 2020. They may engage temporary staff, and rehire former employees and retirees, all on a noncompetitive basis.