



April 2, 2020

New Federal Pandemic Unemployment Programs

Below is a summary of the programs created by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was signed into law on March 27, 2020. Please note that we are still awaiting guidance from the U.S. Department of Labor on the interpretation of several provisions, which will directly impact how we will build and operate these new programs in Ohio:

Broader Unemployment Eligibility:

The Pandemic Unemployment Assistance (PUA) Program

- Targeted for 1099 tax filers/self-employed workers and individuals ineligible for state unemployment benefits.
- The program is effective from Jan. 27 through Dec. 31.
- Unemployment benefits for eligible individuals will be available for no more than 39 weeks.
- The PUA benefit amount will be similar to what traditional Ohioans eligible for unemployment can receive, plus \$600 a week.

Ohio, just like every other state in the nation, is working to stand up this new program. The exact details of how it will be implemented and the process for eligible Ohioans to apply and claim benefits are still in the planning stages. We are awaiting many of the implementation details from the U.S. Department of Labor. Once the process is finalized, we will communicate details with all 1099 filers in Ohio, as well as publicly post information.

Increased Payment Amounts for New and Existing Eligible Unemployment Claimants:

The Emergency Increase in Unemployment Compensation Benefits Program

- Adds \$600 a week to the amount unemployed Ohioans are receiving in unemployment benefits. (The average benefit in Ohio is around \$380 a week.)
- This income is disregarded for purposes of the Medicaid and CHIP programs.
- Increased payments (regular unemployment benefit amount plus \$600 per week) apply to weeks beginning on the date Ohio signed its agreement with the federal government and ending on or before July 31, 2020.

Extended Unemployment Assistance for Claimants:

The Pandemic Emergency Unemployment Compensation (PEUC) program

- Adds up to 13 weeks for Ohioans who exhaust their unemployment benefits.
- Claimants must be able to work, available for work, and actively seeking work (unless they are unable to search for work due to COVID-19).
- The weekly benefit amount is the amount of regular unemployment compensation plus \$600 a week.

Federal Funding:

The CARES Act authorizes federal funding/reimbursement for each of the provisions. Details of payments and applicability to governmental and nonprofit entities ("reimbursing employers") is forthcoming.

- All three programs authorize 100% of federal assistance provided pursuant to the agreements with states.
- States with short-time compensation (STC) programs in law (Ohio's STC program is "SharedWork Ohio") are eligible to receive 100% federal reimbursement beginning on the date of agreement and ending on or before December 31.
- Section 2103 authorizes funding to reimburse non-contributory governmental agencies and nonprofit organizations.