

CARES Act: Unemployment Relief and Assistance

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The CARES Act provides assistance to workers affected by COVID-19 in Subtitle A – Unemployment Insurance Provisions – under Title II – Assistance for American Workers, Families, and Businesses. This section of the Act is also known as the "Relief for Workers Affected by Coronavirus Act."

The Act provides federal funding for unemployment compensation to workers who are adversely affected by COVID-19. In particular, the workers eligible for benefits are workers who are not otherwise already covered by state unemployment compensation laws or workers who have already exhausted their benefits. This applies even to independent contractors, self-employed people, and workers in the gig economy.

Such "covered individuals" include those who are otherwise able and available to work but are unemployed, underemployed or unable or unavailable to work because:

- they have been diagnosed with COVID-19;
- they have symptoms of COVID-19 and are seeking a diagnosis;
- a member of their household has been diagnosed with COVID-19;
- they are providing care for a family or household member who has been diagnosed with COVID-19;
- they have a child or household member for whom they have primary caregiving responsibility, who cannot attend school or another facility that is closed as a direct result of COVID-19, and the child's or household member's attendance at such school or facility is required for them to work;
- they cannot reach their place of employment because of a quarantine imposed as a direct result of COVID-19;
- they cannot reach their place of employment because they have been advised by a health care provider to self-quarantine due to COVID-19;
- they were scheduled to start employment and do not currently have a job or they are unable

to reach the job as a direct result of COVID-19;

- they have become the breadwinner or major support 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;
- their place of employment is closed as a direct result of COVID-19; or
- they meet any additional criteria established by the Secretary of Labor for assistance.

As noted above, also eligible are self-employed individuals, individuals seeking part-time employment, individuals who do not have sufficient work histories, and those who would not qualify for regular unemployment or extended benefits under state or federal law.

Subtitle A also allows states to enter into agreements with the federal government to enhance existing state unemployment compensation programs. For example, Subtitle A provides for immediate payment of benefits by avoiding waiting periods. Importantly, the Subtitle also provides for an additional \$600 per week of benefits for up to four months, even if the worker currently is making less than that. Finally, the Subtitle extends the benefit period up to 39 weeks, an increase of 13 weeks over the current 26-week limit.

This part of the Act also provides an opportunity for states to enter into an agreement with the federal government under which a state can receive funding for "short time compensation" programs, which will subsidize employees whose hours have been reduced but have not been laid-off.

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