

Unemployment Update

I have received a number of questions regarding the various sources of assistance contained in the federal CARES Act. Here are some distinctions to help clarify some of this:

Pandemic Unemployment Compensation

This is the additional \$600 that will be paid on top of state claims, and applies whether claimants are fully or partially unemployed. Update: as of yesterday, the Ohio Department of Job and Family Services (“ODJFS”) did not yet have a date certain for when this money will become available. I would anticipate in the next week or so we will know more.

Pandemic Emergency Unemployment Compensation

This benefit is the 13 week extension of benefits for those who have exhausted existing claims. This provision gives the states incentive not to diminish the value of existing claims, and encourages the waiver of the waiting week, which Ohio has already done. Update: as of yesterday, ODJFS was still waiting on guidance from the US Department of Labor on implementation of the extension. I do not anticipate the state will diminish the value of claims, but I would hold off on guaranteeing members their claim values will be dollar for dollar with their existing claims until we can confirm it.

Pandemic Unemployment Assistance

Separate from unemployment compensation, “unemployment assistance” is the benefit that Congress included to assist workers who do not otherwise qualify for state unemployment compensation benefits, including self-employed workers, 1099s, those who do not qualify monetarily, or who lack enough weeks to qualify. Apparently, it will also be made available to those who exhaust their state claims (26 weeks + the additional 13 weeks outlined above). The total number of weeks available for assistance will be 39 weeks, and from what I have determined so far, the benefit levels will likely be less than state unemployment compensation claims.

Initially, there was some discussion regarding 1099 employees being eligible for unemployment compensation. Obviously, we were adamantly opposed to this idea. 1099 independent contractor abuse is rampant in the construction industry and gives cheaters a competitive advantage over law-abiding contractors. The state is setting up a separate platform to administer the unemployment assistance program which is 100% federally funded. This program is likely to be available mid-May according to Lt. Governor Jon Husted.