

COVID-19 Unemployment Insurance Frequently Asked Questions & Answers

States are encouraged to modify answers specific to their own state requirements.

Last Update: 3/20/20

Employer Temporarily Ceases Operations

Question 1: Will workers qualify for unemployment insurance benefits if the coronavirus (COVID-19) causes an employer to shut down operations?

Answer 1: Unemployment Insurance benefits are available to individuals who are unemployed through no fault of their own. If an employer must shut down operations and no work is available, individuals may be eligible for unemployment insurance benefits if they meet the criteria for monetary establishment of a claim and meet the requirements for being able and available and actively seeking work for their state specific requirements.

Question 2: If an employer lays off employees due to the loss of production caused by the coronavirus (COVID-19) will the employees be eligible for unemployment insurance benefits?

Answer 2: Unemployment Insurance benefits are available to individuals who are unemployed through no fault of their own. If an employer must shut down operations due to loss of production and no work is available, individuals may be eligible for unemployment insurance benefits if they meet the criteria for monetary establishment of a claim and meet the requirements for being able and available and actively seeking work for their state specific requirements.

Question 3: If an employer must reduce their employees' hours due to the coronavirus (COVID-19), will the employees qualify for unemployment insurance benefits?

Answer 3: Unemployment Insurance benefits are available to individuals who are unemployed through no fault of their own. If an employer must reduce their employees' hours, individuals may be eligible for unemployment insurance benefits if they meet the criteria for monetary establishment of a claim and meet the requirements for being able and available and actively seeking work for their state specific requirements.

Question 4: Are self-employed individuals who have experienced a downturn in their businesses due to COVID-19 eligible for unemployment insurance benefits?

Answer 4: Self-employed individuals who have been solely self-employed for the last year or more may not meet the monetary requirements to establish a claim because the wages they earned from self-employment are not considered "covered" under unemployment insurance law. Claimants should check with their state for state specific requirements.

Individuals

Question 5: If an asymptomatic employee imposes a self-quarantine because of COVID-19, will they be eligible for unemployment insurance benefits?

Answer 5: Workers are encouraged to inform their employer of their concerns to see if other viable arrangements such as remote work, paid leave time, or other options are available prior to imposing a self-quarantine. Each state will utilize their own specific criteria for determining eligibility under these circumstances.

Question 6: If an employee is in mandatory quarantine because of suspicion of having COVID-19, will they be eligible for unemployment insurance benefits?

Answer 6: Each state will utilize their own specific criteria for determining eligibility under these circumstances.

Question 7: If an employee is ill because of the coronavirus and unable to work, will they be eligible for unemployment insurance benefits?

Answer 7: Each state will utilize their own specific criteria for determining eligibility under these circumstances.

Question 8: Is COVID-19 considered a disaster, and can I receive Disaster Unemployment Assistance?

Answer 8: The president of the United States has declared COVID-19 a national disaster, but at this time there has been no Disaster Unemployment Assistance declaration.

Question 9: What types of proof may be required to substantiate a COVID-19 claim?

Answer 9: Each state will utilize their own specific criteria for determining eligibility under these circumstances. Proof of a medical diagnosis from a health care professional for the claimant and/or the immediate family member, and/or confirmation of quarantine by the employer or applicable government entity may be required.

Question 10: If my employer has allowed me to work remotely from home due to COVID-19, am I eligible for unemployment insurance benefits?

Answer 10: Each state will utilize their own specific criteria for determining eligibility under these circumstances.

Question 11: What if I had to take leave because my children are out of school due to closures as a result of COVID-19?

Answer 11: Each state will utilize their own specific criteria for determining eligibility under these circumstances.

Question 12: What if I work for a school and am not working due to school closures due to COVID-19 outside the regularly scheduled spring break dates?

Answer 12: Unemployment Insurance benefits are available to individuals who are unemployed through no fault of their own. If an employer must shut down operations and no work is available, individuals may be eligible for unemployment insurance benefits if they meet the criteria for monetary establishment of a claim and meet the requirements for being able and available and actively seeking work for their state specific requirements.

Question 13: If I am currently receiving unemployment benefits and am unable to find a job due to companies not hiring because of the COVID-19, am I eligible for an extension?

Answer 13: There are currently no extensions to regular unemployment benefits available.

Question 14: What options do I have if I am a "Gig Workers" (Uber, Lyft, Eatstreet, Postmates, Grubhub, etc.)

Answer 14: Many states consider this type of work self-employment. If you have worked for an employer who pays unemployment taxes in the last 18 months, you may be eligible. Claimants should check with their state for state specific requirements.

Leave Pay

Question 15: If an employee is receiving paid leave will they be eligible for unemployment insurance benefits?

Answer 15: If an employee is receiving paid leave they would not be considered unemployed and therefore ineligible for unemployment insurance benefits in many states. Each state will utilize their own specific criteria for determining eligibility under these circumstances.

Employer

Question 16: Can my employees file for UC benefits if my business is closed (temporarily or otherwise) because of COVID-19?

Answer 16: Yes, if your employees are temporarily laid off due to a business downturn or closure as a result of COVID-19, they may be eligible for unemployment insurance benefits.

Question 17: If an employee receives unemployment insurance benefits as a result of a COVID-19 related business shutdown, will the employer's unemployment taxes increase?

Answer 17: Circumstances vary by state.

Question 18: What can I do if I have to shut down my business permanently due to COVID-19?

Answer 18: If you are facing potential layoffs or plant closures, you can get help through the Rapid Response program. Rapid Response teams will meet with you to discuss your needs, help avoid layoffs where possible, and support your workers through the process. Services can include upgrades to current worker skills, customized training, career counseling, job search assistance, help with filing unemployment insurance claims, and information about education and training opportunities.

Question 19: Is there an alternative to laying off my employees if business has slowed down as a result of COVID-19?

Answer 19: Yes. The Department of Labor offers a Short-Time Compensation (STC) also known as work sharing or shared-work program, is an alternative to layoffs for employers experiencing a reduction in available work. STC preserves employees' jobs and employers' trained workforces during times of lowered economic activity. STC allows employers to reduce hours of work for employees rather than laying-off some employees while others continue to work full time. Those employees experiencing a reduction in hours are allowed to collect a percentage of their unemployment compensation (UC) benefits to replace a portion of their lost wages. STC cushions the adverse effect of the reduction in business activity on workers by averting layoffs and ensures that these workers will be available to resume prior employment levels when business demand increases.