

Expanded Unemployment Benefits Available to Nearly Every American Worker Under the CARES Act

For many employers, the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) promises much needed financial relief from the economic uncertainty caused by the COVID-19 pandemic. The same is true for the more than 3.2 million Americans currently seeking unemployment benefits.^[1]

The number of Americans who filed for unemployment benefits in March 2020 dwarfs the peak unemployment figures from the Great Recession and shatters the previous record of 695,000 unemployment applications filed in October 1982.^[2] In an effort to stabilize the volatile American economy, the CARES Act provides expanded unemployment benefits to nearly every American worker in three major ways:

1. By providing individuals who are otherwise eligible for unemployment benefits in their respective states (*i.e.*, employees whose employment was terminated through no fault of their own) with \$600 of "Federal Pandemic Unemployment Compensation" per week through July 31, 2020. The \$600 increase in weekly unemployment benefits is fully funded by the federal government and in addition to any weekly unemployment benefits available to claimants under state law. The maximum amount of unemployment benefits available to claimants under Wisconsin law is \$370 per week. By nearly tripling the maximum weekly unemployment benefits, the CARES Act may increase some individuals' available unemployment benefits beyond what those individuals were earning before becoming unemployed.
2. By providing an additional 13 weeks of "Pandemic Emergency Unemployment Compensation" to individuals who remain unemployed after exhausting available unemployment benefits under state law. Under most states' laws (including Wisconsin) a claimant exhausts their unemployment insurance benefits after 26 weeks of unemployment. The weekly amount of Pandemic Emergency Unemployment Compensation available to claimants is equal to the amount of unemployment insurance benefits the employee would otherwise be entitled to under state law through December 31, 2020, plus \$600 per week in Federal Pandemic Unemployment Compensation through July 31, 2020. Like Federal Pandemic Unemployment Compensation, the 13 weeks of Pandemic

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Emergency Unemployment Compensation will be fully funded by the federal government.

3. By providing 39 weeks of "Pandemic Unemployment Assistance" to traditional claimants (*e.g.*, employees) who have exhausted their available unemployment benefits (including the 13 weeks of Pandemic Emergency Unemployment Compensation under the CARES Act) and certain non-traditional claimants (*e.g.*, the self-employed, independent contractors, etc.), except those who have the ability to telework with pay or are receiving paid leave benefits. In order to be eligible for Pandemic Unemployment Assistance, the claimant must provide a self-certification that he or she is otherwise able to work and available for work, but is unemployed, partially unemployed or unable or unavailable to work because:
 1. The individual has been diagnosed with COVID-19 or is experiencing symptoms of COVID-19 and seeking a medical diagnosis;
 2. A member of the individual's household has been diagnosed with COVID-19;
 3. The individual is providing care for a family member or a member of the individual's household who has been diagnosed with COVID-19;
 4. A child or other person in the household for which the individual has primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID-19 public health emergency and such school or facility care is required for the individual to work;
 5. The individual is unable to reach the place of employment because of a quarantine imposed as a direct result of the COVID-19 public health emergency;
 6. The individual is unable to reach the place of employment because the individual has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;
 7. The individual was scheduled to commence employment and does not have a job or is unable to reach the job as a direct result of the COVID-19 public health emergency;
 8. The individual has become the breadwinner or major support for a household because the head of the household has died as a direct result of COVID-19;
 9. The individual has to quit his or her job as a direct result of COVID-19;
 10. The individual's place of employment is closed as a direct result of



- the COVID-19 public health emergency; or
11. The individual meets any additional criteria established by the Secretary of Labor for unemployment assistance under this section.

The 39 weeks of Pandemic Unemployment Assistance will be fully funded by the federal government and will cover weeks of unemployment beginning on or after January 27, 2020, and ending on or before December 31, 2020. For traditional claimants, the weekly amount of Pandemic Unemployment Assistance provided to traditional claimants is equal to the amount that the claimant would otherwise be provided under state law through December 31, 2020, plus \$600 per week in Federal Pandemic Unemployment Compensation through July 31, 2020. For non-traditional claimants, the weekly amount of Pandemic Unemployment Assistance is calculated using the same formula for calculating the weekly amount of disaster unemployment assistance for unemployed workers and self-employed individuals under the Stafford Disaster Relief and Emergency Assistance Act plus \$600 per week in Federal Pandemic Unemployment Compensation through July 31, 2020.

We will continue to monitor key developments in federal and Wisconsin unemployment law and will publish additional guidance as it becomes available. If you have questions about the CARES Act or any other issues pertaining to the COVID-19 pandemic, please contact your Reinhart attorney.

[1] Ben Casselman, ['It's a Wreck': 3.3 Million File Unemployment Claim as Economy Comes Apart](#), *N.Y. Times* (Mar. 26, 2020).

[2] *Id.*

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