Cullen | Dykman

CARES Act Expands Unemployment Insurance

April 3, 2020

Compensation for New York State Employees

The Coronavirus Aid, Relief and Economic Security Act ("CARES Act") was signed into law on Friday, March 27, 2020 to assist employers, individuals and families cope with the unprecedented challenges of the COVID-19 pandemic. Among the many facets of the $2 trillion stimulus package is: (1) Pandemic Unemployment Assistance ("PUA"), which provides unemployment benefits to individuals who otherwise would be ineligible for such benefits under state or federal law; and (2) a temporary expansion of unemployment insurance ("UI") benefits available to individuals whose job or ability to work has been adversely impacted by the novel coronavirus. This includes $600 per week in addition to the regular New York State UI benefit, which is currently capped at $504 per week. If an individual maxes out on New York state-funded benefits, he or she could receive $1,104 per week in unemployment beginning on April 5, 2020.

Since UI benefits are administered by the states individually, the New York State Department of Labor has issued a fact sheet and FAQs regarding those benefits. Some important points that employers and employees should be aware of include but are not limited to:

- Employees who have already qualified for UI benefits do not have to do anything to receive the Federal supplement except continue to weekly certify.
- Employees who have been laid off or furloughed may apply for UI benefits here. Normally, there is a one week waiting period before collecting benefits, but that waiting period was waived by Governor Cuomo in his Executive Order 202.5, issued on March 18, 2020.
- Employees who might not otherwise have been eligible for UI benefits can check here to see if they are eligible for PUA under the CARES Act (e.g. independent contractors, gig workers, self-employed, others who cannot work due to the COVID-19 pandemic). PUA is retroactive dating back to January 27, 2020.
- Employees who have exhausted their standard 26 weeks of benefits after July 1, 2019 may be eligible for up to 13 additional weeks of benefits and should apply. Those who qualify may be eligible to receive a total of 39 weeks of unemployment (including benefits already received).

If you have questions regarding any aspects of employment law and the implications of the COVID-19 pandemic to your place of business, please feel free to contact Thomas B. Wassel at (516) 357-3868 or via email at twassel@cullenllp.com, James G. Ryan at (516) 357-3750 or via email at jryan@cullenllp.com, or Hayley B. Dryer at (516) 357-3745 or via email at hdryer@cullenllp.com.

Please note that this is a general overview of developments in the law and does not constitute legal advice. Nothing herein creates an attorney-client relationship between the sender and recipient.

Practices

- Labor and Employment