

LEGAL UPDATE

States Relax Unemployment Benefit Eligibility for COVID-19

As of Tuesday, March 17, 2020, several states have announced adjustments to their unemployment insurance (UI) programs for employees who are out of work because of the COVID-19 outbreak. These states include [Alabama](#), [California](#), [Louisiana](#), [Pennsylvania](#) and [Wisconsin](#). Additional states are expected to issue similar guidance in the near future.

Each state administers a separate UI program, but all states follow the same guidelines established by federal law.

Federal Bill

The federal government is considering a bill that would encourage states to waive limitations on UI benefits (such as waiting weeks and work-search requirements) for COVID-19-related claims. If enacted, the [Families First Coronavirus Response Act](#) would also provide federal funds to help states pay for increased UI claims caused by the outbreak.

DOL Guidance

The ongoing wave of state adjustments to their UI benefits follows [new guidance](#) from the U.S. Department of Labor (DOL). On March 12, 2020, the DOL indicated that states may allow for UI benefits where:

- An employer temporarily ceases operations to prevent employees from coming to work due to COVID-19;
- An individual is quarantined with the expectation of returning to work after the quarantine is over; and
- An individual leaves employment due to a risk of exposure or infection, or to care for a family member affected by COVID-19.

The DOL has also clarified that an employee is not required to quit in order to receive benefits due to COVID-19.

Provided to you by [Crest](#)

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Action Steps

- ✓ Employers should review the DOL's guidance and their state's UI benefit guidance.
- ✓ Employers should consider informing their employees of federal and state benefits that may be available to them if they are prevented from working.
- ✓ Employers should continue to monitor developments related to COVID-19 for UI and other benefits.

States may allow employees to receive UI benefits for closures, quarantines and unpaid leaves related to COVID-19.

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