

# LABOR & EMPLOYMENT ADVISORY

## CARES Act: Key Employment Provisions



The CARES Act, in addition to establishing a small-business loan program, provides enhanced unemployment benefits for employees hit hard by the COVID-19 emergency.

### KEY TAKEAWAY

The federal government will allocate funding for a variety of programs providing new or enhanced unemployment benefits for employees and other groups of individuals unable to work during the time of the COVID-19 crisis.

### SUMMARY

#### Pandemic Unemployment Assistance

This program provides up to 39 weeks of unemployment compensation for weeks of unemployment beginning January 27, 2020, through December 31, 2020, for employees who are unable to work for COVID-19-related reasons. Benefits are available for the self-employed, those seeking part-time work, or others who do not qualify for benefits under state or federal law or the CARES Act's Pandemic Emergency Unemployment Compensation program, as well as employees who have exhausted all other unemployment benefits.

#### Federal Pandemic Unemployment Compensation

This program provides an extra \$600 per week for individuals already collecting regular unemployment benefits. The benefits become available beginning on the date that the relevant state enters into an agreement with the Department



**Chance Hill**  
Associate  
Colorado Springs, CO  
719.448.4059  
[Email](#)



**Brooke Colaizzi**  
Member  
Denver, CO  
303.299.8471  
[Email](#)

of Labor and end on or before July 31, 2020. The enhanced benefits are available only if the state complies with a rule prohibiting it from changing the computation method for unemployment benefits that would reduce the average weekly benefit amounts or the number of weeks of benefits available.

The federal government will also provide states that agree to waive the typical first-week waiting period with the funding necessary to pay benefits for that week, for weeks of unemployment from the date of the state's agreement with the Department of Labor, and ending on or before December 31, 2020.

### **Pandemic Emergency Unemployment Compensation**

This program provides federal funding to the states for an additional 13 weeks of unemployment benefits to the 26 weeks typically provided under state law for employees who are able and available to work and are actively seeking work.

### **Unemployment Relief for Government Entities and Nonprofits**

The federal government will transfer money to states to provide partial reimbursement, generally 50 percent, to government entities and certain nonprofits that pay unemployment in lieu of contributions for weeks of unemployment between March 13, 2020, and December 31, 2020.

### **Short-Time Compensation**

Also known as Shared Work or Work Share, the program provides reimbursement to states that have or implement a shared work program, which provides employees with partial unemployment benefits when an employer reduces employees' hours in lieu of layoff.

### **Waiver of the Seven-Day Waiting Period for Benefits Under the Railroad Employment Insurance Act**

With respect to any registration period beginning after the date of enactment of this federal law and ending on or before December 31, 2020, certain sections of the Railroad Unemployment Insurance Act shall not apply.

### **Enhanced Benefits Under the Railroad Unemployment Insurance Act**

Section 2(a) of the Railroad Unemployment Insurance Act is amended by adding language to state that a recovery benefit in the amount of \$1,200 shall be payable to a qualified employee.

### **Extended Unemployment Benefits Under the Railroad Unemployment Insurance Act**

Funds appropriated under this section of the law shall be available to cover the cost of additional extended unemployment benefits that are provided, so long as they occur within the amended timeline requirements.