Consolidated Appropriations Act, 2021: Unemployment Relief

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COVID-19 Wage and Hour The latest round of COVID-19 relief in the Consolidated Appropriations Act, 2021 will revive many aspects of unemployment relief rolled out in the <u>CARES Act</u> in March, although the Act reduces many of the original features.

The Act provides \$286 billion for unemployment relief, which includes the following:

- Reinstates enhanced federal unemployment insurance, providing an additional \$300 per week for all workers receiving unemployment benefits through March 14, 2021. This replaces the earlier \$600 added subsidy that expired in July.
- Expands and extends the Pandemic Unemployment Assistance (PUA) program through March 14, 2021. Coverage extends to the self-employed, gig workers, and others in non-traditional employment.
- Extends the Pandemic Emergency Unemployment Compensation (PEUC) program through March 14, 2021, providing additional weeks of federally funded unemployment benefits to individuals who exhaust their regular state benefits.
- Increases the maximum number of weeks an individual may claim benefits through regular state unemployment plus the emergency federal programs to a total of 50 weeks.
- Allows workers who have PUA/PEUC time left on March 14, 2021 (and who remain otherwise eligible) a "transition period" to continue to use the time for an additional three weeks, through April 5, 2021.
- Affords states options for retaining an individual's 2020 weekly benefit amount through March 14, 2021, ensuring that individuals will continue to receive maximized state benefits through the duration of PUA/PEUC as the new benefit year rolls in.

The Act also includes a technical amendment that confirms that shared work plans qualify as unemployment benefits for purposes of the \$300 subsidy payment. For new filers, some states may reinstate the waiting week for receipt of benefits, as the Act reduces reimbursement from 100% to 50%.

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