



# HCM HCM

## DID YOU KNOW?

### Latest COVID-19 News for Employers: Unemployment Insurance

With many businesses being faced with mandatory State orders to temporarily close or scale back their services in an ability to minimize the spread of the Coronavirus (COVID-19), workers are being displaced. Turning to the unemployment lines, employees are questioning their employers about their potential eligibility for Unemployment Insurance (UI) benefits. While the determination of eligibility is based upon many determining factors such as length of employment, wages earned over a given period of time and reason for separation, an employer is not in the position nor should not attempt to make that determination.

Concerned employers though can be aware that the U. S. Department of Labor (DOL) on March 12 issued guidance permitting States “[significant flexibility](#)” in amending the guidelines for which an employee may receive benefits due to the effects of COVID-19. “Clarifying the flexibility in which a person may be eligible for unemployment insurance benefits during the coronavirus outbreak will ease financial burdens for those workers affected by the virus” said Assistant Secretary for the Employment and Training Administration John Pallasch.

This DOL guidance provides that UI benefits may be available for employees:

- (1) When an employer temporarily ceases operations due to COVID-19, preventing employees from coming to work;
- (2) An individual is quarantined with the expectation of returning to work after the quarantine is over; and
- (3) An individual leaves employment due to a risk of exposure or infection or to care for a family member.

In addition:

- (1) Federal law does not require an employee to quit in order to receive benefits due to the impact of COVID-19, and
- (2) If an employee on leave is receiving payment for their leave, the employee is not deemed unemployed and therefore not eligible for unemployment insurance.

Information regarding eligibility for benefits and how benefits will be treated for charging an employer’s UI account for benefits paid

out, is changing day to day and is different state to state. It is important that employers refer to their individual state unemployment office for guidance, [a listing of which is provided here](#) as well as refer their employees to their local UI office for the latest information regarding eligibility.

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*Management experience, Kloss serves as the Director for the Human Capital Management Department for Benefit Advisors Network (BAN). With a deep understanding of the increasingly complex and diverse HR industry, Kloss provides her expertise to BAN's employee benefit brokerage members as well as their employer clients. She oversees all HR-related functions for the association, initiating pro-active, strategic compliance practices, which limits exposure in all areas of potential liability for BAN members and their clients.*