



Unemployment Insurance: What the CARES Act Means for Workers

COVID-19
UPDATES

The **Coronavirus Aid, Relief and Economic Security (CARES)** Act is a **\$2-trillion** stimulus package to support workers and shore up the U.S. economy during the COVID-19 public health crisis.

The bill establishes the federally administered **Pandemic Unemployment Assistance (PUA)** system, which will assist workers who are unemployed due to the pandemic and its economic effects.

The CARES Act provides **\$250 billion** in funding and makes substantial positive changes to the unemployment insurance (UI) system. The program is in effect through **December 31, 2020**.

Most importantly, the bill:

- ❖ Extends benefits to workers who have not necessarily lost their jobs, but who are unable to work as a result of coronavirus – e.g. they are sick, quarantined or caring for a child home from school
- ❖ Covers all workers, including self-employed and misclassified “gig” workers, who are not covered by state-based UI
- ❖ Provides benefits to workers who have exhausted other UI benefits
- ❖ Provides an **additional \$600 per week** – on top of existing UI benefits (which currently average \$300) – for four months (**through July 31, 2020**)
- ❖ Covers an **additional 13 weeks** of UI benefits, up to 39 weeks
- ❖ Provides funding for beginning on the first day of unemployment (i.e. There is **no 7-day waiting period** required)
- ❖ Funds 100% of “short-time compensation” programs (in states that have these programs in law) through which employers reduce workers’ hours instead of laying them off and employees receive pro-rated UI benefits; also provides some funding to states that enact “short-time compensation” programs
- ❖ Calls for administration of the Pandemic Unemployment Assistance program through state-based UI programs under the condition that **all state requirements for UI be waived**
- ❖ Requires that all states allow UI applications to be made online

For more information: Contact your TWU local leadership.

- **FAQs** on Unemployment Insurance Benefits are [here](#)
- [Fact sheet](#) from the National Employment Law Project (NELP)

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