

# JAMES LANKFORD



UNITED STATES SENATOR FOR OKLAHOMA

## Frequently Asked Questions-Unemployment Insurance

As of April 3, 2020

*NOTE: The Department of Labor is actively developing guidance on each of the new unemployment insurance (UI) related programs in the CARES Act, including guidance to states about the Pandemic Unemployment Assistance (PUA) program. Guidance will be issued as soon as possible. They will also provide technical assistance with state unemployment insurance agencies on Pandemic Unemployment Assistance.*

### **Who is normally eligible for unemployment insurance?**

The Unemployment Compensation program (UC, Unemployment Insurance, or UI) pays insurance payments to workers who become involuntarily unemployed for economic reasons, including COVID-19. The program generally does not provide insurance payments to the self-employed, those who are unable to work, or those who do not have a recent earnings history. Oklahoma disqualifies claimants who lost their jobs because of inability to work, voluntarily quit without good cause, were discharged for job-related misconduct, or refused suitable work without good cause, unless related to COVID-19.

### **What is the Pandemic Unemployment Assistance program?**

What is the Pandemic Unemployment Assistance program? The CARES Act created a Pandemic Unemployment Assistance (PUA) program, a new temporary, federal UI program for individuals not otherwise eligible for UI benefits (e.g., self-employed, independent contractors, gig economy workers). PUA would provide up to 39 weeks of federally financed UI benefits to unemployed workers who (1) are ineligible for any other state or federal UI benefit; (2) meet conditions related to being unemployed, partially unemployed, or unable to work due to COVID-19; and (3) are not able to telework and not receiving any paid leave. The PUA maximum duration of 39 weeks would be offset by any weeks of other UI benefits payable to an individual; including regular, state Unemployment Compensation (UC), Pandemic Emergency Unemployment Compensation, or Extended Benefits. PUA would be available in all states and US territories, subject to agreements with Department of Labor. PUA would pay benefits for weeks of unemployment, partial unemployment, or inability to work beginning on or after March 28, 2020, PUA benefits could be paid retroactively. The PUA benefit amount would be the weekly benefit amount as calculated under state law based on recent earnings (subject to the minimum benefit under Disaster Unemployment Assistance [DUA], which is half of the state's average weekly UC benefit amount).

### **What is the weekly benefit available in Oklahoma?**

The amount of the benefit is 1/23 of the highest quarter of taxable wages in your base income not to exceed the maximum weekly benefit amount allowed by Oklahoma law. Taxable wages are wages during your base period that are subject to the unemployment tax. This is a tax paid by your employer and is not taken from your paycheck. If eligible, the weekly benefit amount will not be less than \$16 or more than the maximum allowed by law. In 2020, the maximum weekly benefit amount was \$539.

### **Is there an additional \$600 available?**

Yes, the bill provides an additional, federally financed \$600 benefit that would be in addition to all weekly UI benefits. This \$600 would be payable for weeks of unemployment ending on or before July 31, 2020. During the period that this payment is authorized, states are prohibited from reducing UC benefit amount or duration. Added on to the full UI benefits will be \$1,139 per week for those awarded the maximum benefit.

## **What is the Pandemic Emergency Unemployment Compensation?**

The bill creates Pandemic Emergency Unemployment Compensation (PEUC) which would authorize up to 13 additional weeks of federally financed UI benefits for individuals who exhaust state and federal UI benefits and are able, available, and actively seeking work, subject to COVID-19-related flexibilities. PEUC would be authorized through the end of December 2020. The PEUC benefit amount would be the WBA as calculated under state law. All PEUC benefits would be increased \$600 a week by Federal Pandemic Unemployment Compensation through July 2020.

## **What information will the self-employed and independent contractors need to provide to receive unemployment insurance under this new program?**

States will follow their traditional process to determine eligibility for unemployment insurance, using wage records they already have for this purpose. For those for whom the state might not have wage data, the person applying will need to provide tax records to document prior earnings (following the process states use for the Disaster Unemployment Assistance program).

## **If I was already unemployed, am I eligible for UI?**

Nothing in federal law or in the CARES ACT would exclude the unemployed from receiving UI based upon their living arrangements, such as a homeless shelter. This program covers individuals who are self-employed, seeking part-time employment, or otherwise would not qualify for regular UC or extended benefits under state or federal law or Pandemic Emergency Unemployment Compensation. Coverage includes individuals who have exhausted all rights to regular UC or extended benefits under state or federal law or PEUC. Individuals must demonstrate that they are otherwise able to work and available for work within the meaning of applicable state law, except that they are unemployed, partially unemployed, or unable or unavailable to work. Eligibility determinations will be made by state agencies on a case-by-case basis depending on the particular facts presented.

## **Does an employer have to lay the person off for them to get unemployment insurance payments?**

No. An employer can furlough workers, who will then be eligible for unemployment insurance payments (this is not a new feature of unemployment insurance). It is also possible for an employer to continue to pay an employee's health benefits during a furlough for example, which would still allow the employee to receive unemployment insurance payments until they are called back to work.

## **Do unemployment insurance payments count as income?**

Yes, unemployment benefits are counted as unearned income for federal tax purposes, and additional unemployment insurance payments provided by the CARES Act count toward eligibility for means-tested benefits (other than Medicaid).

## **Who covers the cost of UC?**

The bill provides, through December 2020, 50% federal funding of regular UC benefits based on service with reimbursing employers, which are state and local governments, Indian tribes, and nonprofit organizations that have opted not to pay UI taxes, but instead reimburse states for UC benefits paid to their former employees. This provision would provide financial relief to these reimbursing employers. It would also allow Oklahoma flexibility in the timing of required reimbursement payments for these employers. 100% federal financing is provided through the end of December for UC benefits provided during the first week of unemployment in state UC programs with no one-week waiting period (thus, incentivizing states that require one-week waiting periods before receiving UC under state law to remove them).

## **Weren't there UI provisions in the phase 2 bill as well?**

Yes, the Families First Coronavirus Response Act (phase 2) provided states with flexibility in operating their regular UC program, allowing them to adjust their standard approaches to policies as needed to respond to the spread of COVID-19 such as work search requirements, requiring individuals have a "waiting week" not paid by unemployment, and reasons for not working.·

- \$1 billion in emergency administrative grant funding to states in calendar year 2020 for administrative purposes.;
- waivers of certain federal UI requirements for state UC programs (Section 2106 of the CARES Act adds merit staffing, in some circumstances, to the list of waived federal UI requirements);·
- Waivers of interest payments and suspension of interest accrual on federal advances (loans) to states to pay UC benefits through December 2020; and ·
- provides DOL assistance to states in establishing, implementing, and improving STC programs

## **How do I file for unemployment insurance in Oklahoma?**

You can file for unemployment insurance through the Oklahoma Employment Security Commission, [unemployment.gov](http://unemployment.gov). If you are unable to file an unemployment form online, you can call 1-800-555-1553 to file a claim by phone.

## **I was moved from full-time to part-time, am I eligible for unemployment insurance?**

Yes, individuals can receive benefits for what's called "partial unemployment." In Oklahoma, an individual is considered to be partially unemployed if they are working less than full-time and their earnings are less than the weekly benefit amount they'd be eligible for if they were unemployed.

## **Does Oklahoma participate in workshare program?**

Oklahoma does not have a workshare program.

## **How do I file for Unemployment Insurance?**

To file a claim for unemployment benefits, Oklahomans may file online at: <https://www.ok.gov/oesc/Claimants/> or you may call the UI Service Center:

OKC area: 405-525-1500

Outside OKC area: 1-800-555-1554

TTY/TTD calls: 1-800-722-0353 and voice calls at 1-800-522-8506

If you have questions while filing a claim or have questions about unemployment benefits email OESC Helps at [oesc.helps@oesc.state.ok.us](mailto:oesc.helps@oesc.state.ok.us).

You will need to provide proof of identification to file. During COVID-19 stay at home guidelines, ID may be emailed, mailed, or faxed to OESC.

Email: [idverification@oesc.state.ok.us](mailto:idverification@oesc.state.ok.us)

Mail: OESC, PO Box 52006, Oklahoma City, OK 73152-2006

Fax: 405-962-7524

Office of Senator James Lankford

[lankford.senate.gov](http://lankford.senate.gov)

405-231-4941 (Oklahoma City)/ 918-581-7651 (Tulsa)