

Unprecedented Choice Increases Unemployment Compensation Benefits

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After working with Unemployment Compensation issues for decades, I could not wrap my head around a Presidential Executive Order amending a 1930's Unemployment Compensation statute. So, I took a deeper dive into the issue, and I will share what I learned. President Trump issued an Executive Order on August 8, 2020, which freed up Federal Emergency Management Agency (FEMA) funds amounting to around \$44 Billion for use by the states to grant an additional amount of money to UC recipients. The money for lost wages comes under the Robert T. Stafford Disaster Relief and Emergency Act, commonly referenced as the Stafford Act. In short, the \$300 per week payment comes from FEMA through the states and each participating state has the option of giving an additional \$100 on top.

Pennsylvania is a participating state for the \$300 amount but will not supplement that amount with an additional \$100 payment.

Payments will be retroactive to August 1, 2020, but a new system, not the existing UC system has to be established to make those payments. The new program will remain in effect until December 27, 2020, or the exhaustion of the funds, or the enactment of other legislation impacting this program. (All Unemployment Compensation weeks run from Sunday through Saturday.) States will be paid for related administrative costs of the programs.

The additional amount will be paid in addition to regular UC, including:

- programs for federal employees and Ex-Service members,
- Pandemic Unemployment Compensation (PEUC),
- Pandemic Unemployment Assistance (PUA),
- Extended Benefits (EB),
- Short-Time Compensation (STC),
- Self-Employed Assistance Benefits, and
- Trade Readjustment Act Benefits (TRA).

Individuals are to self-certify that the employment disruptions are COVID-19 based. Special provisions apply to Native American tribes.

For the text of the Executive Order, see:

<https://www.whitehouse.gov/presidential-actions/memorandum-authorizing-needs-assistance-program-major-disaster-declarations-related-coronavirus-disease-2019/>

Additional information appears on FEMA's website at:

https://www.fema.gov/sites/default/files/2020-08/fema_supplement-lost-wages-payments-under-other-needs-assistance_faq_0.pdf

Kathy is a Managing Member of the Harrisburg, PA law firm of SkarlatosZonarich LLC. She has been practicing management-side labor/employment law for decades. She urges you to stay in touch with our website during this outbreak of Coronavirus because of fast-developing information. She can be reached at ksm@skarlatoszonarich.com

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