# HOLLRAH LLC

#### WASHINGTON, DC

TO:	Private Care Association
FROM:	Russell A. Hollrah
DATE:	April 9, 2020
RE:	Federal Government Guidance Concerning New Unemployment Programs

The recently enacted legislation in reaction to the COVID-19 virus includes several new unemployment programs. The following provides highlights of several guidance documents the U.S. Department of Labor recently issued to explain these new programs.

Importantly, an unprecedented aspect of these new laws is the extension of unemployment benefits to independent contractors who satisfy specified criteria.

#### UNEMPLOYMENT INSURANCE PROGRAM LETTER (UIPL) NO. 13-20 (3/22/2020)

This Unemployment Insurance Program Letter (UIPL) focuses on the Families First Coronavirus Response Act (FFCRA) (Pub. L. 116-127), which President Trump signed into law on March 18, 2020.

- The FFCRA contains the Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA), which sets out requirements for emergency administrative grants to states, and authorizes emergency flexibility allowing states to temporarily modify certain aspects of their unemployment compensation (UC) laws.
- <u>Emergency Flexibility</u>. The EUISAA allows states to modify their UC laws and policies on an emergency temporary basis in response to the spread of COVID-19.
- <u>Full Federal Funding for Extended Benefits (EB).</u> The EUISAA provides that, for states receiving both allotments of the emergency administrative grants (Allotments I and II, discussed below) and also meeting the thresholds to trigger "ON" to extended benefits (EB), the Federal Government will, in most cases, pay 100 percent of the benefit costs of EB, beginning on March 18, 2020 until December 31, 2020.
- Additionally, any state without a waiting week provision under state UC law, or that elects to temporarily suspend the waiting week requirement, will be temporarily provided with federal matching of the first week of EB through December 31, 2020, at either 50 percent or 100 percent

based on whether the state meets the qualifications for emergency administrative grants Allotments I and II.

- <u>Emergency Administrative Grants</u>. The EUISAA authorizes a total of \$1 Billion in emergency grants to states for administration of each state's unemployment compensation law. Funds provided through these emergency administrative grants may only be used for administration of the UC Program and are not available to be used for the payment of UC itself.
- <u>Allotment I of Emergency Administrative Grants</u>: 50 percent of the state's available emergency administrative grant funds will be transferred to the state not later than 60 days after the date of enactment, provided the state meets each of three specified conditions. One of these conditions is that the state requires employers to provide notification of the availability of UC to employees at the time of separation from employment.
  - Note: If a state adopts this new notification requirement, <u>and also includes a separate</u> <u>penalty for failing to comply</u>, a company doing business with independent contractors would be exposed to an additional potential liability in that state. This is because a company presumably would not provide the requisite notification to an independent contractor. Consequently, if such an individual were to apply for unemployment benefits and the state determines the individual to be the company's employee (and eligible for benefits), the state could assess a penalty against the company for failing to provide the requisite notification.
- <u>Allotment II of Emergency Administrative Grants</u>: the other 50 percent of the state's available emergency administrative grant funds will be available if the state's initial claims for unemployment have increased by 10 percent over the same rolling quarter in the previous calendar year and the state meets both of the following two conditions:
  - 1. The state expresses its commitment to maintain and strengthen access to the unemployment compensation system, including through initial and continued claims.
  - 2. The state demonstrates steps it has taken or will take to ease eligibility requirements and access to UC, including:
    - modifying or suspending work search requirements and
    - modifying or suspending the waiting week, and
    - non-charging employers directly impacted by COVID-19 due to an illness in the workplace or direction from a public health official to isolate or quarantine workers.
- The non-charging allowance is limited to those employers directly impacted by COVID-19, due to an illness in the workplace or direction from a public health official to isolate or quarantine workers. The additional temporary emergency flexibilities may be applied to all individuals collecting UC during this temporary emergency.
- The UIPL encourages states to adopt these additional permissible flexibilities. But any changes to state laws and policies to implement these flexibilities must be limited to the timeframe in which the COVID-19 pandemic is being addressed.

- <u>Work Search</u>. Existing federal UC law requires that claimants be able to work, available for work, and actively seeking work. EUISAA allows for states to provide for an emergency temporary modification or suspension of the "actively seeking work" requirement as needed to respond to the spread of COVID-19.
  - States may consider applying this emergency temporary flexibility to all individuals collecting UC and not just those recently separated. This allows individuals to more effectively comply with the social distancing recommendations of federal, state, and local government officials to mitigate the spread of COVID-19.
- <u>Waiting Week</u>. Existing federal EB law requires states to have a non-compensable waiting week in order for the state to receive federal sharing of the first week of EB. The UC laws of most states include a requirement to serve a non-compensable waiting week. This existing law is temporarily superseded with the passage of EUISAA.
  - States with no waiting week and states that temporarily suspend waiting week requirements are eligible to receive federal matching for the first week of EB. In light of the emergent need to cover individuals impacted by COVID-19 and to allow the UI program to act as an economic stimulus, states should consider temporarily suspending requirements to serve a non-compensable waiting week.
- <u>Good Cause</u>. State laws provide for instances where "good cause" is considered in making a determination of eligibility. This often applies in job separations where the individual voluntarily quits, as well as issues of suitable work, able-and-available requirements, and reporting requirements. This may also apply to allowable reasons for extending deadlines or suspending in-person reporting requirements.
  - The passage of EUISAA provides broad flexibility for states to temporarily amend their "good cause" provisions in response to the spread of COVID-19. The UIPL encourages states to consider temporarily modifying their good cause provisions in such a way as to comply with the social distancing recommendations of federal, state, and local government officials to mitigate the spread of COVID-19.
  - Examples that states may consider in allowing good cause include leaving work due to a reasonable risk of exposure or infection (i.e., self-quarantine) or to care for a family member affected by the virus.
- <u>Noncharging Employers</u>. Many states do not charge individual employers for benefit costs under certain limited circumstances. These "noncharging" provisions are found in practically all state UC laws. When determining, in the context of COVID-19, whether certain unemployment benefits should be charged to employers, states should consider how to fairly distribute the costs to employers. If a state opts to provide noncharging relief to reimbursable employers, then the same noncharging relief must also be provided to contributory employers.

### **UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 14-20 (4/2/2020)**

**This UIPL focuses on the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020,** Public Law (Pub. L.) 116-136, which President Trump signed into law on March 27, 2020.

- The CARES Act provides emergency assistance and health care response for certain individuals, families, and businesses affected by the COVID-19 pandemic. It provides for temporary coverage of:
  - o individuals who have exhausted their entitlement to regular UC and
  - individuals who are not eligible for regular UC, such as
    - <u>individuals who are self-employed</u> or
    - have limited recent work history.

It also provides individuals who are collecting <u>certain benefits</u> with an additional \$600 in Federal benefits per week for weeks of unemployment ending on or before July 31, 2020.

### **Importance of Program Integrity**

• The programs and provisions in the CARES Act operate in tandem with the fundamental eligibility requirements of the Federal-State UI program, which remain in place. These requirements include that individuals are only entitled to benefits if they are no longer working through no fault of their own and that individuals must be able and available to work. While the Act does provide workers some flexibilities, quitting work without good cause to obtain additional benefits would be fraud.

# The CARES Act authorizes the following provisions

- <u>Pandemic Unemployment Assistance (PUA)</u>
  - Provides up to 39 weeks of benefits
  - Is available starting with weeks of unemployment beginning on or after January 27, 2020 and ending on or before December 31, 2020.
  - Covers individuals:
    - who are self-employed,
    - who are seeking part-time employment,
    - who otherwise would not qualify for regular UC or EB under state or federal law or Pandemic Emergency Unemployment Compensation (PEUC),
    - who have exhausted all rights to regular UC or EB under state or federal law, or PEUC.
  - <u>Individuals must demonstrate</u> that they are otherwise able to work and available for work within the meaning of applicable state law, except <u>they are unemployed</u>, <u>partially</u> <u>unemployed</u>, <u>or unable or unavailable to work because of the COVID-19 related reasons</u> <u>specified in the CARES Act</u>.
- <u>Federal Pandemic Unemployment Compensation (FPUC) (emergency increase in unemployment compensation benefits)</u>
  - **Provides an additional \$600 per week to individuals:** 
    - who are collecting regular UC (including Unemployment Compensation for Federal Employees (UCFE) and Unemployment Compensation for Ex-Servicemembers (UCX)), PEUC, PUA, EB, STC, Trade Readjustment Allowances (TRA), Disaster Unemployment Assistance (DUA), and payments under the Self Employment Assistance (SEA) program.
  - This is available for weeks of unemployment beginning after the date on which the state enters into an agreement with the Department and ending with weeks of unemployment

ending on or before July 31, 2020.

- <u>Temporary full federal funding of the first week of compensable regular unemployment for states</u> <u>with no waiting week</u>
  - States that provide compensation to individuals for their first week of unemployment (i.e., states which do not require a waiting week) and that enter into an agreement with the Department will receive 100 percent federal funding for the total amount of regular UC paid to individuals for their first week of regular UC.
  - This funding is available for weeks of unemployment beginning after the date on which the state enters into an agreement with the Department and ends with weeks of unemployment ending on or before December 31, 2020.
- <u>Pandemic Emergency Unemployment Compensation (PEUC)</u>
  - Provides up to 13 weeks of benefits
  - Is available for weeks of unemployment beginning after the date on which the state enters into an agreement with the Department and ending with weeks of unemployment ending on or before December 31, 2020.
  - Covers individuals who:
    - have exhausted all rights to regular UC under state or federal law;
    - have no rights to regular UC under any other state or federal law;
    - are not receiving compensation under the UC laws of Canada; and
    - are able to work, available for work, and actively seeking work.
  - However, states shall offer flexibility in meeting the "actively seeking work" requirement if individuals are unable to search for work because of COVID-19, including because of illness, quarantine, or movement restriction.
- <u>Temporary financing, agreements, and grants for Short-Time Compensation (STC)</u> also known as <u>Shared Work or Work Share</u>
  - This is a lay-off aversion program where <u>an employer reduces the hours for a group of</u> workers to avoid layoffs and these workers receive a partial unemployment benefit <u>payment</u>.
  - States with an existing STC program may be reimbursed for 100 percent of STC benefit costs, up to a maximum of 26 weeks of STC per individual. These reimbursements are available starting with weeks of unemployment beginning on or after March 27, 2020 and ending with weeks of unemployment ending on or before December 31, 2020.<sup>1</sup>
  - This federal STC program is available for weeks of unemployment beginning on or after the date on which the state enters into an agreement with the Department and ending with weeks of unemployment ending on or before December 31, 2020.
- The Department will disseminate model language, which may be used by states in developing and enacting STC programs.

<sup>&</sup>lt;sup>1</sup> If a state enacts a new law providing for the payment of STC after March 27, 2020, then reimbursements are available starting with the effective date of the state law enactment and ending with weeks of unemployment ending on or before December 31, 2020. States without an existing STC program in the state's UC law may provide STC benefits under an agreement with the Secretary of Labor and be reimbursed for one-half of STC benefit costs, with the employer paying the other half, up to a maximum of 26 weeks of STC per individual.

# **Coordination of Programs**

- An individual may establish eligibility for multiple benefit programs, including multiple programs authorized in the CARES Act.
- The information provided below regarding the order of payment is contingent on the individual meeting all eligibility criteria for the respective program(s). It is also contingent on the state having entered into an agreement with the Secretary of Labor to administer such program(s).
  - For an individual who is <u>eligible for regular UC (including UCFE and UCX)</u>, the following order of payment applies.
    - A. The individual must first apply for and receive regular UC. The amount and duration of these benefits are dependent on state law.
    - B. If the individual exhausts regular UC, the individual may then be eligible to receive PEUC. The duration of these benefits is limited to 13 weeks.
    - C. If the individual exhausts PEUC and the state has "triggered on" to EB, the individual may then be eligible to receive EB.
      - The duration of these benefits is up to 13 or 20 weeks, dependent on the state's unemployment rate and if state law includes a trigger for periods of high unemployment.
    - D. If the state is not "triggered on" to EB or the individual exhausts EB, the individual may then be eligible to receive PUA.
      - Note that at least one of the identified COVID-19 related reasons specified in the CARES Act must apply to the individual to be eligible for PUA.
      - The duration of these benefits is generally limited to 39 weeks, minus any weeks that the individual received from regular UC and EB. The weeks for which an individual collected PEUC will not be deducted from the individual's PUA entitlement.
  - The Federal Pandemic Unemployment Compensation (FPUC) provides for an additional \$600 per week to an individual collecting regular UC, PEUC, PUA, EB, STC, TRA, DUA, and SEA. Individuals receive FPUC payments concurrently with payments under these programs.
- Upon execution of an agreement between the state and Department, this applies to all weeks of unemployment ending on or before July 31, 2020.
  - A number of states also have provisions within state law for extending the potential duration of benefits during periods of high unemployment for individuals in approved training who exhaust benefits, or for a variety of other reasons.
    - Although some state laws call these programs "extended benefits," the Department uses the term "additional benefits" (AB) to avoid confusion with the federal-state EB program. FPUC is <u>not</u> payable to individuals receiving AB payments.
- No payments for PEUC or PUA may be made for weeks of unemployment ending on or after December 31, 2020.

# **UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 15-20 (April 4, 2020)**

This UIPL focuses on the Federal Pandemic Unemployment Compensation (FPUC) program, authorized by Section 2104 of the CARES Act of 2020.

- FPUC provides eligible individuals with \$600 per week in addition to the weekly benefit amount they receive from certain other UC programs.
- The cost of these additional \$600 payments to eligible individuals each week is 100% federally funded. Implementation costs and ongoing administrative costs for this program are also 100% federally funded.
- States may not charge employers for any FPUC benefits paid.
- FPUC is payable for weeks of unemployment beginning on or after the date on which the state enters into an agreement with the Department. FPUC is not payable for any week of unemployment ending after July 31, 2020.

# **Importance of Program Integrity**

- The programs and provisions in the CARES Act operate in tandem with the fundamental eligibility requirements of the Federal-State UI program which must be adhered to.
- These requirements provide that individuals are only entitled to benefits if they are no longer working through no fault of their own and the individuals must be able and available to work.
- While states have been provided some flexibilities as a result of COVID-19, those flexibilities are generally limited to dealing with the effects of COVID-19.
- Quitting work without good cause to obtain additional benefits under the regular UI program or the CARES Act qualifies as fraud.

# **Programs which entitle an individual to receive FPUC**

- This program provides an additional \$600 per week to individuals who are collecting
  - Regular UC (including Unemployment Compensation for Federal Employees (UCFE);
  - Unemployment Compensation for Ex-Servicemembers (UCX));
  - Pandemic Emergency Unemployment Compensation (PEUC);
  - Pandemic Unemployment Assistance (PUA);
  - Extended Benefits (EB);
  - Short-Time Compensation (STC);
  - Trade Readjustment Allowances (TRA);
  - Disaster Unemployment Assistance (DUA); and
  - Payments under the Self-Employment Assistance (SEA) program.
- Individuals receive FPUC payments concurrently with payments under these programs.
- A number of state laws include provisions for extending the potential duration of benefits during periods of high unemployment for individuals in approved training who exhaust benefits, or for a variety of other reasons. Although some state laws call these programs "extended benefits," the Department uses the term "additional benefits" (AB) to avoid confusion with the Federal-State EB program. FPUC is <u>not</u> payable to individuals who are receiving AB payments

# **UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 16-20 (April 5, 2020)**

This UIPL focuses on the Pandemic Unemployment Assistance (PUA) program, authorized by Section 2102 of the CARES Act of 2020.

- The duration of PUA benefits is generally limited to 39 weeks, minus any weeks of regular UC and Extended Benefits (EB) the individual received. The weeks for which an individual collected PEUC may not be deducted from the individual's PUA entitlement. PUA is not payable in conjunction with state additional compensation.
- PUA WBA is equal to the WBA authorized under state UC law where the individual was employed, subject to certain exceptions. PUA is payable for weeks of unemployment, partial unemployment, or inability to work caused by the COVID-19 related reasons listed below beginning on or after January 27, 2020. PUA is not payable for any week of unemployment ending after December 31, 2020.
  - For weeks of unemployment beginning on or after March 27, 2020, and ending on or before July 31, 2020, individuals eligible to receive PUA are also eligible to receive Federal Pandemic Unemployment Compensation (FPUC), authorized under section 2104 of the CARES Act, which provides an additional \$600 per week.
- The cost of PUA benefits is 100% federally funded. Implementation costs and ongoing administrative costs are also 100% federally funded.
- "Covered individuals" are those individuals not qualified for:
  - regular unemployment compensation,<sup>2</sup>
  - extended benefits under state or Federal law, or
  - pandemic emergency unemployment compensation (PEUC),

including those who have exhausted all rights to such benefits.

- "Covered individuals" also include:
  - <u>self-employed</u>,
  - o individuals seeking part-time employment,
  - o individuals lacking sufficient work history, or
  - those otherwise not qualified for regular UC, extended benefits under state or federal law, or PEUC.
- An individual <u>lacking sufficient work history</u>" means an individual
  - with a recent attachment to the labor force<sup>3</sup>

- state UC, Unemployment Compensation for Federal Employees (UCFE),
- Unemployment Compensation for Ex-servicemembers (UCX),
- Trade Readjustment Allowances (TRA),
- DUA,
- Short-Time Compensation (STC), and

<sup>&</sup>lt;sup>2</sup> For purposes of determining eligibility for PUA, regular UC includes:

<sup>•</sup> payments under the Self-Employment Assistance (SEA) programs. 20 C.F.R. 625.2(d)(1).

<sup>&</sup>lt;sup>3</sup> Demonstration of a <u>recent attachment to the labor force</u> for PUA coverage purposes includes individuals who had a bona fide offer to start working on a specific date and were unable to start due to one of the COVID-19 related reasons identified in the CARES Act.

- who does not have sufficient wages in covered employment during the last 18 months to establish a claim under regular UC, and
- who became unemployed or partially unemployed because of one of the COVID-19 related reasons identified below.
- "<u>Self-employed individuals</u>" are individuals whose primary reliance for income is on the performance of services in the individual's own business, or on the individual's own farm. These individuals include:
  - independent contractors,
  - o gig economy workers, and
  - workers for certain religious entities.
- Individuals who meet the following criteria are <u>not eligible for PUA</u>:
  - Individuals who have the ability to telework with pay.
    - When addressing issues about the availability of paid telework, the state must determine whether the claimant has been offered the option of continuing to work for pay by teleworking. If so, and claimants were offered to continue to work the same number of hours, claimants are not eligible for PUA.
  - Individuals receiving paid sick leave or other paid leave benefits.
    - If claimants receive such leave for their customary work hours, they are not eligible for PUA. Special rules apply to any paid sick leave or paid leave.
- However, an individual receiving paid sick leave or other paid leave benefits for less than his or her customary work week may still be eligible for a reduced PUA WBA.
- Similarly, if an individual has been offered the option of teleworking with pay and does telework with pay, but is working less than the individual customarily worked prior to the COVID 19 pandemic, the individual may be eligible for a reduced PUA WBA.
- In general, PUA provides up to 39 weeks of benefits to qualifying individuals who are otherwise able to work and available for work within the meaning of applicable state UC law, except that they are unemployed, partially unemployed, or unable or unavailable to work due to one of the COVID-19 related reasons identified in the CARES Act and listed below. Many of these circumstances are likely to be of short-term duration.
  - 1. The individual has been diagnosed with COVID-19 or is experiencing symptoms of COVID-19 and is seeking a medical diagnosis
    - Examples may include: An individual who has to quit his or her job as a direct result of COVID-19 because the individual has tested positive for the coronavirus or has been diagnosed with COVID-19 by a qualified medical professional, and continuing work activities, such as through telework, is not possible by virtue of such diagnosis or condition; An individual who has to quit his or her job due to coming in direct contact with someone who has tested positive for the coronavirus or has been diagnosed by a medical professional as having COVID-19, and, on the advice of a qualified medical health professional is required to resign from his or her position in order to quarantine.

- 2. A member of the individual's household has been diagnosed with COVID-19
  - For example: A member of the individual's household has been diagnosed as having COVID-19 by a qualified medical professional or a member of the individual's household has tested positive for COVID-19 and the individual is unable to work as a result.
- 3. The individual is providing care for a family member or a member of the individual's household who has been diagnosed with COVID-19
  - For example: An individual is "providing care" for a family member or a member of the individual's household if the provision of care requires such ongoing and constant attention that the individual's ability to perform other work functions is severely limited. An individual who is assisting a family member who is able to adequately care for him or herself is not "providing care" under this category.
- 4. A child or other person in the household for which the individual has primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID-19 public health emergency and such school or facility care is required for the individual to work
  - For example: An individual has "primary caregiving responsibility" for a child or other person in the household if he or she is required to remain at home to care for the child or other person. This includes an individual whose job allows for telework, but for whom the provision of care to the child or other person with a closed school or other facility requires such ongoing and constant attention that it is not possible for the individual to perform work at home.
  - As noted, many of these qualifying circumstances are likely to be of short-term duration. For example, a school is not closed as a direct result of the COVID-19 public health emergency after the date the school year was originally scheduled to end.
- 5. The individual is unable to reach the place of employment because of a quarantine imposed as a direct result of the COVID-19 public health emergency
  - For example: An individual who is unable to reach his or her place of employment because doing so would require the violation of a state or municipal order restricting travel that was instituted to combat the spread of COVID-19.
- 6. The individual is unable to reach the place of employment because the individual has been advised by a health care provider to self-quarantine due to concerns related to COVID-19
  - Examples include: 

     An individual who has been advised by a qualified medical professional that he or she may be infected with the coronavirus and that he or she therefore should self-quarantine. For example, an individual had direct contact with another person who has tested positive for the coronavirus or been diagnosed with COVID-19 by a qualified medical professional, and is advised by a health care provider to self-quarantine to prevent further possible spread of the virus. Such circumstances would render the individual unable to reach his or her place of employment.
     An individual whose immune system is compromised by virtue of a serious health condition and is therefore advised by a health care provider to self-quarantine in order to avoid the

greater-than-average health risks that the individual might face if he or she were to become infected by the coronavirus.

- As noted, many of these circumstances are likely to be of short-term duration. For example, an individual who has been advised to self-quarantine by a health care provider because of the individual's exposure to a person who has tested positive for the coronavirus, and is therefore unable to reach his or her place of employment, may be able to return to his or her place of employment within two weeks of the exposure if he or she has not exhibited symptoms of COVID-19 or tested positive for the coronavirus.
- 7. The individual was scheduled to commence employment and does not have a job or is unable to reach the job as a direct result of the COVID-19 public health emergency
  - For example: An individual is unable to reach his or her job because doing so would require the violation of a state or municipal order restricting travel that was instituted to combat the spread of the coronavirus or the employer has closed the place of employment. An individual does not have a job because the employer with whom the individual was scheduled to commence employment has rescinded the job offer as a direct result of the COVID-19 public health emergency.
- 8. The individual has become the breadwinner or major support for a household because the head of the household has died as a direct result of COVID-19
  - For example: An individual whose head of household previously contributed the majority of financial support to the household died as a direct result of COVID-19, and the individual is now the person in the household expected to provide such financial support.
- 9. The individual has to quit his or her job as a direct result of COVID-19
  - For example: An individual was diagnosed with COVID-19 by a qualified medical professional, and although the individual no longer has COVID-19, the illness caused health complications that render the individual objectively unable to perform his or her essential job functions, with or without a reasonable accommodation.
  - An individual does not have to quit his or her job as a direct result of COVID-19 if paid sick leave or other paid leave benefits are available to the individual.
  - Generally, an employee "has to quit" within the meaning of this section only when ceasing employment is an involuntary decision compelled by the circumstances identified in the section.
- 10. The individual's place of employment is closed as a direct result of the COVID-19 public health emergency
  - If a business is shut down due to an emergency declaration or due to necessary social distancing protocols, the unemployment of individuals who worked in the business would be considered a direct result of COVID-19.
- 11. The individual meets any additional criteria established by the Secretary for unemployment assistance under this section
  - The Secretary has determined that, in addition to individuals who qualify for benefits under the other criteria described above, an individual who works as an <u>independent</u> <u>contractor</u> with reportable income may also qualify for PUA benefits if he or she is
    - unemployed, partially employed, or

- unable or unavailable to work because the COVID-19 public health emergency has severely limited his or her ability to continue performing his or her customary work activities, and has thereby forced the individual to suspend such activities.
- For example, a driver for a ridesharing service who receives an IRS Form 1099 from the ride sharing service may not be eligible for PUA benefits under the other criteria outlined above, because such an individual does not have a "place of employment," and thus cannot claim that he or she is unable to work because his or her place of employment has closed. However, under the additional eligibility criterion established by the Secretary here, the driver may still qualify for PUA benefits if he or she has been forced to suspend operations as a direct result of the COVID19 public health emergency, such as if an emergency state or municipal order restricting movement makes continued operations unsustainable.

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If you have any questions concerning the foregoing, please let me know, at <u>rhollrah@hollrahllc.com</u>.

The foregoing is intended solely as general information and may not be considered tax or legal advice; nor can it be used or relied upon for the purpose of (i) avoiding penalties under any taxing statute or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein. You should not take any action based upon any information contained herein without first consulting legal counsel familiar with your particular circumstances.

### Table of Acronyms

- AB: Additional Benefits
- CARES Act: Coronavirus Aid, Relief, and Economic Security Act
- DUA: Disaster Unemployment Assistance
- EB: Extended Benefits
- EUISAA: Emergency Unemployment Insurance Stabilization and Access Act of 2020
- FFCRA: Families First Coronavirus Response Act
- FPUC: Federal Pandemic Unemployment Compensation
- PEUC: Pandemic Emergency Unemployment Compensation
- PUA: Pandemic Unemployment Assistance
- SEA: Self Employment Assistance
- STC: Short-Time Compensation, also known as Shared Work or Work Share
- TRA: Trade Readjustment Allowances
- UC: Unemployment Compensation
- UCFE: Unemployment Compensation for Federal Employees
- UCX: Unemployment Compensation for Ex-Servicemembers
- UIPL: Unemployment Insurance Program Letter
- WBA: Weekly Benefit Amount