

DATE: May 5, 2020

OPERATIONS MEMORANDUM #20-05-02

SUBJECT: Unemployment Income COVID-19

TO: Executive Directors

FROM: Inez Titus
Director
Bureau of Operations

PURPOSE

To provide County Assistance Offices (CAOs) with information regarding how to treat Unemployment Compensation (UC) and Federal Pandemic Unemployment Compensation (FPUC) for all programs of assistance in determining eligibility.

BACKGROUND

The Coronavirus Aid, Relief and Economic Security (CARES) Act was passed on March 27, 2020 to provide emergency assistance for eligible persons affected by the coronavirus (COVID-19) pandemic.

The CARES Act contains provisions for UC to assist more individuals in response to the loss of employment or reduction in hours incurred due to the COVID-19 emergency. The following are highlights from the provisions.

Pandemic Unemployment Assistance (PUA) defines “covered Individuals” that are eligible for UC benefits while unemployed, partially unemployed or unable to work due to COVID-19. “Covered Individuals” has been expanded to now cover:

- Individuals not eligible for regular compensation or extended UC
- Individual that exhausted all regular UC
- Individuals that are self-employed
- Individuals seeking part-time employment
- Individuals who do not have sufficient work history

Assistance provided to these covered individuals shall be the weekly benefit amount authorized under existing UC rules plus the FPUC amount. Benefits paid under the PUA shall not exceed 39 weeks.

Pandemic Emergency Unemployment Compensation (PEUC). Covers Individuals who have exhausted their UC benefits from the previous benefit year funds and have no rights to regular UC benefits because their former benefit period expired. Individuals have to be able and available to work and actively seeking work, except in instances where COVID-19 has made it not possible, including illness, quarantine, or "stay at home" orders. These individuals shall be eligible for the weekly benefit amount authorized under existing UC calculation rules plus the FPUC for up to 13 weeks of benefits.

Federal Pandemic Unemployment Compensation (FPUC) -Individuals eligible for regular UC, extended UC and the "Covered Individuals" outlined above are eligible for an additional weekly benefit of \$600 per week.

DISCUSSION

All weekly UC benefits paid to individuals receiving regular or extended UC, receiving UC benefits under PUA or under the PEUC will be treated as unearned income and follow the current eligibility rules and regulations for treatment of unearned UC income.

FPUC payments of \$600.00 will be treated as follows by each Program:

- Cash Assistance – The FPUC is not counted as income or a resource.
- Medical Assistance – The FPUC is not counted as income or a resource.
- SNAP – The FPUC will be counted as income in the month received.

PROCEDURES

Individuals receiving Regular UC, Extended UC, individuals under PUA with weekly UC, and individuals under PEUC with weekly UC income

1. Verify UC income received using Data Exchange 2 – Unemployment Compensation.
2. Create an unearned income screen for the UC.
3. Enter UC income with appropriate deductions. Do not exempt, it is counted as unearned income.

All FPUC payments for SNAP

1. Verify the individual is receiving the FPUC.
2. FPUC will not be available in Data Exchange 2. Until OIM can obtain a file of recipients from the Department of Labor and Industry workers will need to request the household provide verification of the FPUC.
3. Create a separate unearned income screen for the additional FPUC payment.
4. Exempt the income for Cash and Medical Assistance.

NEXT STEPS

1. Share this information with appropriate members of your staff.
2. Contact your Area Manager with any questions.