



FOR IMMEDIATE RELEASE

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www.iowaworkforcedevelopment.gov

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Iowa Workforce Development outlines CARES Act benefits and implementation

DES MOINES - Iowa Workforce Development (IWD) is outlining the benefits of Coronavirus Aid, Relief and Economic Security (CARES) Act of 2020, which provides unemployment benefits for the self-employed, independent contractors, nonprofit employees, gig economy workers, those who have exhausted other unemployment insurance benefits, and those who may not have sufficient work history to qualify for a regular state claim.

The CARES Act also includes eligibility for those receiving unemployment insurance benefits in any amount to be paid an additional \$600 weekly benefit. After receiving guidance from the U.S. Department of Labor, IWD has begun aligning resources and technology to create the necessary processes to be able to pay qualified individuals their benefits as quickly as possible, and we estimate this will occur within the next 10 days.

The CARES Act provides the following unemployment insurance benefit programs:

- **Federal Pandemic Unemployment Compensation (FPUC)** - The FPUC program provides individuals who are collecting regular Unemployment Compensation (UC), Pandemic Emergency

Unemployment Compensation (PEUC), Pandemic Unemployment Assistance (PUA), Extended Benefits (EB), Short Time Compensation (STC), Trade Readjustment Act (TRA), Disaster Unemployment Assistance (DUA), and payments under the Self-Employment Assistance (SEA) program, with an additional \$600 per week. The first week a claimant can be compensated on this benefit is the week beginning March 29, 2020 and the last week is the week ending July 25, 2020. Our goal is to issue payments in the next ten days to those who are eligible. Please keep in mind that you cannot quit your job and continue to draw these benefits. If you refuse to return to work without a documented medical note consistent with the Families First Act, you will be disqualified from ALL benefits including the \$600 payment. Additionally, if your employer receives a loan under the PayCheck Protection Act and places you back on the payroll, full time, you will no longer be eligible for unemployment or FPUC benefits.

- **Pandemic Unemployment Assistance (PUA)** - This program provides up to 39 weeks of unemployment benefits to individuals who are self-employed, independent contractors, nonprofit employees and gig economy workers, as well as to individuals working part-time, or who otherwise would not qualify for regular UC or EB under state or federal law or PEUC. A claimant can be compensated with this benefit beginning February 2, 2020, or the first week a claimant was unable to work as a result of COVID-19, whichever date is later. The last week this benefit is payable is the week ending December 26, 2020. Our goal is to issue payments in the next ten days to those who are eligible. This benefit also applies to anyone who has exhausted all unemployment insurance payment options at the state or federal level, including the PEUC program.
- **Pandemic Emergency Unemployment Compensation (PEUC)** - The PEUC program provides up to 13 weeks of unemployment insurance benefits to individuals who have exhausted regular unemployment benefits under state or federal law, or have no rights to regular unemployment benefits under state or federal law. The first week a

claimant can be compensated on this benefit is the week beginning March 29, 2020 and the last payable week is the week ending December 26, 2020.

- **Paycheck Protection Program (PPP)** - The PPC provides a loan to businesses with fewer than 500 employees to keep their workers on the payroll. The Small Business Administration will forgive these loans if all employees are kept on the payroll for eight weeks and the loan is used for payroll, rent, mortgage interest, or utilities. Employees of businesses that take advantage of the PPP who are recalled to work (or are being paid full-time pay and benefits) are not eligible for unemployment benefits, and if they have a current claim, they should update their claim appropriately to reflect the day they were no longer eligible for unemployment benefits. For more information on the PPP see: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>

Important note: None of the benefits described above, nor unemployment benefits of any kind, are available to employees who quit their job, refuse to return to work or refuse to receive full-time pay. Attempts to collect payments after quitting a job could be viewed as fraudulent and will be further investigated. The CARES Act specifically provides for serious consequences for fraudulent cases including fines, confinement and an inability to receive future unemployment benefits until all fraudulent claims and fines have been repaid.

IWD frequently updates its FAQs for employers and claimants regarding this information and it can be found at our website: <https://www.iowaworkforcedevelopment.gov>. IWD will also be conducting webinars for claimants and employers in the upcoming week that will include information on these new CARES Act program benefits. All information on the dates and times of webinars will be posted to our website and social media.

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An Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request for individuals with disabilities.

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