

| | |
|---|--|
| EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210 | CLASSIFICATION OUI |
| | CORRESPONDENCE SYMBOL OUI/DL |
| | DATE August 12, 2020 |

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 14-20, Change 1

TO: STATE WORKFORCE AGENCIES

FROM: JOHN PALLASCH /s/
Assistant Secretary

SUBJECT: Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Questions and Answers

1. **Purpose.** As states have gained experience administering programs under the CARES Act, states have identified questions about program operations. The purpose of this Unemployment Insurance Program Letter (UIPL) is to address those questions.
2. **Action Requested.** The Department of Labor’s (Department) Employment and Training Administration (ETA) requests State Workforce Administrators provide the information contained in this UIPL to appropriate program and other staff in state workforce systems as they continue implementation of the Unemployment Insurance (UI)-related provisions of the CARES Act that respond to the economic effects of the Coronavirus Disease 2019 (COVID-19).
3. **Summary and Background.**
 - a. Summary – This UIPL provides states with further technical assistance in the administration of the CARES Act provisions. Attachment I sets out Questions and Answers on several topics.
 - b. Background – The CARES Act (Public Law (Pub. L.) 116-136) was signed into law by the President on March 27, 2020, and includes the Relief for Workers Affected by Coronavirus Act set out in Title II, Subtitle A. This law provides emergency assistance for certain individuals, families, and businesses affected by the COVID-19 pandemic. The Department issued UIPL No. 14-20 on April 2, 2020, to provide a summary of the key Unemployment Insurance (UI) provisions in the CARES Act and guidance regarding the temporary emergency state staffing flexibility provided in Section 2106 of the

| | |
|----------------------------|--------------------------------------|
| RESCISSIONS None | EXPIRATION DATE Continuing |
|----------------------------|--------------------------------------|

CARES Act. Since UIPL No. 14-20 was published, the Department issued the following UIPLs regarding specific provisions of the CARES Act:

- UIPL Nos. 15-20, 15-20, Change 1, and UIPL 15-20, Change 2, with instructions for Section 2104 of the CARES Act Emergency Increase in Unemployment Compensation Benefits or Federal Pandemic Unemployment Compensation (FPUC);
- UIPL Nos. 16-20, 16-20, Change 1, and UIPL 16-20, Change 2, with instructions for Section 2102 of the CARES Act Pandemic Unemployment Assistance (PUA);
- UIPL Nos. 17-20 and 17-20, Change 1 with instructions for Section 2107 of the CARES Act Pandemic Emergency Unemployment Compensation (PEUC);
- UIPL No. 18-20 with instructions for Section 2103 of the CARES Act Emergency Unemployment Relief for Governmental Entities and Nonprofit Organizations;
- UIPL No. 20-20 with instructions for Section 2105 of the CARES Act Temporary Full Federal Funding of the First Week of Compensable Regular Unemployment for States with No Waiting Week; and
- UIPL Nos. 21-20 and 22-20 with guidance for the CARES Act Sections 2108-2111 provisions addressing Short-Time Compensation.

The Department issued UIPL 02-16, Change 1 on May 11, 2020, to remind states of their statutory and regulatory obligations to provide individuals with access to UI benefits, services, and information.

Importance of Program Integrity. UIPL No. 23-20 discusses program integrity for the UI system and the unemployment compensation (UC) programs authorized by the CARES Act. Addressing improper payments and fraud is a top priority for the Department and the entire UI system. States are in the midst of managing extraordinary workloads due to the effects of the spread of COVID-19. During this time, there is a heightened need for states to maintain a steadfast focus on UI functions and activities that ensure program integrity and the prevention and detection of improper payments and fraud across all programs operated within the UI system.

The programs and provisions within the CARES Act operate in tandem with the fundamental eligibility requirements of the Federal-State UI program, which remain in place and must be adhered to. In addition, the CARES Act programs include new eligibility requirements which states must apply. 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.

States play a fundamental role in ensuring the integrity of the UI program. 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. States must ensure that individuals only receive benefits in accordance with these statutory provisions.

Further, quitting work without good cause to obtain UI benefits is fraud. Sections 2104(f), 2105(f), and 2107(e) of the CARES Act expressly provides that if an individual has obtained these benefits through fraud, the individual is ineligible for any additional benefit payments in accordance with state law, must pay back the benefits, and is subject to criminal prosecution under 18 U.S.C. §1001 and other Federal laws. States are expected to enforce these statutory provisions.

To aid in minimizing improper payments, states are strongly encouraged to request that employers provide information when workers refuse to return to their jobs for reasons that do not support their continued eligibility for benefits.

The Department is continuously working with states receiving funding under the CARES Act to provide UI benefits only to individuals who are entitled to such benefits. The Department is actively engaged with its Office of the Inspector General (OIG) to ensure program integrity. The CARES Act includes an appropriation of \$26 million to the Department's OIG to carry out audits, investigations, and other oversight activities related to states' adherence to existing UI laws and policies, as well as the provisions of the CARES Act.

A list of guidance, policies, and resources to help states respond to the COVID_19 pandemic is available at <https://oui.doleta.gov/unemploy/coronavirus/>.

- 4. Questions and Answers.** ETA began a series of webinars with states in March 2020 addressing key provisions of the CARES Act. Recordings of these webinars are available under the "Events" section on the UI Community of Practice. Attachment I of this UIPL contains answers to questions received during the webinars and through ETA's designated e-mail address for all UI COVID-19 related inquiries (covid-19@dol.gov) that were not covered specifically in other guidance and cover the following topics: emergency flexibility for merit staffing, Paycheck Protection Program (PPP), Trade Readjustment Allowances (TRA), and the coordination of programs.
- 5. Inquiries.** We encourage states to contact ETA for technical assistance. Please direct inquiries to covid-19@dol.gov, with a copy to the appropriate ETA Regional Office.
- 6. References.**
 - Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub. L. 116-136), including Title II Subtitle A Relief for Workers Affected by Coronavirus Act;
 - Families First Coronavirus Response Act (Pub. L. 116-127), including Division D Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA);

- Trade Act of 1974 (Pub. L. 93-618), as amended;
- 20 C.F.R. Part 603 , Federal-State Unemployment Compensation (UC) Program; Confidentiality and Disclosure of State UC Information;
- 20 C.F.R. Part 617, Trade Adjustment Assistance for Workers Under the Trade Act of 1974;
- UIPL No. 24-20, *Temporary Changes to the Federal-State Extended Benefits (EB) Program in Response to the Economic Impacts of the Coronavirus Disease 2019 (COVID-19) Pandemic Emergency*, issued May 14, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7132;
- UIPL No. 23-20, *Program Integrity for the Unemployment Insurance (UI) Program and the UI Programs Authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Federal Pandemic Unemployment Compensation (FPUC), Pandemic Unemployment Assistance (PUA), and Pandemic Emergency Unemployment Compensation (PEUC) Programs*, issued May 11, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=4621;
- UIPL No. 18-20, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Emergency Unemployment Relief for State and Local Governmental Entities, Certain Nonprofit Organizations, and Federally-Recognized Indian Tribes*, issued April 27, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5893;
- UIPL No. 17-20, Change 1, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Pandemic Emergency Unemployment Compensation (PEUC) Program: Questions and Answers, and Revised Reporting Instructions for the PEUC ETA 227*, issued May 13, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8689;
- UIPL No. 17-20, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Pandemic Emergency Unemployment Compensation (PEUC) Program Operating, Financial, and Reporting Instructions*, issued April 10, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8452;
- UIPL No. 16-20, Change 2, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Pandemic Unemployment Assistance (PUA) Additional Questions and Answers*, issued July 21, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5479;
- UIPL No. 16-20, Change 1, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Pandemic Unemployment Assistance (PUA) Program Reporting Instructions and Questions and Answers*, issued April 27, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5899;
- UIPL No. 16-20, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Pandemic Unemployment Assistance (PUA) Program Operating, Financial, and Reporting Instructions*, issued April 05, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=4628;
- UIPL No. 15-20, Change 2, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – New Data Collection Instrument and Revised Reporting Instructions for Federal Pandemic Unemployment Compensation (FPUC)*, issued June 15, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7785;

- UIPL No. 15-20, Change 1, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Federal Pandemic Unemployment Compensation (FPUC) Program Reporting Instructions and Questions and Answers*, issued May 9, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3946;
- UIPL No. 15-20, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Federal Pandemic Unemployment Compensation (FPUC) Program Operating, Financial, and Reporting Instructions*, issued April 14, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=9297;
- UIPL No. 14-20, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Summary of Key Unemployment Insurance (UI) Provisions and Temporary Emergency State Staffing Flexibility*, issued April 2, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3390;
- UIPL No. 10-20, *Unemployment Compensation (UC) for Individuals Affected by the Coronavirus Disease 2019 (COVID-19)*, issued on March 12, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8893; and
- Training and Employment Notice (TEGL) No. 05-15, Change 1, *Change 1 to the Trade Adjustment Assistance (TAA) Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015)*, issued on September 23, 2016, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8845.

7. Attachment(s).

- **Attachment I:** Questions and Answers about the CARES Act Unemployment Insurance (UI) Related Provisions.