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Unemployment Benefits: What Employers Need to Know

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Ohio

Pursuant to Governor DeWine's Executive Order, unemployment benefits are available to eligible individuals who are requested by a medical professional, local health authority, or employer to be isolated or quarantined as a result of the coronavirus, even if they are not actually diagnosed with it. Likewise, if an employer lays off or furloughs employees due to the loss of production caused by the coronavirus, otherwise eligible employees will receive unemployment benefits during Ohio's emergency declaration period.

Generally, an asymptomatic employee who imposes a self-quarantine because of the coronavirus will not be eligible for unemployment benefits, but this must be reviewed on a case-by-case basis. Similarly, an employee is not eligible to receive unemployment benefits if he or she elects to take care of a sick relative or loved one.

For contributory employers, if an employee receives unemployment benefits as a result of a coronavirus-related business shutdown, charges during Ohio's emergency declaration period will be mutualized and benefits can be charged to the mutualized account. It is expected that all employers' unemployment taxes will increase to some degree given the increase in charges to the mutualized account. Reimbursing employers will follow existing charging requirements under Ohio Revised Code Chapter 4141.

Pursuant to the Executive Order, penalties for late reporting and payments during Ohio's emergency declaration period will be waived.

Notably, the waiting period for eligible individuals to receive unemployment benefits will also be waived.

The Ohio Department of Job and Family Services has provided a Mass Layoff Instruction Sheet that should be distributed to employees laid off because of the coronavirus to expedite the claim process. A copy of the Instruction Sheet can be found here.

Illinois

In response to the COVID-19 pandemic, the Illinois Department of Employment Security issued some emergency rules clarifying when unemployment benefits may be available to individuals whose unemployment is attributable to COVID-19.

Previously, individuals would only be available for benefits if they were able to demonstrate that they met certain eligibility requirements, such as that they were able and available for work and that they were actively seeking work. However, under the emergency rules, employees temporarily laid off due to COVID-19 issues no longer have to show demonstrate that they are actively seeking work. Instead, they are considered to be actively seeking work so long as they indicate that they are prepared to



return to their jobs as soon as their employers re-open. Such employees also do not have to register with the employment service that regulates employees' efforts to obtain gainful employment.

Under the emergency rules, individuals who quit their jobs out of concern over the virus will not necessarily be entitled to receive benefits. The eligibility of such individuals for benefits will depend on whether the facts of their cases demonstrate that they had good reasons for quitting and that the reasons were attributable to the employer. Still existing under the emergency rules is the requirement for employees to make a reasonable effort to work with their employer to resolve whatever issues caused the employees to consider quitting.

Individuals who are confined to their homes because they have been diagnosed as having COVID-19, because they must care for an immediate family member who has been diagnoses as having COVID-19, because they are subject to the state's stay at home executive order, or because they left work to take care of their children in response to the state's temporary closure of schools, would be considered as unemployed through no fault of their own, and thus likely be eligible for benefits. To be eligible, they would have to meet the other eligibility requirements, including the requirements that they be able and available for work, that they register with the state employment service and that they are actively seeking work from the confines of their home. Such individuals would be considered able and available to work if there was some work that they could perform from home (such as transcribing, data entry, other similar services) and there is a labor market for that work.

Notwithstanding the COVID-19 pandemic, the emergency rules do not provide additional benefits to those who have already received the full 26 weeks' worth of benefits for their current benefit years.

Employers should note that the Families First Coronavirus Response Act, Emergency Paid Sick Leave provision that goes into effect on April 2, 2020, does not address payment to employees in the event of a temporary layoff or furlough. A full summary of the Emergency Paid Sick Leave provision can be found here.

As part of the Families First Coronavirus Response Act, the Emergency Unemployment Insurance Stabilization and Access Act of 2020 was signed into law by President Trump on March 18, 2020. A summary of that section of the legislation can be found here. At this time, there has been no indication that Ohio or Illinois has adopted the necessary changes to receive the additional funding.

Roetzel will continue to monitor the status of unemployment benefits. Please feel free to reach out to your Roetzel attorney for assistance.

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