



## **FAQ for Employers: COVID-19**

### **What are the unemployment programs under the federal stimulus legislation?**

The federal legislation provides for multiple unemployment programs which are, generally:

- Pandemic Unemployment Assistance (PUA) – provides a total of 39 weeks of benefits for individuals who are not eligible for regular unemployment benefits who are unemployed due solely to COVID-19 (federally funded);
- Pandemic Emergency Unemployment Compensation (PEUC) – provides for an additional 13 weeks of unemployment benefits for individuals who have exhausted their regular unemployment benefits (federally funded); and
- Federal Pandemic Unemployment Compensation (FPUC) – provides for an additional \$600 per week for individuals receiving regular unemployment benefits, PUA, PEUC, or extended benefits if they are triggered under Illinois law, through July 31, 2020 (federally funded).

### **If an employee receives unemployment benefits as a result of COVID-19, is the employer liable for the cost of benefits?**

The programs under the federal stimulus legislation are funded by the federal government and not Illinois. For regular unemployment compensation, employers generally contribute to the cost of benefits for their former employees. The contribution rate of an experience-rated employer is based, in part, on the amount of unemployment benefits paid to the employer's former employees, so this rate may rise when an employer furloughs or lays off employees due to COVID-19. If legislation is passed making claims related to COVID-19 non-chargeable to the employer, then employers furloughing or laying off workers due solely to COVID-19 would not be required to contribute to the benefit costs, and the costs would be "pooled" between all employers. This would likely result in increased unemployment tax rates in future years for all employers because the entire pool of employers would need to be tasked with replenishing the benefit trust fund.

### **Are there resources for my business potentially closing or laying off employees?**

Rapid Response Services are available to employers who are planning or have gone through a permanent closure or mass layoff at a plant, facility, or enterprise, or a natural or other disaster, that results in mass job dislocation. The State Dislocated Worker Unit coordinates with [employers](#) to provide on-site information to workers and employers about employment and retraining services designed to help participants retain employment when feasible, or obtain re-employment as soon as possible. For more information, visit [Rapid Response Services for Businesses](#) or contact your local Illinois workNet Center.

**How does IDES know if a claimant's unemployment is due to COVID-19?**

IDES has modified the on-line application to provide a check box indicating the claimant's separation or lay-off is due to the Covid-19 crisis.

**If I want to protest a claim, how long do I have?**

You have 10 calendar days to protest in a timely manner. Protests must be postmarked or faxed by the due date indicated on the Notice of Claim.

**Are protest deadlines going to be extended?**

At this time, protest deadlines have not been extended. Any notice of a claim that has already been issued must be responded to timely for the employing unit to have status to protest an issue of the claimant's eligibility.

**What should employers do if unable to get separation or wage information within the 10-day limit?**

Employers should make every effort to provide a response to the notice of claim within the 10-day requirement. If separation or wage information cannot be provided within that time frame, then employers can supplement the response once the stay-at-home directive is lifted and when access to the information is available.

**Are ALJs conducting hearings?**

Yes, although the process may be slower than usual due to technological issues and the number of claims being received.

**Will parties be notified when hearings are rescheduled?**

Yes. If a hearing is rescheduled, then all parties in that case will be notified that the hearing has been rescheduled. IDES will send notices informing the parties of the new hearing date.

**If witnesses or documents are unavailable due to COVID-19, will a hearing continuance be allowed?**

ALJs continue to follow the continuance rules which allow for continuances.

**Are employers going to be given extra time for filing the monthly payroll or quarterly wage reports?**

At this time, the law has not been changed to give employers extra time for filing monthly or quarterly wage reports. However, employers are reminded that they can file a written request with the Director prior to the wage report filing due date to ask for an extension to file the wage report. The maximum extension for filing a monthly wage report is 15 days. The maximum extension for filing a quarterly wage report is 30 days. In order to make the request for an extension, the employer must state a reason for the request. Employers are encouraged to file their requests for extension via the MyTax website.

**Will my employees be eligible for unemployment if I schedule them to work every other week?**

An employee who is unemployed for a week could be eligible for benefits, even if he or she is scheduled to return to work the next week, then off the next, and so on.

**I run a not-for-profit entity and have less than 4 employees. Can I retroactively elect to be liable under the UI Act so my employees can receive unemployment benefits?**

No, but if the employees become unemployed because of COVID-19 issues, they could be eligible for benefits under the federal stimulus legislation.

**My company is short-staffed and is following shelter-in-place orders, how do we respond to notices of UI claims?**

You can easily and securely respond to notices of claim electronically by signing up for SIDES today. Login to your mytax.illinois.gov account and click on the “Unemployment Insurance” tab or go to [www.ides.illinois.gov/SIDES](http://www.ides.illinois.gov/SIDES) for step-by-step information.

**I received a Notice of Claim and I believe the claimant should be eligible for benefits, should I respond to the notice?**

If the claimant was temporarily or permanently laid off and you believe there is no reason for disqualification, you may choose to not respond to the notice.

**If an employer lays off employees due to a lack of work caused by the coronavirus (COVID-19), will the employees be eligible for unemployment insurance benefits?**

Unemployment benefits are available to any individual who is unemployed through no fault of their own and who meet all eligibility requirements. If an employer must lay off employees due to loss of production or other economic issues related to the COVID-19 outbreak, individuals may be eligible for benefits if they meet the minimum monetary and weekly eligibility criteria.

**My business is not ordered closed, however, because of lower demand, we need to cut hours. Are my employees able to receive unemployment though they are still employed?**

IDES wants to support businesses as they deal with the economic stresses imposed by the COVID-19 pandemic. If you are temporarily reducing hours of work for your full-time employees, they may be able to receive benefits, if they meet the minimum monetary eligibility requirements. If your workers earn less than their weekly unemployment benefit amount, they would be eligible for reduced unemployment benefits, or in some cases their entire benefit for the week. The requirement to actively search for work in this situation is waived so when business returns to normal, your workforce is ready.

**If the employer agrees to pay the individual either part or all of their normal salary or wage, but the individual is out of work, is the individual still eligible for unemployment benefits if the employer's business is shut down due to COVID-19?**

Individuals receiving their normal salary during any shutdown period would not be considered an unemployed individual and would be ineligible for benefits. However, if an individual is receiving part of their salary or wage that is less than their unemployment weekly benefit amount, they may be considered partially unemployed and would be eligible. Employers are advised to inform staff receiving any part of their salary or wage that failure to report all earnings when receiving unemployment benefits is considered fraud and is punishable by penalties, imprisonment or both.

**If an employee is in a mandatory quarantine because of suspicion of having the coronavirus, will they be eligible for unemployment benefits?**

An individual who leaves work because he or she is deemed unable to perform their normal duties by a licensed, practicing physician because they have been diagnosed with COVID-19, and the employer is unable to accommodate them, would have good cause for leaving work. However, to receive benefits, the individual must show they are able and available for work and searching for work that may be reasonably performed from home (e.g., transcribing, data entry, virtual assistant services, etc.). They must also meet all other eligibility requirements.

**If an employee imposes a self-quarantine because of the coronavirus, will they be eligible for unemployment benefits.**

Generally, no. Unemployment benefits are available to individuals who are totally or partially unemployed through no fault of their own. If your business has not been ordered closed by the Governor, shutdown due to lack of work, or the employee has not been instructed by a licensed, practicing physician of the need to self-quarantine due to exposure of the individual or members of the individual's household to COVID-19, they may not be eligible for benefits. But each case is unique and must be reviewed considering the facts to make a proper determination of eligibility.

**Can the employer require staff to utilize leave in lieu of paying them their salary? How does this affect unemployment eligibility?**

An employer's decision to require employees to utilize available paid leave or the equivalent should be based on the internal business policies of the employer and any applicable collective bargaining agreements. Whether the payment is disqualifying for unemployment purposes depends on the type of payment, when it was paid, and when IDES is notified of the payment. To notify us of potentially disqualifying issues, please sign up for SIDES at <https://mytax.illinois.gov>.

**If an employee is ill because of COVID-19 and unable to work, will they be eligible for unemployment benefits?**

No. Federal requirements mandate that claimants be able to work, available for work, and actively seeking suitable work. If an individual is ill and unable to work, they would not meet these requirements.

**I was forced to furlough or lay off employees because of COVID-19, but I continue to pay their COBRA or health/dental/eyecare premiums. Will these payments affect their unemployment benefits?**

An employer's payment of COBRA or health/dental/eyecare premiums is not considered to be wages for purposes of determining unemployment benefits and will not disqualify an employee from receiving benefits. Similarly, such payments are not counted toward the unemployment tax rate for the employer. However, if the employer pays the worker the amount of the premiums for the worker to pay for the coverage instead of paying them to a third-party insurer, that is treated differently and could be disqualifying income for unemployment benefits.

**I was forced to furlough some workers, but now they refuse to come back to work. What should I do?**

Ultimately, this is a business decision by the employer, but if an employer makes an offer to re-hire an employee, the employee refuses, and the employee remains on unemployment insurance, the employer should file notice with IDES.