

Worker Relief And Security Act Automatic Stabilizer Specs

July 27, 2020

Overview:

- Extends and enhances emergency unemployment insurance (UI) programs for the duration of the COVID-19 national public health crisis and ensuing economic crisis, and automatically adjusts benefits, including the available weekly compensation payment and coverage weeks, based on various public health and economic conditions and triggers.
- Benefits would trigger-off after the public health emergency passes and economic conditions return closer to pre-crisis levels. These benefits are COVID-19 specific. Once trigger-off conditions are met, they would not trigger-on based on any economic factor.
- In addition to state regular unemployment, individuals would be eligible for unlimited weeks during the COVID-19 national emergency and a minimum of 13 weeks and maximum of 65 weeks of emergency UI depending on the state's tier (determined by the state 3-month moving average total unemployment rate (TUR)) until the trigger-off condition are met.
- Individuals would continue to receive the weekly emergency UI compensation at varying amounts (\$600 for the duration of the COVID-19 national emergency, \$450 for a 13 week phase-down period after that, then \$300 or \$200 depending on the state tier) until trigger-off conditions are met.
- These benefits would continue to be federally funded and administered at the state level.
- Provides additional federal funding to state UI agencies to support the administration of this program.

State Tiers:

- Tier I – 3-month moving state total unemployment rate is under 5.5%
- Tier II – 3-month moving state TUR is over 5.5% and under 6.5%
- Tier III – 3-month moving state TUR is over 6.5% and under 7.5%
- Tier IV – 3-month moving state TUR is over 7.5% and under 8.5%
- Tier V – 3-month moving state TUR is over 8.5% and under 9.5%
- Tier VI – 3-month moving state TUR is over 9.5%

Federal Pandemic Unemployment Compensation (FPUC):

- Extends the \$600 weekly FPUC payment for the duration of the COVID-19 National Emergency Act declaration issued on March 13, 2020; then
- Provides \$450 weekly FPUC for a 13 week “FPUC phase-down” period following the expiration of the COVID-19 NEA declaration; then
- FPUC amount is determined in each state based on the state tier:
 - Tier I – \$200/week
 - Tier II – \$200/week
 - Tier III – \$200/week
 - Tier IV – \$300/week
 - Tier V – \$300/week
 - Tier VI – \$300/week
- FPUC would trigger off in a state when the 3-month moving average state TUR is below 7.5% AND the 3-month moving average national TUR is below 5.5% and has been declining for 2 consecutive months.

- If the NEA declaration is extended or a subsequent COVID-19 emergency occurs (for example, a spike in new cases), the \$600 FPUC would become available again. Following the termination of such emergency declaration, the weekly payment would return to the tier-based system.

Pandemic Emergency Unemployment Compensation (PEUC):

- Extends unlimited PEUC weeks through January 31, 2021 for individuals eligible for and drawing on PEUC during that time so that no individual could max out of coverage weeks prior to February 1, 2021.
- After January 31, 2021, PEUC would expire and individuals eligible for or drawing on PEUC would move into the Pandemic Unemployment Assistance (PUA) program for additional federal emergency UI weeks.

Pandemic Unemployment Assistance (PUA):

- Extends unlimited PUA weeks through January 31, 2021 for individuals eligible for and drawing on PUA prior to this date.
- After January 31, 2021, becomes the sole program for federal emergency UI weeks, covering both individuals eligible for state regular UI after they have maxed out of such weeks, as well as workers not traditionally eligible for UI.
- Expands eligibility to capture additional workers not traditionally eligible for UI but otherwise attached to the labor force and unable to find employment due to COVID-19 and the ensuing economic emergency (for example, self-employed individuals, independent contractors, students entering the labor market).
- After January 31, 2021, extends available federal emergency UI weeks to individuals based on a state's tier:
 - Tier I – 13 weeks
 - Tier II – 13 weeks
 - Tier III – 26 weeks
 - Tier IV – 39 weeks
 - Tier V – 52 weeks
 - Tier VI – 65 weeks
- Individuals would be locked into a “floor” of PUA tiered weeks based on the state tier at the time of enrollment, but would be eligible for additional PUA tiered weeks (receiving a total of 65 weeks of tiered PUA benefits at most) if the state tier increases in subsequent periods.
- PUA tiered weeks would trigger off in a state when the 3-month moving average state TUR is below 5.5% AND the 3-month moving average national TUR is below 5.5% and has been declining for 2 consecutive months.
- Individuals would still be able to draw on UI for any unused weeks they were eligible for even if the state has triggered-off.
- No new individuals would be able to enroll in PUA tiered weeks after the trigger-off is met in a state.