StateFedConnect Action Call:
COVID-19, Unemployment Insurance and Child Care

Alliance for Early Success | April 3, 2020
Welcome.

Lisa Klein

Executive Director,
Alliance for Early Success
CARES Act COVID-19 Unemployment Benefits

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Program Director,
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CARES Act COVID-19 Unemployment Benefits

Alliance For Early Success Webinar

April 3, 2020
Key Takeaways

- Major new CARES Act unemployment programs available to workers and providers
- Federal guidance and state implementation taking time
- Family Child Care Providers and workers have helpful options to consider to maximize the CARES Act benefits.
Pandemic Unemployment Assistance (CARES Act)

- Covers workers **not** eligible for UI (including self-employed) who are unemployed for 11+ COVID-19-related reasons.
- For example: quarantined, self-quarantined, caring for children who can’t attend school, place of business is closed, had to quit job.
- 39 weeks (retroactive to January 27th through 2020)
- PUA weekly benefit is the same as the state’s UI, except there’s a higher minimum weekly benefit.
- Does **not** cover those who can telework with pay or are receiving paid sick or paid leave benefits.
Additional UI Programs

Pandemic Emergency Unemployment Compensation (PEUC):
- 13 weeks more for workers who exhaust state UI
- Same benefit level as state UI
- Available through 2020

Short-Time Compensation (“Work Sharing”):
- States reimbursed 100% for STC programs enacted into law/50% for new programs adopted by state policy

Pandemic Unemployment Compensation (PUC):
- $600 increase in weekly benefits for all those on state UI and PUA (ends July 31st, unless extended)
The Application Process

**Step 1**
Typically, whether seeking UI or PUA, the states will likely require everyone to first apply for UI and provide information on work history and reason for leaving work (COVID-19).

**Step 2**
UI: If found eligible for UI, the state will start paying benefits. PUA: If found ineligible for UI, the state will determine eligibility for PUA. No additional application should be necessary.

**Step 3**
If don’t have wages reported by the employer in the state system, may have to submit proof of employment and earnings (e.g., prior year tax return, pay stubs, or affidavit if necessary).

**Step 4**
The state will make a determination of PUA eligibility and start paying benefits if eligible.
Common Questions

• Are undocumented workers covered?  
  A: No, must be work authorized for UI or “qualified alien” for PUA

• Are workers eligible for PUA if they didn’t earn enough to qualify for UI or independent contractors?  A: Yes

• Does everyone get the PUC $600?  A: Yes, everyone on UI and PUA will receive the $600 through July.

• How long will it take for workers to get their unemployment checks? Normally 2-3 weeks, but will be much longer depending on the state and the nature of the claim. The benefits will be paid retroactively.
Accessing Unemployment Assistance for Family Child Care Providers During COVID-19

Patti Prunhuber
Senior Policy Attorney, Child Care Law Center
Accessing Unemployment Assistance for Family Child Care Providers during COVID-19

Webinar: Alliance for Early Success

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Patti Prunhuber, Senior Policy Attorney
CHILD CARE LAW CENTER
Self-Employed Family Child Care (FCC) Providers Qualify for PUA

- FCC providers can get Pandemic Unemployment Assistance (PUA) when, as a direct result of COVID-19, they:
  - close their business; or
  - have a substantial interruption in business activity/income (partially unemployed)

- FCC providers who don’t have work authorization can’t get unemployment
How do FCC providers access Unemployment benefits?

- **APPLY** early; be persistent. Most state employment departments are:
  - Overwhelmed with regular UI claims (6.6 million new claims this week)
  - Waiting for instructions from the Dept. of Labor on how to administer the new PUA benefits

- Get 2018 or 2019 tax returns completed and/or filed.
  - Self employed use **Net Income**
FCC is open, but serving fewer kids

- FCC providers who are still open, but are serving fewer children due to COVID-19, can get **partial unemployment** benefits
- The benefit calculation varies state to state
- Even qualifying for a small unemployment check automatically gets you an additional $600/week, through July 31, 2020
- This supplement does not count for Medicaid or CHIP
Key Takeaways

- FCC providers who are traditionally excluded from unemployment should qualify for PUA benefits, including the $600/week supplement.
- APPLY soon; be persistent
- You don’t need to understand the complexities of these federal and state programs to help FCC providers get essential, short-term, financial relief.
- Guidance is coming soon – stay tuned
What Can Advocates Do?

Grace Reef
Senior Outreach Consultant,
Committee for Economic Development
What Can I do as an Advocate to Help?

Everyone wants to help. That’s great!

What you can do...

- Encourage EVERYONE who is unemployed, partially unemployed (including those who were self-employed like FCC providers) to apply for unemployment.
- Don’t sweat the details. You don’t have to become an expert on the technicalities.
- Recommend the Dept. of Labor career one-stop site as an easy link!
- States will act as a one-stop regardless of regular UI or new federal unemployment assistance.
- State DOL capacity will need to ramp up and will take time. Hard, but urge patience and persistence.

Worried about people who might be forgotten?

- Expect U.S. DOL to issue rules over time (evolving knowledge/guidance)
- For child care, nontraditional partners. Use contacts with CCDBG to urge CC administrators and state DOLs to communicate. Leave no cc provider behind…
- Urge PRAGMATIC approaches, conceptually.

Federal Alphabet Soup Options

This is an incredibly complicated time. And, there is no one-size-fits-all approach.

What’s the best path forward for child care?

- Child care is a business. Because a program is available, doesn’t mean it’s a right fit.
- It’s related to economic viability in the short and long-term. (Business size, staffing, reserves, debt, fixed costs, etc.)
- Best advice? Small Business Development Centers and Women’s Business Development Centers or similar TA.
- Likely will be pressure on Congress to expand SBA funding, however, SBA $ has terms and conditions difficult for a market dependent on private-pay families.

New thinking:
- Maybe work sharing programs for those still open
- Flexibility for CCDBG to fill gaps
- Support for essential personnel (by ctrs & fcc)

Unknows:
- Duration of COVID-19
- Back to work ramp up
- Child care supply

Contact Information:
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Questions and Answers
Upcoming Campaign

Sarah Rittling
Executive Director,
First Five Years Fund
Thank you.

www.earlysuccess.org/resources/coronavirus