

Updates March 29, 2020 12:00 PM

UNEMPLOYMENT INSURANCE:

Major changes have occurred under the CARES Act. What does it mean for restaurateurs trying to re-open their businesses? Will any employees want to work if they can collect record high unemployment benefits?

The NYS DOL Website states the following:

Unemployment Insurance is temporary income:

- For eligible workers
- Who lose their jobs
- Through no fault of their own

To collect benefits, you must be ready, willing, and able to work, and actively looking for work during each week in which you are claiming benefits.

Will New York State be diligent in assuring that claimants are earnestly seeking work and deny benefits to those that aren't? How active will they be with job placement assistance? What will the NYS Job Bank look like?

WHAT HAS CHANGED:

Under the federal CARES Act, workers will potentially be eligible to receive an additional \$600 weekly on top of regular state unemployment benefits.

The additional federal benefit could last up to four months or until July 31. Once any additional federal benefit ends, the normal state benefit may continue and may now be extended for up to 13 weeks (with those \$ presumably funded by Washington). Since New York workers are already eligible for up to 26 weeks of benefits, this extends the potential benefit period for New York workers to 39 weeks.

The current maximum unemployment insurance benefit in New York State is \$504, so the potential maximum weekly benefit for New York workers is \$1,104.

The CARES Act expands unemployment protections to independent contractors and self-employed individuals. It remains unclear exactly how benefits would be calculated for such individuals but it appears the state benefit will be 50% of that of an employee.

Part-time workers, furloughed employees and anyone who can no longer physically go to their jobs (like waitstaff at restaurants ordered to close) will be covered. Note: workers who are furloughed, not actually laid off, will still be eligible for unemployment benefits. That means they could stay on their company benefits plans while collecting benefits.

For Claimant Frequently Asked Questions:

<https://www.labor.ny.gov/ui/faq.shtm>

Resources (Check for Updates):

Trade Groups:

<https://www.nysra.org/>

<https://www.thenycalliance.org/>

<https://restaurant.org/covid19>

Industry Attorney's:

<https://helbraunlevey.com/coronavirus/>

<https://www.jacksonlewis.com/practice/coronaviruscovid-19>

<https://www.foxrothschild.com/coronavirus-resources/>

Government:

<https://www.cdc.gov/coronavirus/2019-nCoV/index.html>

<https://www.usa.gov/coronavirus>

<https://www.irs.gov/coronavirus>

<https://www.consumerfinance.gov/about-us/blog/protect-yourself-financially-from-impact-of-coronavirus/>

<https://disasterloan.sba.gov/ela>

<https://www.tax.ny.gov/press/alerts/nys-tax-response-to-covid-19.htm>

<https://esd.ny.gov/covid-19-help>

<https://www1.nyc.gov/nycbusinss/article/nyc-employee-retention-grant-program>

<https://www1.nyc.gov/site/sbs/businesses/covid19-business-outreach.page>