

American Worker Holiday Relief Act

Section-by-Section Summary

TITLE I—EXTENSIONS OF CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT UNEMPLOYMENT BENEFITS FOR WORKERS

Sec.101.Extension of Federal Pandemic Unemployment Compensation.

Extends Federal Pandemic Unemployment Compensation (FPUC), which provides a \$600 supplement to every unemployment check, from September 5, 2020 until October 4, 2021.

Allows certain individuals who are claiming unemployment when FPUC expires on October 4, 2021 to continue to claim FPUC until they exhaust their benefits through no later than January 3, 2022.

Disregards FPUC payments for the purpose of determining eligibility for federal means-tested programs.

Sec.102.Extension of Pandemic Unemployment Assistance.

Extends the Pandemic Unemployment Assistance (PUA) program in every state until the state's three-month average total unemployment rate and the national three-month average total unemployment rate are below 5.5 percent.

Increases the total number of weeks of PUA available from 39 to 65. Allows for the maximum number of weeks of PUA to increase if the state has triggered an extended benefit period or high unemployment period in the Extended Benefits program or an emergency benefit period in the Pandemic Emergency Unemployment Compensation program (described in Section 103 below).

Includes administrative provisions to ensure smooth implementation of program changes.

Sec.103.Extension and expansion of the Pandemic Emergency Unemployment Compensation Program.

Extends the Pandemic Emergency Unemployment Compensation (PEUC) program in every state until the state's three-month average total unemployment rate and the national three-month average total unemployment rate are below 5.5 percent.

Increases the base number of weeks of PEUC available from 13 to 39. Allows the maximum number of weeks of PEUC available to increase by 13 for each percentage point a state's unemployment rate rises above 5.5 percent. The total number of weeks of PEUC available would be 52 when a state's three-month average total unemployment rate is above 6.5 percent, 65 when the rate is above 7.5 percent, and 78 when the rate is above 8.5 percent.

Allows certain individuals to continue to claim PEUC based on their original regular state unemployment compensation weekly benefit amount, even if they would qualify for a new benefit year under state law.

Sec.104.Extension of temporary financing of short-time compensation payments in States with programs in law.

Extends 100 percent federal financing for state short-time compensation (work share) programs in every state until the state's three-month average total unemployment rate and the national three-month average total unemployment rate are below 5.5 percent.

Sec.105.Extension of temporary financing of short-time compensation agreements.

Extends 50 percent federal financing for state short-time compensation (work share) programs for states with agreements (and without a short-time compensation program in law) in every state until the state's three-month average total unemployment rate and the national three-month average total unemployment rate are below 5.5 percent.

Sec.106.Extension of full Federal funding of the first week of compensable regular unemployment for States with no waiting week.

Extends 100 percent federal financing for the first week of regular unemployment in states with no waiting week in every state until the state's three-month average total unemployment rate and the national three-month average total unemployment rate are below 5.5 percent.

TITLE II—TAX WITHHOLDING OPTION FOR UNEMPLOYMENT BENEFITS

Sec.201. Application of FUTA requirement to permit individuals to request that Federal income tax be withheld.

Requires states to offer claimants the option to withhold tax from FPUC, PUA, and PEUC payments.

TITLE III—CLARIFICATIONS AND IMPROVEMENTS TO PANDEMIC UNEMPLOYMENT ASSISTANCE

Sec.301.Clarification of Pandemic Unemployment Assistance eligibility for primary caregiving.

Clarifies that individuals may qualify for PUA if their child or dependent's school or care facility is closed or only partially reopened due to COVID-19; if child or family care is not available or affordable during the hours work is available due to COVID-19; or if physical attendance at the school or care facility presents an unacceptable health risk for the household or the individual in need of care due to COVID-19.

Sec.302.Waiver authority for certain overpayments of Pandemic Unemployment Assistance.

Requires states to waive repayment for individuals who received overpayments of PUA if the overpayment was not the fault of the individual and requiring repayment would be contrary to equity and good conscience.

Sec.303.Clarification of access to Pandemic Unemployment Assistance for workers at businesses that reduced staff due to the pandemic.

Clarifies that an individual may claim PUA if they are out of work because their employer's operations are curtailed, including by reducing hours of operation, staffing levels, occupancy, or other changes that are recommended or required

Sec.304.Hold Harmless for Pandemic Unemployment Assistance.

Ensures that individuals in states that made a good-faith effort to implement PUA certification requirements shall not be ineligible for PUA solely because of failure to submit recertification.

Sec.305.Clarification of access to Pandemic Unemployment Assistance for workers with unsafe workplaces.

Allows individuals to claim PUA if they refuse an offer of work or quit their job because the workplace is not in compliance with applicable health and safety guidelines and standards to prevent exposure to COVID-19.

Sec.306.Clarification of access to Pandemic Unemployment Assistance for workers who are self-quarantining in accordance with CDC guidelines.

Allows individuals to claim PUA if the individual is unable to reach the place of employment because the individual is self-quarantining because the individual or a member of the individual's household is at increased risk from COVID-19 based on guidelines from the Centers for Disease Control and Prevention or as determined by a health care provider.

Sec.307.Clarification of access to Pandemic Unemployment Assistance for workers who had to reduce or suspend customary work activities.

Allows individuals to claim PUA if the COVID-19 public health emergency or economic conditions related to the COVID-19 public health emergency has severely limited the individual's ability to continue performing the individual's customary work activities, and has thereby forced the individual to reduce or suspend such activities.

Sec.308.Clarification of continued access to Pandemic Unemployment Assistance.

Allows individuals to continue to claim PUA if their initial job loss was for a PUA-covered reason, regardless of whether the circumstance is still applicable.

Sec.309.State flexibility in establishing income.

Clarifies that states have flexibility in determining the type of documentation to accept in establishing income for PUA claimants.

TITLE IV—EXTENSION OF RELIEF TO STATES AND EMPLOYERS

Sec.401.Extension of full Federal funding of extended unemployment compensation.

Extends 100 percent federal financing of Extended Benefits in every state until the state's three-month average total unemployment rate and the national three-month average total unemployment rate are below 5.5 percent.

Sec.402.Extension of temporary assistance for States with advances.

Extends the waiver of interest on advances to state unemployment trust fund accounts in every state until the state's three-month average total unemployment rate and the national three-month average total unemployment rate are below 5.5 percent.

Sec.403.Extension of emergency relief for governmental entities and nonprofit organizations.

Extends 50 percent federal financing of costs for reimbursing employers (such as nonprofit organizations and government entities) in every state until the state's three-month average total unemployment rate and the national three-month average total unemployment rate are below 5.5 percent.

TITLE V—CORRECTIVE ACTION FOR PROCESSING BACKLOGS

Sec.501.State reporting on claims backlogs.

Requires states to report data on their unemployment claim backlogs to the Department of Labor on a weekly basis.

TITLE VI—PANDEMIC UNEMPLOYMENT ASSISTANCE FOR MIXED EARNERS

Sec.601.Coverage of mixed-income individuals.

Allows unemployed individuals with an earnings history that includes a combination of wage and self-employment income (including at least \$7,250 of annual self-employment income) to make an irrevocable election to claim PUA rather than regular state unemployment compensation.

TITLE VII—TECHNICAL CORRECTIONS

Sec.701.Grace Period for Full Financing of Short-Time Compensation Programs.

Allows states that enact short-time compensation programs into law to claim 100 percent federal financing for payments under that program dating back to the enactment of the CARES Act.

Sec.702.Technical correction for the Commonwealth of Northern Mariana Islands.

Expands PUA eligibility to workers with CW-1 status in the Commonwealth of the Northern Mariana Islands.

Sec.703.Technical amendment relating to Pandemic Unemployment Assistance.

Makes a technical correction to the CARES Act, in which a reference to federal regulations should have read “part 625” rather than “section 625”.