

White Paper: What to Know About Expiring Federal Unemployment Benefits

In March of 2020, the Federal government signed into effect both the Families First Coronavirus Response Act (FFCRA) and the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Both laws were created in direct response to rising unemployment and economic challenges the country was facing as a result of the coronavirus pandemic.

One principal component of this expansion was the extra level of federal unemployment assistance provided to employees separated from their jobs due to furlough or layoff. Under this law, if an individual could claim at least \$1.00 of state unemployment assistance, then they would also receive \$600 per week in additional federal unemployment funds.

Both FFCRA and the CARES Act helped to ensure financial continuity for many families across the United States. This federal assistance, however, is set to expire at the end of July. As a result, many employers will likely be in a position to consider their specific workforce needs, financial viability and willingness to rehire previous employees.

Unemployment benefits are generally tied to the premise that the unemployed resulted in something out of their control, such as layoffs or furloughs. It is important to note that if an employer is willing to rehire the employee, then that employee no longer has a qualifiable reason to remain on unemployment.

Businesses should consider all the new challenges created by the pandemic when evaluating staffing. Here is a checklist of considerations and questions:

- ✓ Do you have an exposure control plan
- ✓ What practices and policies do you have in place if an employee refuses to come back to work
- ✓ Will your organization offer “perks” for employees to return
- ✓ How will your organization address high risk individuals
- ✓ Do you have a return-to-work safety protocols in place

These five factors create a foundation to manage a smooth transition as your employees return to work. Embracing these challenges and addressing them in a timely manner will ensure the safety and well being of your organization and your employees.

If you are interested in a detailed overview of any of the five checklist items above connect with your Parrott representative today for a detailed consultation.



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