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Common Questions and Answers for Employers Regarding the Unemployment Insurance Program and the Impact of the COVID-19 Pandemic

Q: I need to temporarily close my business due to the COVID-19 Pandemic. Can my employees file for unemployment insurance benefit?

A: Yes! The unemployment insurance program is designed to assist workers who are laid off through no fault of their own, regardless of whether their separation from employment is the result of COVID-19 or some other factor impacting a business. Affected workers should be encouraged by employers to file their unemployment insurance claims with the Arkansas Division of Workforce Services.

Q: Will my affected workers be eligible for unemployment insurance benefits?

A: Generally, most individuals who are filing unemployment insurance claims arising from businesses impacted by COVID-19 will be eligible for benefits provided they meet the momentary and other eligibility requirements.

Q: What about self-employed individuals such as electricians, plumbers, etc.?

A: The regular unemployment insurance program is not available to self-employed individuals unless they have wages from other covered employment. At this time, Disaster Unemployment Assistance has not been authorized by the President. Should Disaster Unemployment Assistance become available, DWS will notify the public via the DWS website, social media and press releases.

Q: Are employees of religious organizations eligible for unemployment insurance benefits?

A: Generally, religious organizations are exempt from contributing to the unemployment insurance program. As a result, their employees are considered not eligible for unemployment insurance benefits based on any wages paid by the religious organization.

Q: Are employees of religious organizations who hold full or part-time jobs with other employers eligible for unemployment insurance benefits?

A: Employees of religious organizations that also work for employers who contribute to the unemployment insurance program may be eligible for unemployment insurance benefits based on their wages from work performed for other businesses.

Q: How much will my affected workers receive in unemployment insurance benefits?

A: How much an affected worker will receive in unemployment insurance benefits is determined by the amount of wages earned in their base period. The base period is the first four of the last five completed quarters of employment. Arkansas' weekly benefit amounts range from \$81 to \$451 per week.

Q: My business is closing for a short period of time due to the COVID-19 Pandemic, will my workers be required to seek work while receiving benefits?

A: If a business has a temporary reduction in its workforce for a period of 10 weeks or less, its workers will not be required to seek new employment. **It is recommended that the business provide a letter to their workers with a specific return work date that is within 10 weeks of their last day of work.** This letter will expedite the process. Affected workers should provide this letter to DWS.

Q: Will employers impacted by the COVID-19 Pandemic accounts be charged for unemployment insurance benefits paid to their workers?

A: It depends. DWS will continue to examine the reason for the separation from employment and, where appropriate, non-charge benefits within federal and state guidelines. In most cases, benefits paid as a result of a lay off, regardless of the reason, are charged to an employer's DWS account.

Q: What happens to a small business' account when it lays off workers due to COVID-19?

A: An employer's account is charged for all benefits paid to workers who were laid off. There is no provision to non-charge employer accounts for a lay off regardless of the reason.

Q: How can an employer check their reserve balance with ADWS?

A: In December 2019, all employers were sent their annual Rate Notice for CY2020. This notice informs them of their contribution rate, the taxable wage base, and their account reserve. Employers may also log into their DWS Tax21 account to view this information.

Q: Where can I find the Tax 21 system?

A: Tax 21 is available at www.workforce.arkansas.gov/Tax21/Home.aspx

Q: Will pending federal legislation provide economic assistance or reimbursement to employers impacted by the COVID-19 Pandemic?

A: The provisions of HR 6201 do not contain language to assist employers in addressing the impact of COVID-19 related to unemployment insurance claims and accounts. DWS will continue to monitor federal legislation impacting the unemployment insurance program.

Q: I have questions regarding my unemployment insurance employer account, who do I contact?

A: Employers seeking information related to the DWS account may contact Employer Account Services at 501.682.3798.