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Missouri Announces Guidance on Unemployment Benefits: Missourians Who Refuse to Return to Work without Good Cause when Recalled will Lose Unemployment Benefits; Employer Paycheck Protection Loans Could Cause Over-payments of Unemployment Benefits

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Jefferson City, MO — As businesses across Missouri consider how to phase reopening in accordance with guidance under the Show Me Strong Recovery Plan, workers should expect to be recalled to work by employers in the coming weeks starting May 4, 2020. Missourians who have been placed on a temporary layoff related to COVID-19 but refuse to return to work when recalled by their employer will lose unemployment benefits, except for certain circumstances including:

- If you have tested positive for COVID-19 and are experiencing symptoms
- If you have recovered from COVID-19 but it caused medical complications rendering you unable to perform essential job duties
- If a member of your household has been diagnosed with COVID-19
- If you are providing care for a member of your household who was diagnosed with COVID-19
- If you do not have childcare due to COVID-19 reasons
- If you do not have transportation to your place of work because of COVID-19.

Employees in any of these positions are strongly encouraged to work with their employer in the best way to handle the situation to return to work including any availability for working remotely. The full list of circumstances covered under the CARES Act can be found on the Missouri Department of Labor's (DOLIR's) website, labor.mo.gov/coronavirus, under the Frequently Asked Questions (FAQ) Unemployment tab, FAQ #8.

The DOLIR's Division of Employment Security (DES) reports that refusing to return to work when recalled for any other reason, or in an attempt to continue to draw unemployment benefits will be considered a "voluntary quit" which would disqualify a claimant from receiving benefits, including the \$600 weekly Federal Pandemic Unemployment Compensation (FPUC) supplement. An employee who is recalled on a part-time basis may continue to be eligible for benefits depending on the amount of wages they earn; those individuals should continue filing their weekly requests for payment and report the gross wages earned each week. Additionally, the self-employed should continue to report their weekly gross income as part of their continuing claims as they return to work.

The US Department of Labor's (USDOL's) guidance states that general fear of COVID-19 will not support continuation of unemployment benefits under regular unemployment or any of the federally funded programs available under the CARES Act. If an employer provides the employee with suitable work, and the employee chooses not to return to work, then unemployment benefits will cease. The DES has developed a portal for employers to submit information about employees who refuse to return to work or quit their jobs. The portal is live on the UInteract.labor.mo.gov website. Employers will need to login to UInteract, click on "Benefits" and then on "Work Offer Refusal Detail." Instructions can be found on a Help button on the Work Offer Refusal Detail

Screen. Employers may complete the Work Offer Refusal Detail Screen or upload a completed Excel template provided on the site. Employers should report quits or work refusals as soon as possible.

While an employee may have temporarily earned more in benefits than they earn in wages, the CARES Act outlines serious consequences for fraud, including fines, criminal prosecution and ineligibility for future unemployment benefits until all fraudulent claims and fines have been repaid should an individual continue to claim benefits they are not otherwise eligible for because of a change in their employment situation.

The DES advises businesses taking advantage of the Federal Paycheck Protection Program (PPP) available through the Small Business Administration (SBA) to notify their employees as soon as possible. If an employer has chosen to receive the PPP loan to pay employees, employees do not have the choice of receiving unemployment benefits rather than the paycheck from the employer. Claimants who are notified that they will receive paychecks through the PPP loan should report their gross earnings for the week. In most cases, if an individual is being paid by their employer through the PPP and the amount is greater than what is allowed for the individual's Weekly Benefits Amount (WBA) in unemployment, a claimant would be considered employed and therefore not eligible to receive unemployment benefits. Similarly, self-employed individuals receiving a PPP loan should not also claim PUA for the same time period.

Any unemployment payments made to claimants for the same time period for which they are being paid by an employer through the PPP loan would be considered overpaid. If a claimant has already claimed unemployment for those weeks, they should report their earnings immediately to the DES by calling 573-751-4058 and select the appropriate option. A specialist will assist claimants in reporting those earnings. Any unemployment payments, including the \$600 federal supplement available through the Federal Pandemic Unemployment Compensation (FPUC) will need to be paid back by the claimant for those weeks for which the employer was also paying them through the PPP. If claimants are overpaid, they will receive a letter from the DES with instructions on how to repay the unemployment funds that were incorrectly paid to them. If earnings through the PPP loan are less than the WBA, claimants may be eligible for partial unemployment benefits but claimants are still required to report those earnings each week the PPP funds were to be paid.

For more information, please visit labor.mo.gov/coronavirus