



Consolidated Appropriations Act, 2021¹ **Unemployment Insurance Provisions**

On December 21, 2020, Congress passed into law the *Consolidated Appropriations Act, 2021*, which, in addition to funding the federal government until the end of Fiscal Year 2021, also included several provisions related to unemployment benefits for a wide variety of workers.

General Provisions

As it relates to general unemployment benefits, the *Consolidated Appropriations Act, 2021*:

- Increases the number of weeks individual may claim benefits from 39 to 50;
- Provides states authority to waive overpayments made without fault on the part of the individual or when such repayment would violate equity and good conscience;
- Provides a transition rule for certain individuals transitioning between Pandemic Unemployment Assistance and the Pandemic Emergency Unemployment Compensation program;
- Extends through March 14, 2021 a provision in the CARES Act to provide federal support to cover 50% of the costs of unemployment benefits for employees of state and local governments and non-profit organizations.
- Provides a federally funded \$100 per week additional benefit to individuals who have at least \$5,000 a year in self-employment income but are disqualified from receiving Pandemic Unemployment Assistance because they are eligible for regular state unemployment benefits.

Pandemic Unemployment Assistance (PUA)

Business owners, self-employed individuals, independent contractors, gig workers, and individuals who have not worked long enough or earned enough were not eligible for unemployment benefits, prior to the *CARES Act*. PUA was scheduled to expire on December 31, 2020, however the *Consolidated Appropriations Act, 2021*, extends PUA to March 14, 2021 and allows individuals receiving benefits as of March 14, 2021 to continue through April 5, 2021, as long as the individual has not reached the maximum number of weeks.

Pandemic Emergency Unemployment Compensation (PEUC)

Following passage of the *CARES Act*, the federal government provided an additional 13 weeks of regular benefits beyond what each state pays in unemployment compensation, which was set to expire on December 31, 2020. *Consolidated Appropriations Act* increases the number of weeks of benefits an individual may claim through the PEUC program from 13 to 24.

¹ On December 21, 2020, the U.S. House of Representatives and the U.S. Senate approved legislation to fund all government departments and agencies for federal fiscal year 2021. This bill is expected to be swiftly signed into law by President Donald Trump (H.R. 133, the legislative vehicle for the *Consolidated Appropriations Act, 2021*).



Federal Pandemic Unemployment Compensation (FPUC)

Following passage of the *CARES Act*, the federal government provided an additional \$600 per week to individuals receiving regular unemployment benefits, PEUC, or PUA. This policy expired on July 31, 2020. On August 8, 2020, President Trump made available up to \$44 billion from FEMA's Disaster Relief Fund to provide financial assistance to Americans who have lost wages due to the COVID-19 pandemic. The *Consolidated Appropriations Act, 2021* restores the (FPUC) supplement to all state and federal unemployment benefits at \$300 per week, starting after December 26 and ending March 14, 2021. This \$300 goes to goes to all workers receiving some form of UC.

While the federal government issues guidelines for unemployment provisions authorized under federal law, it is state governments that implement these provisions. If you have questions regarding unemployment insurance, please let our office know.

This document was prepared as an informational resource and should not be considered legal or business counsel. Please reach out to CoronavirusHelp@braun.senate.gov for questions, concerns, or additional assistance. Last updated December 22, 2020.