



**SELTZER
CAPLAN
MCMAHON
VITEK**

Q&A: UNEMPLOYMENT AND CORONAVIRUS RELIEF

Dan Eaton, Legal Analyst
Seltzer Caplan McMahon Vitek
eaton@scmv.com

- **What state agency administers unemployment benefits in California?**
The Employment Development Department, or EDD.
- **Where can I to get information on unemployment benefits?**
The EDD has a [special page](#) dedicated to information about coronavirus-related unemployment benefits.
- **How do I know if I'm eligible for unemployment benefits?**
If you've lost your job through no fault of your own, you are eligible for benefits. Not everyone out of work is eligible for benefits. If you voluntarily left your job or you were terminated for violating a company rule, you are ineligible for unemployment benefits.
- **Am I eligible for unemployment benefits if I am independent contractor or self-employed?**
Under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020, the answer is yes. That includes so-called gig workers. There also may be other scenarios under which an independent contractor is eligible for unemployment benefits, including where the independent contractor should have been classified as an employee.
- **Am I eligible for unemployment benefits if I still have a job, but my hours and pay have been reduced?**
Yes. The EDD website says that "UI provides partial wage replacement benefit payments to workers who lose their job or have their hours reduced, through no fault of their own. If you are temporarily unemployed due to COVID-19 and expected to return to work with your employer within a few weeks, you are not required to actively seek work each week. However, you must remain able and available and ready to work during your unemployment for each week of benefits you claim and meet all other eligibility criteria."
- **How much money do I get in unemployment benefits?**
Benefits range from \$40-\$450 per week. The EDD has a [document](#) on its website that explains how benefits are calculated.
- **What can you tell me about the extra \$600 per week in unemployment benefits I have heard the federal government is funding?**
The CARES Act includes \$600 per week of additional unemployment benefits under the "Federal Pandemic Unemployment Compensation." That extra \$600 per week ends at the end of July. To qualify for this and other special unemployment benefits under the CARES Act, the claimant must self-certify they are otherwise able to work and available for work and are "unemployed, partially unemployed, or unable or unavailable to work" for one of about a dozen pandemic-related reasons. Someone diagnosed with COVID-19 qualifies, as does someone whose place of work has been closed due to the COVID-19 public health emergency. The EDD explains that "For someone receiving the most recent average Unemployment Insurance payment of \$340 a week, a usual biweekly payment would equal \$680. With the extra payment, that biweekly payment would

increase to \$1,880.” The effect of the extra payment is that someone who made \$54,600 or less a year will temporarily receive more in benefits than they received in wages while employed.

- **Do I have to fill out a special form to get access to the extra \$600 in benefits?**

No. The EDD explains on its website that “Claimants do not need to do anything to receive this extra funding. The EDD will automatically add the full \$600 to each week of current benefits that are paid every two weeks. . . .”

- **Do I qualify for the extra \$600 per week in benefits even if I am only receiving partial benefits?**

Yes. The U.S. Department of Labor issued guidance that says that “[i]f the individual is eligible to receive at least one dollar (\$1) of underlying benefits for the claimed week, the claimant will receive the full \$600 FPUC.” The EDD confirms this on its website, saying that a claimant will receive the \$600 supplement “as long as [the claimant is] eligible for at least \$1 in a regular payment each week.”

- **Is there a way to calculate how much I will get in benefits?**

Yes. The EDD has an unemployment benefits calculator. Here is the [link](#) to that calculator.

- **Is it true that I do not get unemployment benefits for the first week of my unemployment?**

That is the general rule, but Governor Newsom waived that one-week waiting period of benefits eligibility by Executive Order.

- **How soon after I apply for unemployment benefits may I expect my first benefits payment?**

The EDD says that it takes “at least three weeks” to process a claim for unemployment benefits. The agency has been overwhelmed with claims during the crisis, so be patient. The EDD’s website reports that agency staff is working around-the-clock to deal with the demands brought on by the coronavirus crisis.

- **Are the self-employed entitled to benefits in addition to unemployment compensation?**

Yes. Independent contractors are eligible for federally-backed small business loans through federally-insured financial institutions under a popular feature of the CARES Act labeled the Paycheck Protection Program. Independent contractors also are eligible for small business advances of up to \$10,000 directly from the Small Business Administration “to help overcome the temporary loss of revenue they are experiencing as a result of the COVID-19 pandemic” under the separate Economic Injury Disaster Loans program. Separately, the Families First Coronavirus Response Act makes the self-employed sidelined for coronavirus-related reasons eligible for paid sick leave in the form of substantial refundable tax credits.