

## **“Running Your Business in Response to COVID-19” webinar on March 19 Summary of Q&A from webinar Participants**

1. Q: Does the business have to be closed for standby to apply?
    - Your business can be open or closed.
    - If you are open and lay off some staff, they can request standby
    - FAQ on UI <https://esd.wa.gov/unemployment/eligibility-and-general-questions>
    - Apply for unemployment <https://esd.wa.gov/unemployment>
  2. Q: What is the wait period to collect unemployment for the employee?
    - The governor has waived the wait period.
  3. Q: On shared work the employee does not make unemployment claims?
    - Yes. Shared work participants have unemployment claims.
  4. Q: Can you put employees on shared work but if business slows more can they be fully laid off?
    - If your business shuts down completely, it cannot participate in shared work. The purpose of Shared Work is to allow a business to retain employees by reducing their hours in lieu of layoffs.
  5. Q: What if the employee has a kiddo that has fever?
    - If you have a sick child and need to stop working, you can apply for PFML
  6. Q: What if your office was required to be closed because of the current risk of spreading the infection (preventive purpose)?
    - If your office is required to close, your laid off employees can request standby. Once on standby, your employees’ work search requirement is waived. If you are closed indefinitely (more than 3 months), then your employees on unemployment benefits must look for work.
  7. Q: What if our business didn't open until January 2019
    - Your employees may qualify for unemployment if they do what is called an Alternate Base Year (ABY) claim. In the ABY claim, the lag quarter is counted towards the base year.
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8. Q: What if we have an employee that has only been with us since July 2019? Does that employee qualify for UI?
- We take all the employment history for 18 months for the base year. Even though your employee worked for you only since July 2019, if they worked for a different employer before the employee worked for you, they could qualify for UI. We are waiting to hear if Disaster Unemployment Assistance (DUA) will be reactivated by the Federal government. If DUA is activated once more, then the requirements are different and a claimant with less than 680 hours in a base year can qualify for DUA.
9. Q: When is Paid Family Medical Leave relevant in the COVID-19 situation?
- To be eligible for Paid Leave, you do need to be certified with a serious health condition. This could be for yourself or a family member. The application process and requirements are the same for all applicants to be qualified.
10. Q: If an employee decides to self-isolate without medical advice, can they qualify for UI benefits?
- That's tricky. If they self-isolate and are not tied to their employer, they must look for suitable work. If the employer allows them to self-isolate and retains them as an employee, then they can apply for standby.
11. Q: where does that amount cap out?
- Unemployment benefit claims are good for one year (called the Benefit year). However, benefits are paid only for 26 weeks.
12. Q: How would I estimate my UI benefit?
- <https://esd.wa.gov/unemployment/calculate-your-benefit>
13. Q: What would we do with an employee that was recently hired and has worked with us for two weeks that was previously working in Oregon?
- If the employee previously worked in Oregon, they may have to apply in Oregon
  - In general, they must have worked at least partly in Washington during their base year.
14. Q: Will the Families First Coronavirus Response Act, H.R. 6201 supersede WA state sick time laws?
- Not necessarily. As of March 19, Under RCW 49.46.120, the more favorable standards regarding wages, paid sick leave, (to workers) prevail.
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15. Q: How do employers submit for federal payroll tax credit relief?

- As of March 19, there is no federal payroll tax credit relief announcement yet. You may look for updates from the IRS' Coronavirus Tax Relief webpage <https://www.irs.gov/coronavirus>

16. Q: Does the employer have to pay out all vacation and sick leave before applying for UI?

- ESD - We recommend that they do, because UI is only 26 weeks, but it is not a requirement.
- RCW requirement - employers are not required to cash out paid sick leave. They have the discretion to pay or not. If the employee returns within 12 months, however, those hours will need to be reinstated. <https://lni.wa.gov/workers-rights/leave/paid-sick-leave/paid-sick-leave-minimum-requirements#carryover-and-reinstating-paid-sick-leave>
- There is no law regarding paying out vacation accrued when separated from employment.

17. Q: Is there announcements on FICA payroll tax deferral?

- This is not our specialty, so we encourage you to seek advice from your accountant.

18. Q: How are full-time employees with medical benefits provided by me are affected if they are laid off or on shared work?

- If they are on SharedWork, PFML or FMLA (50 or more employees), medical benefits continue.
- If they are separated, federal law administered by the U.S. Department of Labor requires you to offer COBRA as an option.

## Below is a list of questions other ESD specialists answered prior to the webinar

**Please note:** all information is accurate based on laws and regulations in place as of Monday, March 16, 2020. For further information and/or updates, please check our website at <http://esd.wa.gov>.

1. If staff work, say 1 or 2 hours in a day, how should this be dealt with if they are also applying for unemployment? Should they record their hours and get paid by their employer or just not record their hours since they are receiving unemployment?  
Earnings are deductible from unemployment insurance benefits. When the claimants file their weekly claim, the system will ask them if they worked. The claimants must answer "Yes." Then the system will ask who they worked for (already in the system; the claimants would have to choose the correct employer). Then the system will ask how many hours they worked and how much they earned. *They must report their gross earnings.* The earnings must be reported for the week they were earned. A percentage of the earnings will be deducted, then unemployment benefits will pay out for the remainder.
2. How are unemployment benefits determined?  
We calculate the weekly benefit amount (WBA) and maximum benefits payable (MBP) on the wage information reported to us by employers. To estimate the WBA and MBP, we begin with the base year. Most base years constitute the first four quarters of the last five completed calendar quarters before the week a claim is opened.  
  
Add together the gross wages in the two highest quarters during the base year, divide by 2, and then multiply by 0.0385 to get the weekly benefit amount. The total amount of benefits potentially payable on the claim is found by taking the smaller of:
  - 26 times the weekly benefit amount or
  - 1/3 of the total gross wages in all four quarters of the base year
3. Do employees apply upon notice of a near future temporary standby (such as next week) or do they have to wait until an actual layoff?  
Anyone can apply for unemployment benefits at any time. However, unemployment benefits won't pay out if a claimant is fully employed. To make it easier on the claimant, I would suggest they open their claim on the week they are laid off.

4. How will this temporary standby affect employers' experience rating for the future?  
[RCW 50.29.021\(4\)\(b\)](#) provides that taxable employers may request relief from certain benefit charges. Please note that reimbursable employers do not qualify for requesting a relief of benefit charges. If you are a taxable employer, you may request a relief of benefit charges due to a business closure which is directly related to possible contamination at the business site. This will be determined on a case-by-case basis.
5. How do employers certify or prove that employees' standby status is due to COVID-19?  
The employer sends a request to the department asking for standby status for their employees.
6. Is there a maximum temporary standby duration?  
By law, an employer can ask for up to 8 weeks of standby for their employees per claim year. Any longer than that is approved by the department's Policy unit on a case-by-case basis. If the employer needs more than 8 weeks of standby, please request it from Policy at [SystemPolicy@esd.wa.gov](mailto:SystemPolicy@esd.wa.gov).
7. Can the owner who is on payroll apply for unemployment?  
That depends. If the owner is a Corporate Officer or if the company is a corporation, it must be determined if the owner is eligible for unemployment benefits. I recommend the owner apply and he or she will receive a determination from the department.

## **GENERAL QUESTIONS**

1. What programs are available for workers that have been laid off?  
Laid off workers who have a return-to-work date can apply for standby status. If they are returning to work more than four (4) weeks in the future, their employers must request the standby status. An unemployed worker on standby does not have to look for work while receiving unemployment benefits. However, if a worker has been laid off indefinitely or permanently, he or she must look for work while receiving unemployment benefits.

WorkSource helps with job-search services. WorkSource can connect unemployed workers with local businesses.

For those unemployed workers in need of training, contact the unemployment claims center and ask about Commissioner Approved Training (CAT) or Training Benefits (TB).

2. What programs are available for workers whose store was forced to close?

See #1.

3. What programs are available for those who are either sick (and/or quarantined) with COVID-19 or taking care of a family member who has COVID-19?

If a person is quarantined and needs standby, he or she can apply for standby status. If they are not returning to work within four (4) weeks, their employers must ask for standby for them. If the claimant is permanently laid off, they can apply for unemployment benefits, but must look for *suitable* work while in quarantine. Work is not considered suitable if it means breaking quarantine.

If the claimant is sick or caring for a sick family member, please contact the PFML program at: [www.paidleave.wa.gov](http://www.paidleave.wa.gov). Their Corona virus website link is <https://paidleave.wa.gov/coronavirus/>

4. When and how to apply for unemployment insurance due to layoffs or reduced hours related to COVID-19?

Apply for unemployment insurance on the day you are laid off.

You can apply in one of two ways:

- Apply on the phone: 1-800-318-6022

- The claims center is open Monday through Friday, 8:00 AM to 4:30 PM.
- If your Social Security numbers end in 0-3, open a claim on Monday.
- If your Social Security numbers end in 0-6, open a claim on Tuesday.
- If your Social Security numbers end in 0-9, open a claim on Wednesday.

- Apply online: <https://secure.esd.wa.gov/home/>

You need to establish a SAW account before you can apply online through e-Services. If you have not established a SAW account, the online webpage will direct you to SAW.