

## COVID-19 PANDEMIC-RELATED UNEMPLOYMENT BENEFITS IN WISCONSIN

Under the recent Wisconsin COVID-19 relief law, [2019 Wisconsin Act 185](#) (effective April 17, 2020) (the “Relief Act”), and pursuant to the Federal Coronavirus Aid, Relief, and Economic Security Act (the “[CARES Act](#)”), temporary emergency unemployment benefits have been made available to claimants and employers in Wisconsin. The Relief Act accomplishes a number of goals related to unemployment benefits in the state, including permitting the disbursement of the 100 percent federally-funded waiting week payment by the Wisconsin Department of Workforce Development (“DWD”), requiring that unemployment insurance claims related to the Wisconsin public health emergency (“PHE”) not be charged to employers if certain circumstances exist, and suspending temporarily certain requirements of voluntary work-share plans. In addition to the statutory changes, DWD has published guidance for employers and claimants regarding the COVID-19 unemployment benefits on its [website](#). We wrote about DWD’s guidance for claimants and employers previously in our [article](#).

### UNEMPLOYMENT INSURANCE BENEFITS UNDER THE CARES ACT AND THE RELIEF ACT

Under the Relief Act, Wisconsin suspended the state’s one-week waiting period to allow claimants to receive unemployment insurance benefits beginning their first week of eligibility through February 7, 2020. DWD has now disbursed the 100 percent federally-funded waiting week payments over a 3-day period for those claimants who established an initial claim during or after the week of March 15, 2020.

This disbursement is in addition to the temporary emergency increase in unemployment benefits of \$600 per week (known as Federal Pandemic Unemployment Compensation payments) to individuals collecting certain other unemployment insurance benefits. On April 29, 2020, DWD [announced](#) that it starting disbursing this payment, which is automatically added to claimants’ benefit payments. This is a temporary benefit, and the last payable week in Wisconsin will be the week ending July 25, 2020.

In addition to authorizing disbursement of the “waiting week payment,” the Wisconsin Relief Act also requires DWD to determine whether unemployment insurance (“UI”) claims or plans are related to the PHE so that certain claims related to the PHE are not charged to employers. Covered UI benefits from March 13, 2020 to December 31, 2020, will be charged to either (a) the balancing account of the UI trust fund, for claims attributable to contribution employers subject to regular unemployment payroll taxes; or (b) DWD’s existing interest and penalties account, for claims attributable to reimbursable employers that are not subject to contribution requirements.

Lastly, employers who have not previously taken advantage of the Work Share Program may want to consider doing so. Work Share is a program approved by DWD under which an employer reduces employees' hours rather than laying off employees. Eligible employees whose hours are reduced receive unemployment benefits that are prorated for the partial work reduction. Employers must maintain any health insurance coverage and any defined benefits or contribution retirement plan for employees receiving benefits. Employers, including reimbursing employers, can apply to participate in the Work Share Program by completing the Work-Share Plan Application form [UCT-17434-E](#), and submitting it to DWD by mail, fax or email. *The CARES Act provides that UI benefits under the Wisconsin Work Share Program will be 100 percent federally-funded during the PHE.* For more information on the Wisconsin Work Share Program, review DWD’s [Work-Share Fact Sheet For Employers](#).

### DWD GUIDANCE ON COVID-19-RELATED UNEMPLOYMENT INSURANCE BENEFITS

DWD has published frequently asked questions and answers for employers and claimants regarding the COVID-19 unemployment benefits on its [website](#).

### EMPLOYEES WHO REFUSE TO RETURN TO WORK WHEN RECALLED

DWD has continued to periodically update its FAQ pages for both [Claimants](#) and [Employers](#). As of May 5, 2020, the Employer FAQ contained new information about what employers can do when employees receiving unemployment benefits refuse to return to work when the business reopens. In particular, employers are directed to notify DWD by contacting the [UI Help Center \(Employer Assistance Line\)](#). If an employee decides not to return to work when recalled, he or she is generally not eligible for UI.

### PRACTICAL TAKEAWAYS

- Employers should clearly document the basis for reducing employees’ hours or for terminating any employee during the PHE.

- Employers should complete unemployment compensation questionnaires carefully, calling out the relationship between the employment action and the PHE, so that, whenever possible, their accounts are not charged.
- Employers may want to consider participating in the Work Share Program and can apply to participate [here](#).
- Employers should follow up verbal offers of recall in writing and document responses, and lack of responses, in order to avoid as many benefits as possible for those that refuse.

If you have any questions regarding this or other employment issues related to the PHE, please do not hesitate to contact:

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- [Lindsey Croasdale](#) at (414) 721-0443 or [lcroasdale@hallrender.com](mailto:lcroasdale@hallrender.com); or
- Your regular Hall Render attorney.

Hall Render's attorneys and professionals continue to maintain the most up-to-date information and resources at our [COVID-19 Resource page](#), through our 24/7 COVID-19 Hotline at (317) 429-3900 or by contacting your regular Hall Render attorney.

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