

UNEMPLOYMENT UPDATE

ARKANSAS

There are multiple ways to apply for unemployment benefits:

1. File online at www.ezarc.adws.arkansas.gov. We appreciate your patience and understanding as we are experiencing delays in the EZARC online application system. Currently the hub is being saturated from all States due to the COVID-19. Claimants are asked to only enter a Social once, not several times. The State has authorized additional funds to be used for upgrades to the system to hopefully assist in the process.

2. Call the nearest Workforce Center directly, or call 1-855-225-4440. While it is not recommended, you may visit your nearest workforce center.

3. Effective Monday, March 23, 2020, a Temporary Claims Processing Hotline will be available for affected workers who require assistance in filing their unemployment claims. The Temporary Claims Processing Hotline can be reached at 1-844-908-2178 or 501-534-6304 from 8a.m. to 3:30p.m.

Effective March 18, 2020, Governor Hutchinson authorized the following unemployment insurance waivers for 30 days:

- Waived one-week waiting period, allowing ADWS to pay claims more quickly.
- Waived work-search requirement, allowing unemployed to receive benefits without seeking employment.
- Waived requirement for in-person follow-up after a claim has been filed, allowing the unemployed to apply for benefits online or by telephone, thus furthering the effort to minimize the risk of spreading COVID-19.

Common Questions and Answers for Employers

Q: I need to temporarily close my business due to the COVID-19 Pandemic. Can my employees file for unemployment insurance benefit?

A: Yes! The unemployment insurance program is designed to assist workers who are laid off through no fault of their own, regardless of whether their separation from employment is the result of COVID-19 or some other factor impacting a business. Affected workers should be encouraged by employers to file their unemployment insurance claims with the Arkansas Division of Workforce Services.

Q: Will my affected workers be eligible for unemployment insurance benefits?

A: Generally, most individuals who are filing unemployment insurance claims arising from businesses impacted by COVID-19 will be eligible for benefits provided they meet the momentary and other eligibility requirements.

Q: How much will my affected workers receive in unemployment insurance benefits?

A: How much an affected worker will receive in unemployment insurance benefits is determined by the amount of wages earned in their base period. The base period is the first four of the last five completed quarters of employment. Arkansas' weekly benefit amounts range from \$81 to \$451 per week.

Q: My business is closing for a short period of time due to the COVID-19 Pandemic, will my workers be required to seek work while receiving benefits?

A: If a business has a temporary reduction in its workforce for a period of 10 weeks or less, its workers will not be required to seek new employment. It is recommended that the business provide a letter to their workers with a specific return work date that is within 10 weeks of their last day of work. This letter will expedite the process. Affected workers should provide this letter to DWS.

Q: Will employers impacted by the COVID-19 Pandemic accounts be charged for unemployment insurance benefits paid to their workers?

A: It depends. DWS will continue to examine the reason for the separation from employment and, where appropriate, non-charge benefits within federal and state guidelines. In most cases, benefits paid as a result of a lay-off, regardless of the reason, are charged to an employer's DWS account.

Q: What happens to a small business' account when it lays off workers due to COVID-19?

A: An employer's account is charged for all benefits paid to workers who were laid off. There is no provision to non-charge employer accounts for a lay off regardless of the reason.

Q: How can an employer check their reserve balance with ADWS?

A: In December 2019, all employers were sent their annual Rate Notice for CY2020. This notice informs them of their contribution rate, the taxable wage base, and their account reserve. Employers may also log into their DWS Tax21 account to view this information.

Q: Where can I find the Tax 21 system?

A: Tax 21 is available at www.workforce.arkansas.gov/Tax21/Home.aspx

Q: Will pending federal legislation provide economic assistance or reimbursement to employers impacted by the COVID-19 Pandemic?

A: The provisions of HR 6201 do not contain language to assist employers in addressing the impact of COVID-19 related to unemployment insurance claims and accounts. DWS will continue to monitor federal legislation impacting the unemployment insurance program.

FEDERAL

The U.S. Department of Labor today announced new guidance outlining flexibilities that states have in administering their unemployment insurance (UI) programs to assist Americans affected by the COVID-19 outbreak.

Under the guidance, federal law permits significant flexibility for states to amend their laws to provide UI benefits in multiple scenarios related to COVID-19. For example, federal law allows states to pay benefits where: (1) An employer temporarily ceases operations due to COVID-19, preventing employees from coming to work; (2) An individual is quarantined with the expectation of returning to work after the quarantine is over; and (3) An individual leaves employment due to a risk of exposure or infection or to care for a family member. In addition, federal law does not require an employee to quit in order to receive benefits due to the impact of COVID-19.

Under the guidance, states have greater assurance about the circumstances in which they are authorized to extend unemployment insurance benefits to Americans whose employment has been disrupted by coronavirus.

An individual receiving paid sick leave or paid family leave is still receiving pay. Thus, generally speaking, the individual is not “unemployed,” so the individual is ineligible for unemployment insurance. The Department’s Employment and Training Administration will continue to assist any states seeking assistance in implementing these flexibilities.

Each state administers a separate unemployment insurance program, but all states follow the same guidelines established by federal law.

Jenny Holt Teeter

[\(Click here for Bio\)](#)

GILL RAGON OWEN, P.A.

425 West Capitol Ave.

Suite 3800

Little Rock, Arkansas 72201

Office: (501) 376-3800

Direct: (501) 801-3814

Fax: (501) 372-3359

teeter@gill-law.com

GILL RAGON OWEN
— ATTORNEYS —