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GOVERNOR ISSUES EXECUTIVE ORDER ON UNEMPLOYMENT CONTRIBUTION RATES

Last week, Governor Hutchinson signed [Executive Order 20-54](#) to temporarily prevent employer contribution rate increases caused by the COVID-19 pandemic.

Pursuant to the Executive Order, the Division of Workforce Services will exclude benefits paid April 1, 2020 through June 30, 2020 when calculating unemployment contribution rates. Reimbursing employers, such as many nonprofits, are relieved from reimbursing benefits paid between April 1, 2020 and June 30, 2020.

The Order, set to expire on February 27, provides that rates and reimbursement amounts will be recalculated “according to the law in effect at the time this order expires.” The legislature is expected to address unemployment rate increases when the General Assembly begins next week. The Legislative Council previously approved transferring CARES Act funds to the unemployment insurance trust fund to prevent rate increases.

For more information on this, and other COVID-19 related topics, please review our COVID-19 Resources page here: <https://www.gill-law.com/covid-19-resources/#>