

RESOURCES FOR WORKERS

UNDER THE AMERICAN RESCUE PLAN



The ongoing coronavirus pandemic is affecting virtually every aspect of life in Hawaii and across the country. These are challenging and uncertain times, but it's important to recognize and reaffirm that we are all in this together.

As we continue to take the difficult, but necessary steps to confront the spread of COVID-19, Congress has passed meaningful relief for affected families and businesses. The American Rescue Plan, signed into law by President Biden on March 11, 2021, provides billions of dollars in aid for Hawaii's families and communities.

This legislation will help Hawaii re-open schools safely; speed up vaccine distribution; expand access to health care; and provide immediate and long-term relief to those in need.

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IN THIS UPDATE:

UNEMPLOYMENT INSURANCE

WORKERS' COMPENSATION BENEFITS

PREMIUM PAY

COBRA

PAID LEAVE AND PENSIONS

UNEMPLOYMENT INSURANCE

The American Rescue Plan Act extended Pandemic Unemployment Assistance (PUA) for gig workers and independent contractors, provided additional weeks of Pandemic Emergency Unemployment Compensation (PEUC) and an additional \$300 per week benefit through Federal Pandemic Unemployment Compensation (FPUC). These programs now run through September 6, 2021.

The American Rescue Plan Act also provided more flexibility for workers who have been offered an opportunity to go back to work, but feel unsafe doing so due to lack of employer or state protections. Additionally, the American Rescue Plan Act provided a federal income tax exclusion on the first \$10,200 of unemployment benefits received in 2020 for households earning less than \$150,000. Please check back for guidance from the Internal Revenue Service regarding this provision, it will be updated as it's made available.

To file for UI, visit DLIR's website, which provides step-by-step guides for determining eligibility and filing your claim.

PAID LEAVE

Private Employers: The American Rescue Plan gives employers the option to continue to access the paid leave tax credits that were included in the Family First Coronavirus Response Act (FFCRA) through September 30, 2021.

Consult with your employer to determine if these paid leave days are available to you.

Federal Employees: The American Rescue Plan establishes an Emergency Federal Employee Leave Fund for federal employees to take paid leave in order to respond to disruptions caused by the COVID-19 pandemic. This is a temporary provision to expand paid leave access through September 30, 2021. This fund covers most civilian employees, including postal workers and some DC employees. Transportation Security Administration, Veterans Health Administration, and Federal Aviation Administration employees will be eligible for similar benefits through other bill provisions.

Employees are allowed up to 600 hours of paid emergency leave or the proportional equivalent for part-time or seasonal employees. The benefit is capped at \$2,800 per biweekly pay period. Circumstances where employees are eligible for paid leave include: following quarantine or isolation orders, caring for an individual subject to quarantine orders, experiencing COVID-19 symptoms and seeking a medical diagnosis, caring for a child doing virtual instruction, or caring for a child or a disabled or elderly family member whose care is unavailable due to COVID-19.

WORKERS' COMPENSATION BENEFITS

This bill ensures that a federal employee can receive Federal Employees' Compensation Act (FECA) workers' compensation benefits if they are diagnosed with COVID-19 while working for the federal government between January 27, 2020 and January 27, 2023. The employee must have carried out duties during a covered exposure period prior to the diagnosis that required contact with patients, coworkers, or members of the public, or that included a risk of exposure to the coronavirus. The federal employee must not have been exclusively teleworking during the covered exposure period.

All federal employees who are already covered under FECA may file a claim to access these benefits through the regular FECA claims process and systems. This bill applies to all types of FECA benefits. This provision does not apply to an employee if the Department of Labor has already made a determination on their claim before the date of enactment.

Employees can learn more by visiting the Office of Workers' Compensation at the Department of Labor, at <https://www.dol.gov/agencies/owcp/dfec>. Employees can file claims at <https://www.ecomp.dol.gov>.

PENSIONS

State and local governments are given funding that can be used to respond to the pandemic or its negative economic impacts including assistance to households, small businesses, nonprofits, or impacted industries. One allowable use for this funding is to pay eligible essential workers a premium pay during the pandemic. Governments could decide to provide up to \$13 per hour above regular wages or up to \$25,000 per person.

PREMIUM PAY

The American Rescue Plan establishes a new financial assistance program that is available for certain multiemployer pension plans, protecting retirement benefits for millions of workers and retirees in the United States—including at least 2,930 participants in Hawaii. These changes will preserve pension plans for 30 years with no cuts to the hard earned benefits of workers and retirees, which have been threatened during COVID-19. This financial assistance program will be administered by the Pension Benefit Guaranty Corporation at <https://www.pbgc.gov/>.

Additionally, the legislation includes funding relief for employers that contribute to private-sector pension plans. This allows flexibility for employers that are struggling with competing needs for their cash resources. Treasury and IRS will issue guidance on the funding relief.

COBRA

The American Rescue Plan fully subsidizes six months of COBRA coverage for eligible individuals, from April 1 through September 30, 2021. Individuals may receive premium assistance if they are eligible for and opt into COBRA, or if they would have been enrolled in COBRA had they elected or continued COBRA coverage after losing their job or work hours.

Individuals who lost their job but did not elect or discontinued COBRA may receive subsidized coverage under this bill by enrolling in COBRA through an extended election period (without having to pay back premiums). Individuals will not be eligible for premium assistance if they voluntarily left their employment, are eligible for Medicare, or are eligible for another group health plan.