

## MARYLAND'S SELF-EMPLOYED, INCLUDING FARMERS, CAN BEGIN APPLYING FOR PANDEMIC UNEMPLOYMENT INSURANCE ON APRIL 24, 2020

*The following is not legal advice. For individual legal advice, please consult your attorney.*

Three new unemployment insurance programs created by Congress as part of the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) increase the amount of unemployment insurance (UI) benefits paid to claimants overall and expand benefits to workers who were previously not eligible for unemployment benefits, including people who are self-employed like many farmers.

1. The Pandemic Unemployment Assistance (PUA) program (Section 2102 of the CARES Act) provides unemployment benefits from January 27, 2020, through December 31, 2020, for people who are unable to work as a direct result of the pandemic. This includes individuals who are not typically eligible for unemployment insurance benefits like “self-employed” people. ““Self-employed individuals’ ... means individuals whose primary reliance for income is on the performance of services in the individual’s own business, **or on the individual’s own farm.**” ([U.S. Department of Labor Advisory: Unemployment Insurance Program Letter No. 16-20, page I-3](#) (emphasis added).
2. The Pandemic Unemployment Compensation (PUC) program (Section 2104 of the CARES Act) provides an additional \$600 a week in benefits to everyone who is eligible for benefits for the period of March 29, 2020 through July 31, 2020.
3. The Pandemic Emergency Unemployment Compensation (PEUC) program (Section 2107 of the CARES Act) extends benefits for an additional 13 weeks for everyone, including people who have recently exhausted their regular UI benefits. The PEUC is effective March 29, 2020, through December 31, 2020.

### **When And How Do You Apply For Benefits?**

States administer the programs. In Maryland, the Maryland Department of Labor (MDOL) administers the programs. Last week, MDOL [announced](#) that Marylanders who are eligible for PUA benefits, including self-employed individuals, can start filing their claims with MDOL on April 24, 2020, using MDOL’s new online unemployment insurance application. To file a claim, go to [MDunemployment.com](#) and enter your email address to receive instructions about filing your new claim.

### **Who Is Eligible For PUA Benefits?**

Generally, anyone, including people who are self-employed, is eligible if they can self-certify that they are otherwise able to work and available to work, but that they are unemployed, partially unemployed, or unable or unavailable to work because of one of the following reasons directly related to COVID-19 (Section 2102(a)(3)(A)(ii)(I)(aa)-(kk)):

- You've been diagnosed with COVID-19 or are experiencing symptoms of COVID-19 and you are seeking a medical diagnosis;
- A member of your household has been diagnosed with COVID-19;
- You are providing care for a family member or a member of your household who has been diagnosed with COVID-19;
- A child or other person in your house for whom you are the primary caregiver can't attend school or another facility, which is closed because of COVID-19, and you rely on the school or facility being open so that you can go to work;
- You're not able to get to your workplace because of a quarantine order;
- You're not able to go to work because you have been advised by a health care provider to self quarantine;
- You were scheduled to start a job, but either the job no longer exists, the workplace has been closed or you can't get to the workplace as a direct result of the COVID-19 public health emergency;
- You have become the breadwinner or major support for a household because the head of the household has died as a result of COVID-19;
- Your workplace is closed as a result of the COVID-19 public health emergency; or
- You meet any additional criteria established under the PUA program for unemployment assistance.

It is worth noting that in its advisory the U.S. Department of Labor specifically provided that “[i]f a business is shut down due to an emergency declaration or due to necessary social distancing protocols, the unemployment of individual who worked in the business would be considered a direct result of COVID-19.” [U.S. Department of Labor Advisory: Unemployment Insurance Program Letter No. 16-20, page I-6](#). Although it is not certain, of course, unless or until a farmer files a claim seeking PUA benefits based on having to suspend customary work activities because they weren't able to maintain required social distancing protocols, based on the U.S. Department of Labor's advisory letter, it appears that that farmer may qualify as eligible for PUA benefits.

In addition, although people who can telework with pay or who are receiving paid sick leave or other paid leave benefits are generally not eligible for PUA program benefits, an individual receiving paid sick leave or other paid leave benefits for less than his or her customary work week may still be eligible for a reduce benefit. See [U.S. Department of Labor Advisory: Unemployment Insurance Program Letter No. 16-20, page I-3](#). And, people whose job may allow for telework, but for whom it is not possible to work because their child or other person in their household for whom they are the primary caregiver is home because their school or care facility is closed and they require ongoing and constant attention may be eligible for PUA program benefits. See [U.S. Department of Labor Advisory: Unemployment Insurance Program Letter No. 16-20, page I-4-5](#).

### **How Much Will Newly-Eligible Applicants Get?**

Benefit amounts will be calculated based on the income that you received over the 18 months before you filed your claim, but on average applicants can expect to receive approximately 50%

of their normal income. And, the benefits may be retroactively applied from whenever you became unemployed going as far back as January 27, 2020,

In addition, under the PUC program, everyone who receives benefits, including people who are currently receiving benefits and people who have recently exhausted their regular unemployment insurance benefits, will also receive an additional \$600 per week for each week of eligibility during the period of March 29, 2020, through July 31, 2020.

For self-employed individuals who are worried that their benefits will be zero or minimal based on their income, they should still consider applying because under the PUA program they will receive at least the minimum level of benefits that the State can offer, plus the \$600 additional benefit under the PUC program.<sup>i</sup>

### **What Information Do You Need To Have To Apply?**

Check [Maryland's Department of Labor's website](#) for the most up-to-date information, but typically anyone who is applying will need the following information:

- Social Security number
- Home address and mailing address (if different)
- Telephone number
- Email address (if applicable)
- Bank name, address, account number and routing number for direct deposit

For workers other than self-employed individuals, they will also need to provide the following information:

- Employer's name, address and phone number
- First and last day worked with employer
- Reason for leaving work
- Pension or severance package information (if applicable)

Self-employed workers, freelancers, independent contractors—all newly-eligible applicants—should expect to be asked to provide 2017, 2018 and 2019 tax returns if they have them. Other income information that may be requested or provided either in conjunction with or in lieu of tax returns includes invoices, bank statements, profit and loss (P&L) statements, notifications of deposits, and other proofs of income for at least the last 18 months. Basically, the best information that you have that tells you how much you earned is what you will likely need to have.

### **How Long Will Benefits Be Provided?**

Maryland ordinarily provides 26 weeks of benefits. The PEUC program provides all eligible workers with an additional 13 weeks of benefits. That means that eligible claimants in Maryland are able to receive a maximum of 39 weeks of UI benefits.

New claimants in Maryland, as well as those who are already receiving benefits, will automatically receive the additional 13 weeks of benefits under the CARES Act's PEUC program. Current eligible claimants won't need to take any additional steps to receive the

extended benefits, and MDOL will contact Marylanders who have recently exhausted their benefits so they can use the online application to reapply and receive the additional 13 weeks of benefits as authorized by the CARES Act PEUC program.

### **What If I Can't Get Through To File My Claim?**

State labor departments have been overwhelmed with new claim requests, so you might have to try several times to file your claim. Be patient and persistent. Benefit payments will be applied retroactively to workers who have lost their job due to the pandemic as far back as January 27, 2020, and the additional \$600 weekly benefit will also be back-dated to March 27, 2020. So, although you do want to get your claim filed as quickly as possible, there is no deadline to file and [you will receive the full amount of benefits that you are owed regardless of when you file.](#)

### **Conclusion**

If you are a self-employed farmer who has lost all or significant income as a result of not being able to work due to COVID-19, PUA benefits may provide significant financial assistance for you and your family.

### **Maryland Department of Labor Online Resources:**

- [Maryland Department of Labor Frequently Asked Questions About COVID-19 and Maryland's Unemployment Insurance Benefits Administration - Unemployment Insurance](#)
- [Maryland Department of Labor Division of Unemployment Insurance website](#)
- [Maryland Department of Labor FAQ: Coronavirus Aid, Relief, and Economic Security Act \(CARES Act\) UI Benefit Provisions](#)
- [Maryland Department of Labor FAQ: Federal Pandemic Unemployment Compensation \(FPUC\)](#)

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<sup>i</sup> “9. Establishment of PUA Weekly Benefit Amount. Section 2102(d) of the Act requires the state to pay individuals the WBA under the UC law of the state where the covered individual was employed plus the \$600 FPUC payment. The minimum WBA may not be less than the minimum WBA in 20 C.F.R.625.6 before the amount of FPUC under Section 2104 of the Act is added. If an individual is self-employed or would not otherwise qualify for UC under a state's law, the individual's PUA WBA is calculated as provided in 20 C.F.R.625.6 and is increased by the \$600 FPUC payment. If a self-employed individual or an individual who is “lacking sufficient work history” had earnings for the prior tax year that would result in a lower WBA than the minimum DUA WBA that is outlined in the quarterly UIPL for the Minimum DUA benefit, the individual's WBA must be the minimum amount listed in the quarterly UIPL. Since the PAP began on February 2, 2020, the state's minimum PUA WBA for the period February 2, 2020, through March 31, 2020, will be calculated based on UIPL No. 3-20. If an individual lives in a territory that does not provide unemployment compensation under its law, the individual's PUA WBA is calculated as provided in 20 C.F.R.625.6.” [U.S. Department of Labor Advisory: Unemployment Insurance Program Letter No. 16-20, page I-10.](#) *And see, 20 CFR 625.6.*