

Unemployment Insurance Benefits

During the Coronavirus (COVID-19) Crisis



FREQUENTLY ASKED QUESTIONS

What is Unemployment Insurance?

Unemployment insurance (also known as UI) is a program that provides temporary cash benefits to employees who lose their jobs. If you have worked in New York State within the last 18 months and lost your job through no fault of your own, you may be eligible for UI. The federal CARES Act has expanded this program to cover self-employed and independent contractors.

I am self-employed or an independent contractor. Am I eligible for Unemployment Insurance?

Yes. The Pandemic Unemployment Assistance (PUA) program allows for agents, independent contractors, those who are self-employed and other 1099 workers to receive the same unemployment assistance benefits as traditional employees. If you are not sure whether you qualify, please [check your eligibility for PUA here](#).

AVOID DELAYS: Agents must file as independent contractors, not as an employee of their brokerage firm, in order to be eligible for unemployment benefit.

Any unemployment benefits you may be eligible for are directly through the CARES Act and not with your brokerage firm.

The Department of Labor has a [CARES Act Guide](#) on their website which outlines UI eligibility requirements, as well as guidance on the payment amounts you would be qualified to receive.

How do I apply for Unemployment Insurance?

As an independent contractor, you can file a claim by visiting unemployment.labor.ny.gov or calling the Telephone Claim Center at 888-209-8124. If possible, we strongly encourage individuals who wish to file a claim to first visit the website prior to calling the claim center.

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How can I ensure that I will receive backdated payments?

The DOL is now using DocuSign's secure digital signature technology to help you get your backdated payments as quickly as possible. If you receive an email from the DOL via DocuSign, please complete it and send it in to ensure you receive the benefits you are eligible for as quickly as possible.

The emails sent from the DOL via DocuSign will be sent from dse@docusign.net. The reply-to email address will be backcert@labor.ny.gov.

For additional questions or concerns on this topic, please visit the [DocuSign FAQs](#) issued by the DOL.

What if I have an S-Corp or an LLC and need to file for UI benefits?

According to the IRS, S-Corps need at least one employee, and generally owners/shareholders are categorized as employees. It is important to note that if the S-Corp has been paying unemployment insurance, then applying for UI is the same process as it would be for a traditional W2 employee (assuming they provided themselves or their employee a W2).

However, PUA is available for individuals who are not otherwise eligible for unemployment insurance benefits, notably for instances in which S-Corps do not pay into unemployment insurance.

What forms are needed for the DOL to calculate my UI/PUA base benefit amount?

When a 1099 is unavailable, acceptable documentation of wages earned or paid during calendar year (CY) 2019 (i.e. the PUA base period) includes but is not limited to: state agency wage records, paycheck stubs, bank receipts, business records, ledgers, contracts, invoices and billing statements.

Is there a requirement for a minimum amount I need to have earned to receive UI/PUA benefits?

There is no minimum monetary requirement for an individual to be eligible for PUA. However, base period wages are considered when calculating the individual's Wage Based Earnings (WBA).

The minimum PUA benefit is 50% of the average weekly payment of regular compensation in the state, as provided quarterly by the DOL. In New York, that is \$104 a week.

The maximum benefit outlined by the state is \$504 a week. In addition, all recipients will receive an additional \$600 a week through July 31, 2020.

For the purposes of computing the PUA, the state should use net income reported on the tax return for a self-employed individual. If a 1099 demonstrates zero net income, the individual is entitled to the minimum PUA benefit.

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What base period do I use when submitting my claim to the DOL?

When computing a PUA benefit under 20 C.F.R. §625.6, the base period to be used is the most recent tax year, which is CY 2019.

The PUA WBA will be the amount of compensation an individual would have been paid regularly as computed under the provisions of the applicable state law, using the state's existing wage records and any additional supporting evidence provided by the individual. States must treat employment wages and self-employment income not covered by applicable state UI law in the same manner and with the same effects as covered employment.

However, an individual will be provided the minimum PUA WBA if the state does not have any existing wage records and the individual does not provide evidence to support a higher amount.

I am self-employed/independent contractor being asked to list my number of employers. How do I answer this question?

If you are self-employed, the answer to this question would be "0". Please also check the appropriate boxes on the application to indicate that you are self-employed.

I filed a UI claim through the old application process. Do I need to apply again for a PUA claim?

A new application would not be required if the state has gathered sufficient information on the initial application, including a self-certification from the individual that they have been impacted by one of the COVID-19 related reasons listed in the CARES Act.

Will I need to show proof of employment when applying for PUA?

PUA does not require proof that you are currently working or not working. Instead, PUA requires that the individual self-certify that one of the COVID-19 related reasons identified in this section applies to their situation.

I worked in NY but live in another state. In which state should I file for UI benefits?

The self-employed individual must file with the state where they were working at the time of becoming unemployed, partially unemployed, or unable or unavailable to work because of a COVID-19 related reason listed in section 2102(a)(3)(A)(ii)(I) of the CARES Act. If an individual worked in more than one state at this time, the individual may file in any of those states.

What is the maximum benefit I can receive through UI?

As an independent contractor, your benefit rate is based on the recent wages shown on your tax return. The current maximum weekly benefit rate is \$504. However, the federal CARES Act adds an additional \$600 per week to your weekly benefit through July 31, 2020, making the maximum weekly benefit rate \$1104 within that timeframe.

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How long do UI benefits last?

Currently, the limit is 39 weeks per year, as the federal CARES Act expanded the limit by 13 weeks.

I submitted my UI claim. Do I need to do anything else?

You should have received a confirmation email containing information on any next steps you need to take once your claim is processed. Please refer to this and follow the instructions provided to you by the DOL. As a reminder, you will need to sign into the DOL website each week to certify and claim your benefits even if your status says pending.

How can I make changes to my form once it has been submitted?

Unfortunately, once you have submitted your claim, you will not be able to make any changes. You will need to get in touch with the DOL in order to let them know of any errors on your form to adjust the claim.

Are income taxes taken out of my UI/PUA benefits?

PUA benefits are included in the individual's gross income for federal income tax purposes and subject to federal income tax withholding if the individual elects to have federal withholding deducted from the individual's PUA payments. An individual will receive Form 1099-G to file with their income tax return.

I have received my \$600 benefit that is federally funded but not the underlying UI or PUA benefit. Will I still receive the base UI or PUA benefit?

Yes. What is occurring is that since the \$600 'bonus' is paid out through a separate federal fund and is the same for each PUA/UI recipient, it is being allocated much faster than a base benefit. Base benefits are taking longer as they are being calculated and then formulated based on your 1099. As this is a new process for the DOL, it is unfortunately taking longer than anticipated. REBNY staff is working to gain additional information as to when applicants should expect payments.

I filed a claim for unemployment through the initial system and only now received a rejection letter for traditional UI benefits. This letter also states my PUA benefit is \$0. Is there any guidance on this or is it a case-by-case situation?

For applicants who applied early in the process, they would have had to first be denied before filing for PUA. This letter is a remnant of that process. Applicants should be able to disregard this letter - however, feel free to check in with REBNY beforehand to ensure the DOL is not in need of further information. You can reach us by emailing REBNY UI Benefits Support at uibenefits@rebny.com.

How long will it take before I receive my benefit?

It typically takes 2-3 weeks from the time you apply to get your first payment. However, complex claims can take longer. For PUA benefits, it will likely be between 4-6 weeks.

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How can I confirm the status of my benefit?

The DOL is launching an initiative to proactively inform New Yorkers of the status of their unemployment benefits application to help them follow its progress. They will use emails and texts to keep New Yorkers informed throughout the process – from submission to approval.

You will only receive a call from the DOL if (1) your claim is incomplete or (2) they need additional information. You will receive an email, text or letter alerting you when your claim is complete. When your claim is ready to be paid, you will get an email and a letter.

I received commission after filing/receiving my UI Benefits claim. What should I do?

The DOL advises that applicants should provide accurate, detailed information for benefits calculations. According to the U.S. DOL guidance, state law is applicable for partial unemployment. Under NY law, for independent contractors (PUA eligible), when a commission is “earned” depends on the independent contractor agreement. We recommend reviewing your independent contractor agreement for any effects it may have regarding when a commission is paid.

For UI, individuals will be eligible if they “worked fewer than four days and earned a gross income of fewer than \$504” for that week. Using this standard, your eligibility under UI would be based on when you **earned**, rather than when you **received** the commission.

I receive social security benefits. Is that considered income, and do I need to claim it on my UI form?

Social security benefits are considered income and will affect your UI benefits. However, it is important to note that collecting UI won't affect your SS benefit.

I submitted for direct deposit. Why did I receive a debit card?

If you signed up for direct deposit but received a debit card, your bank may have been unable to verify your direct deposit information. When that happens, NYS DOL sends a debit card to you so you can access your funds faster.

For additional questions or more information, please contact REBNY UI Benefits Support by emailing uibenefits@rebny.com.

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