

Changes to Federal Unemployment Benefit Stimulus

Frequently Asked Question

Today, Governor Cox announced that Utah will opt out of the pandemic-specific federal stimulus programs. The purpose of these programs was to help the residents of Utah make it through the pandemic. With 2.9% unemployment in Utah, business restrictions ended, and vaccines widely available, the Governor's decision is a natural step in getting back to normal.

What unemployment programs are ending?

- Federal Pandemic Unemployment Compensation (FPUC): This is the federally funded stimulus payment of \$300 a week for anyone eligible for at least \$1 of any unemployment insurance.
- Pandemic Extended Unemployment Compensation (PEUC): This is the federally funded extended unemployment benefits for those who had exhausted state unemployment benefits.
- Pandemic Unemployment Assistance (PUA): This is the temporary federal unemployment benefit for individuals not eligible for state unemployment, particularly the self-employed and gig worker.
- Mixed Earner Unemployment Compensation (MEUC): This is supplemental payment for individuals that lost both self-employment and covered wages, eligible for an additional \$100 a week in unemployment stimulus.

How many people will this affect?

- Federal Pandemic Unemployment Compensation (FPUC): All 28,000 residents currently claiming unemployment insurance will be affected. This includes the 15,000 residents on state benefits, which will continue but at the standard 50% replacement wage.
- Pandemic Extended Unemployment Compensation (PEUC): 11,000 residents who will now be ineligible for unemployment insurance as of June 27, 2021.
- Pandemic Unemployment Assistance (PUA): 2,000 residents who will now be ineligible for unemployment insurance as of June 27, 2021.
- Mixed Earner Unemployment Compensation (MEUC): 200 residents who will now be ineligible for this stimulus unemployment benefit.

Why is Utah turning down money from the federal government?

There are currently between 50,000-75,000 jobs openings in the state. The purpose of these federal programs was to assist residents of Utah through the pandemic. With 2.9%



unemployment in the state, business restrictions ended and vaccines widely available, the Governor's decision is a natural step in getting back to normal. With Utah's economy one of the strongest in the nation, the decision was made to enable market forces to return to pre-pandemic dynamics.

When will these programs end?

The federal programs each require 30-day notice prior to termination. Utah is scheduled to end these programs on June 26, 2021.

After this date, unemployment insurance payments will continue for those that qualify under pre-pandemic criteria. For residents that no longer qualify, final payments will be made between June 27 and July 3, 2021.

What is Utah doing to help people who cannot find a job?

The COVID-19 pandemic displaced many Utah workers and was unprecedented in our history. There are a host of programs to help residents with reemployment. The Department of Workforce Services offers assistance with job search skills, career coaching, interviewing and resume building. For those who are eligible, the department can also provide help with occupational licensure, completing a degree and paid work experience opportunities. Job seekers can visit <u>local employment center</u> or log on to <u>jobs.utah.gov</u>, to access these services and find more than 50,000 job openings.

Are there enough jobs in Utah for the people impacted by this decision?

With a 2.9% unemployment rate, Utah has a strong and growing economy. Although each case is unique, Utah as a state has fared better than many during the COVID-19 pandemic. Currently, there are between 50,000 and 75,000 openings across the state

Has there been an increase in people refusing work?

While we have not received an increase in official reports of residents refusing work, we are hearing more reports of individuals not showing up for interviews, or otherwise not actively seeking work. Many factors contribute to Utah's current worker shortage, including wage levels, continued health concerns, lower labor force participation, as well as the extended unemployment benefits. Prior to the pandemic, the average length of time an individual received unemployment benefits was 12 weeks; those currently receiving federal extended benefits, which now end June 26, have been on unemployment for approximately 40 weeks.

Where can residents go with questions about their eligibility?



If a resident has questions or concerns about the status of their claim or whether or not they still qualify, they should visit <u>jobs.utah.gov</u>.