



Quinnipiac  
Chamber of  
Commerce

## FREQUENTLY ASKED QUESTIONS

04/20/2020

### CT RESOURCES

#### UNEMPLOYMENT Compensation – For the Individual

Federal Pandemic Unemployment Compensation – FPUC This is a federally-funded emergency increase in unemployment benefits which provides an additional \$600 per week to individuals who receive a weekly benefit of at least \$1 in the following unemployment benefits. These benefits commence with weeks ending April 4, 2020 and through week ending July 25, 2020.

Regular unemployment benefits in Connecticut currently range from \$15 to \$649 (without dependency allowances). The additional FPUC will bring the range to \$615 to \$1249 (without dependency allowances). These additional \$600 payments are 100% federally funded and will not be charged back to employers. *Individuals do not need to separately apply for FPUC.* Child support obligations must be deducted from FPUC payments in the same way they are deducted from regular benefits. Also, up to 50% of the FPUC may be offset to capture overpayments owed to CTDOL or the federal government. Similar to regular unemployment benefits, *FPUC payments are taxable.* FPUC benefits will be paid retroactively to the first week the individual filed for benefits, subsequent to March 29, 2020.

Covered individuals also include self-employed, those seeking part-time employment, individuals lacking sufficient work history, and those who otherwise do not qualify for regular unemployment compensation or extended benefits under state or Federal law or PEUC. Eligible individuals may receive up to 39 weeks of PUA benefits. Any weeks received for regular unemployment benefits or extended benefits must be deducted from the 39 weeks.

The PUA program runs from February 2, 2020 to December 26, 2020.

#### When is someone eligible for PUA?

Individuals must first be denied from being eligible to receive, or exhaust entitlement to, regular unemployment benefits or any state or federal extended benefits before they can be found eligible for PUA benefits.

Individuals must be able and available to work unless they cannot work because of the specific circumstances that relate to COVID-19, including: •

- The individual has been diagnosed with COVID-19 or is experiencing symptoms of COVID-19 and is seeking a medical diagnosis.
- A member of the individual's household has been diagnosed with COVID-19.

- The individual is providing care for a family member or a member of the individual's household who has been diagnosed with COVID-19.
- A child or other person in the household for which the individual has primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID-19 public health emergency and such school or facility care is required for the individual to work.
- The individual is unable to reach the place of employment because of a quarantine imposed as a direct result of the COVID-19 public health emergency.
- The individual is unable to reach the place of employment because the individual has been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
- The individual was scheduled to commence employment and does not have a job or is unable to reach the job as a direct result of the COVID-19 public health emergency.
- The individual has become the breadwinner or major support for a household because the head of the household has died as a direct result of COVID-19.
- The individual has to quit his or her job as a direct result of COVID-19.
- The individual's place of employment is closed as a direct result of the COVID-19 public health emergency.
- The individual meets any additional criteria established by the Secretary of US Department of Labor for unemployment assistance under the PUA program. CTDOL is currently awaiting additional federal guidance pertaining to this program.



## **UNEMPLOYMENT INSURANCE (UI) FOR EMPLOYERS:**

### **General questions about unemployment insurance, how it works and what the employer will owe**

Employers with questions may email [DOL.MeritRating@ct.gov](mailto:DOL.MeritRating@ct.gov) for assistance.

### **Where Can I find the separation packet to give to my employees? Is it difficult to fill out? Why is it important to provide this to my employees?**

You can find the Separation Packet [here](#). It is not difficult to fill out and it is important to provide the packet as required by regulation because it will expedite the claim and ensure that you receive all pertinent information related to the claim.

### **I am a business owner and do not pay taxes on my salary OR I'm self-employed or an independent contractor. Am I eligible for unemployment benefits? •**

Generally, no, it is very rare. However, you may file for unemployment benefits and a determination will be made on your eligibility. Please be advised that this is a very lengthy process. Also, you will need to continue to be able and available for full-time work.

However, you may be eligible for benefits under the Pandemic Unemployment Assistance (PUA) program. For more information, go to the Federal Stimulus FAQs at this link: <http://www.ctdol.state.ct.us/DOLCOVIDFAQ.PDF> Check the FAQs regularly as they are updated often.

**I have asked my employee to return to work, but the employee is unable to return to work, is concerned about returning to work, or has asked that I lay the employee off so that the employee can receive benefits, including the additional \$600. What do I do?**

DOL cannot advise on whether you should lay off an employee or not. However, If your employee has refused to return to work, and is filing for benefits, you may protest the Notice of Potential Liability that you will receive from DOL indicating the claimant refused work and return it to the Merit Rating Unit, or send in notification on company letterhead with pertinent information, such as claimant name, Social Security Number, date of refusal, date work supposed to start, with your contact information, including fax number, to the Merit Rating Unit at 860-263-6723. The matter will be then be scheduled for a fact finding to determine whether the claimant refused work without sufficient cause. If so, the claimant's benefits will be stopped until the employee has returned to covered employment and earned at least six times the individual's benefit rate. If the employee believes, however, that returning to work poses a health risk, the Department may find that the work is not suitable employment under the law and claimant would not be denied benefits.

**Can I require my employees to stay home if they are sick with COVID-19? •**

Yes, you can require your employee to stay home. However, you should issue the employee an Unemployment Separation Package, found [here](#). Your employee may file for unemployment benefits and a determination will be made concerning their eligibility. Determinations will be made on a case-by-case basis.

**If I have to close the doors of my business for 14 days because an employee is sick and other employees need to be isolated, how do my employees file for unemployment benefits? •**

Please direct your employees to [www.filectui.com](http://www.filectui.com) and click the blue button to file their new claim for unemployment benefits. For ongoing weekly continued claims filing, employees should go to [www.filectui.com](http://www.filectui.com) and click the green button. The agency issues important emails throughout the initial claim filing process. Please advise your employees to look for these emails and read them carefully for next steps.

**If I have to close the doors of my business for 14 days because an employee is sick and other employees need to be isolated, will I be liable for unemployment benefit charges?**

You will be liable in the same way you would be for a layoff or a shutdown. If the President declares a disaster that includes Connecticut and your company, it is possible you may not be liable. (The Declaration of a Disaster has been approved in Connecticut.)

**Is there an alternative to laying off my employees if business has slowed down as a result of COVID-19?**

Yes. The Department of Labor offers a Shared Work program which is a smart alternative to a layoff. The program allows employers to reduce the hours of full-time employees by as much as 60 percent, while their workers collect partial unemployment benefits to replace a portion of their lost wages. (see information below)

**I need to shut down my business immediately due to COVID-19. I won't be able to provide WARN notice. What should I do?**

The WARN Act is a federal law, and not under the jurisdiction of CTDOL. We would encourage you to reach out to the United States Department of Labor. You may want to explore the concept of whether the unforeseeable business circumstances exception applies.

**When Governor restrictions have been lifted, am I required to report new and rehired employees to the Department of Labor?**

Yes. Please report new employees, defined as workers not previously employed by your business, or workers rehired after having been separated from your business for more than sixty consecutive days, to CTDOL within 20 days of the date of hire. Instructions may be found here:

<https://www1.ctdol.state.ct.us/lmi/newhire2.asp>. First fiscal quarter payments to DOL are due by April 30, 2020.

**If my business is closed, I will not be able to file by then. What should I do?**

As of now, an extension of the date has not occurred. Check back here for updates, as this may change as the date approaches.

**If any of our employees are required to stay home to avoid exposure due to a pre-existing medical condition, or are home and filing for benefits for any other reason (layoff, temporary shutdown etc.) are they required to deplete their Paid Time Off (PTO) before they would be eligible for unemployment?**

An employer may require an employee to take Paid Time Off, except that an employer may not take a deduction for the time that an exempt employee is absent from work from the employee's accrued benefits when a lack of work is due to the operating requirements of the employer.

In regards to the unemployment payment, PTO that constitutes sick time is being considered a non-allocable bonus under CTDOL regulations which means that it will not be deducted from a claimant's unemployment benefit. Otherwise, a claim will need to go to a fact-finding to determine if the dismissal/separation payment may be non-allocable as vacation time if the employee's place of business has closed and there are no reemployment opportunities at that location or as severance pay, and the severance payments are conditioned upon the employee signing a waiver of statutory or common law rights.

**Which businesses are deemed essential under Governor Lamont's Executive Order?**

Governor Lamont has issued guidance on which employers are considered essential under his Executive Order 7H. You can find that guidance, which has been provided by the Department of Economic and Community Development (DECD), here:

<https://portal.ct.gov/DECD/Content/Coronavirus-Business-Recovery/BusinessExemptions-for-Coronavirus>

Any further questions not answered in this guidance should be sent to DECD at [decdec.covid19@ct.gov](mailto:decdec.covid19@ct.gov)

## **I am a contributory employer for UI purposes. What Does the Governor's Executive Order 7W mean for me?**

As a contributory (taxable) employer there will be no liability (charges) to employers based on COVID-19 related unemployment claims. We will be working through the implementation of the Executive Order over the following weeks.

*All of the above can be found at CTDOL – FAQs – Covid19 – 4-13-20*

## **What is the Shared Work Program?**

Shared Work is a voluntary program that helps employers during business downturns by providing an alternative to layoffs. Shared Work preserves jobs and the skilled workforce during a disruption in regular business. Employers are able to reduce work hours for an entire group of affected employees rather than laying off some while others continue to work full time. The program provides a weekly unemployment compensation payment to the employees whose work weeks have been reduced. It also ensures that these workers will be available for regular hours when business upturns. If business downturns are forcing you to look at reducing your workforce by 10 – 60%, Shared Work program can help. Instead of laying off your permanent part or full-time employees, you cut hours, and DOL-CT pays partial unemployment benefits for the hours your employees have lost. *CTDOL-Shared Work FAQs*

## **Can all of my employees be involved with the Shared Work program?**

Yes. Shared Work can include both full and part-time permanent employees. The plan can cover the employer's total workforce of permanent part or full-time employees, a particular shift, or a specific unit. The plan only applies to employees who normally work for the employer submitting the Shared Work plan. *CTDOL-Shared Work FAQs*

## **Are Benefits reduced or unavailable during the Shared Work program?**

The Employer must continue fringe benefits during the program timeframe. *CTDOL-Shared Work FAQs*

## **What are 'fringe benefits?'**

Fringe benefits include, but are not limited to, health insurance, retirement benefits, paid vacation and holidays, sick leave, seniority accrual and similar advantages of employment. *CTDOL-Shared Work FAQs*

## **For Shared Work Program, do all employees in the same unit have to have the same percentage reduction in work hours?**

No. A minimum of 2 employees is needed in each business unit in order to participate in the Shared Work program. Each job can be different percentages of reduction, limited to between 10% - 60%, per employee. The Shared Work plan is approved, in writing, by the participating employee's collective bargaining representative. In the absence of any bargaining representative, the plan must contain a certification by the employer that such employer has made the proposed plan, or a summary thereof, available to each employee in the affected group for inspection and comment for at least seven days. Copies of the memorandum to the employees and any comments received must be attached. *CTDOL-Shared Work FAQs*

EXAMPLE:

<b>100% Layoff Unemployment Compensation</b>	<b>50% Work Reduction Shared Work Compensation</b>
\$20 x 40 hours per week = \$800	2 ½ days regular pay \$400 + Weekly Shared Work payment \$200
Total weekly UC payment \$400	<hr/> Total weekly income: \$600

**What does ‘usual weekly hours of work’ mean?**

Usual weekly hours of work means the normal hours of work each week for an employee in an affected unit when that unit is operating on a full-time basis, not to exceed 40 hours. *CTDOL-Shared Work FAQs*

**Department of Revenue Services**

*(all information found at [www.ct.gov/drs](http://www.ct.gov/drs))*

- **Individual Tax payment and filing dates have been extended to July 15, 2020**
- **2019 Form CT-1065/CT-1120 SI Connecticut Pass-Through Entity Tax Return:** Filing date extended to April 15, 2020; payment deadline extended to June 15, 2020
- **2019 Form CT-990T Connecticut Unrelated Business Income Tax Return:** Filing date extended to June 15, 2020; payment deadline extended to June 15, 2020
- **2019 Form CT-1120 and CT-1120CU Connecticut Corporation Business Return:** Filing date extended to June 15, 2020; payment deadline extended to June 15, 2020

**What small business taxpayers qualify for this relief? (added 3/30/2020)**

Taxpayers that have \$150,000 or less in annual Sales Tax liability qualify for an automatic extension of time to file and pay. Similarly, taxpayers that have \$150,000 or less in annual Room Occupancy Tax also qualify for this relief. A taxpayer that collects both Sales Tax and Room Occupancy Tax must evaluate each tax separately to determine eligibility for relief.

**How does a taxpayer determine if it is a qualified small business? (added 3/30/2020)**

Taxpayers are required to utilize a calendar year look back period of January 1, 2019, through December 31, 2019. Any taxpayer that reported \$150,000 or less in tax during that period qualifies for the relief.

**What returns are covered by this extension? (added 3/30/2020)**

- For monthly Sales Tax and Room Occupancy Tax filers: returns and payments due March 31, 2020, and April 30, 2020, are extended to May 31, 2020.
- For quarterly Sales Tax and Room Occupancy Tax filers: returns and payments due April 30, 2020, are extended to May, 31, 2020.

**I filed my sales tax return and paid my taxes that are due on March 31, 2020, can DRS return the payment so I can take advantage of the extended May 31, 2020, due date? (added 3/30/2020)**

No. If you scheduled a payment through the [DRS Taxpayer Service Center \(TSC\)](#), you can only cancel a payment two or more days prior to the scheduled payment date.

All of the above DRS information found at [www.ct.gov/drs](http://www.ct.gov/drs)

## **Additional Resources**

### **Grants available to Connecticut manufacturers producing needed COVID-19 supplies:**

Connecticut manufacturers can now apply for grants of up to \$75,000 to assist in the production of critical equipment and supplies needed to respond to the COVID-19 emergency. The grants, offered through the state's Manufacturing Innovation Fund Voucher Program, can be used for working capital, new equipment, and other purposes that help companies build capacity or repurpose their operations. Applications for the funding will be reviewed and approved by the Department of Economic and Community Development, in partnership with the Connecticut Center for Advanced Technology, based on the state's current needs for medical equipment and supplies related to the pandemic. Funding for this short-term program is limited to \$1.3 million and requires a one-to-one match from participating businesses. Learn more about the program and the application process by visiting <https://ctmvp.ccat.us>.

### **Reimbursement of medical leave costs for small and medium-sized businesses:**

The Connecticut Department of Insurance reminds small and medium-sized employers of recent [guidance from the Internal Revenue Service \(IRS\)](#) on COVID-19 - related medical leave.

### **COVID-19 Business Response Program - *Line of Credit***

The Hartford Economic Development Corporation (HEDCO) has partnered with the State of Connecticut, the CT Department of Economic & Community Development (DECD) and the CT Minority Business Initiative to provide financial relief to minority-owned and women-owned small businesses negatively impacted by the coronavirus pandemic.

Under the **COVID-19 Business Response Program**, a qualifying small business with 20 or fewer employees may apply for a zero-interest Line of Credit for up to \$20,000.

This \$2 million program will be allocated to minority-owned and women-owned small businesses. The program will be administered and underwritten by HEDCO.

## **Eligibility**

To be considered for this program, your small business must:

- Be a for-profit business with no more than 20 full-time and/or part-time employees
- Must be a minority-owned and/or woman-owned small business (minimum 51% of minority/woman ownership required)
- Be in good standing with the [Department of Revenue Services](#) (DRS)
- Have been conducting business for a minimum of 6 months

## **Terms & Conditions**

- Line of Credit up to \$20,000
- 0% interest rate
- One-year Line of Credit, payable in full 12 months from the date of closing
- Working capital Line of Credit
- No application fee
- Closing fee of \$250.00, which can be included in the cash flow projections
- The debt is eligible to be forgiven if the company can demonstrate the funds were used to cover the first 3 months of expenditures due to COVID-19. In order to receive forgiveness, the business must show documentation of expenditures in accordance with your cash flow projections.

## **Application Requirements**

- 1-Page Application
- Profit and Loss Statement as of December 31, 2019
- Year-to-date (YTD) Profit and Loss Statement as of March 31, 2020
- 3-month projected cash flow needs (INSERT LINK)

## **Application and Approval Process**

Upon completing the 1-Page Application and submitting the required documentation, underwriting and due diligence will be completed by HEDCO.

### **If your loan application is approved, HEDCO will:**

- Issue a Commitment Letter outlining terms and conditions
- Prepare closing documents for Client's signature
- Issue a check with the funds.

## **Contact Information and Additional Support**

Any of the following organizations are available to answer your questions and/or assist with the completion of your application:

**Entrepreneurial Center and Women's Business Center, University of Hartford**

Contact: Milena Erwin, WBC Program Manager

860-768-5681

[entrectr@hartford.edu](mailto:entrectr@hartford.edu)

[www.hartford.edu/ec](http://www.hartford.edu/ec)

**Southeastern Connecticut Enterprise Region (SeCTer)**

Contact: Annie Chambers

860-437-4659

[achambers@secter.org](mailto:achambers@secter.org)

**Spanish American Merchant Association (SAMA)**

Contact: Rosa Jacinto

860-724-4910

[rosa\\_jacinto@samact.org](mailto:rosa_jacinto@samact.org)

**Women's Business Development Council**

Contact: Kenyetta Banks

203-751-9877

[KBanks@ctwbdc.org](mailto:KBanks@ctwbdc.org)

**CT Small Business Development Center (SBDC)**

Contacts: Joseph Williams, Griselda Champagne, Christine Sullivan

To request support, click on the "Sign Up for Advising" button [here](#)

*NOTE: Reference "Minority/Woman Owned HEDCO Line of Credit"*

For additional information or questions about the program, contact HEDCO at [Covid-19@hedcoinc.com](mailto:Covid-19@hedcoinc.com) or (860) 527-1301.

