



Guide to the CARES Act: Unemployment Insurance

Thousands of New Jersey workers and families are suffering as a result of the drastic, but vital social distancing measures we must take to prevent the spread of the coronavirus and ultimately save lives. Direct payments will help working families weather this storm, and while there's more to do, Democrats successfully fought to ensure low-income Americans aren't shortchanged in the middle of a national crisis.

How will the CARES Act help New Jersey's workers and families?

- **Direct payments to 80% of New Jersey Families.** Over 92% of single tax filers and eight-in-ten joint-filers in New Jersey will receive payments up to \$1,200 for individuals earning less than \$75,000 and \$2,400 for couples earning less than \$150,000, plus \$500 per child.
- **Expanded Unemployment Insurance.** Increases the maximum unemployment benefit amount by \$600 per week above one's base unemployment compensation benefit through July and ensures that workers who are laid-off or out of work will receive, on average, close to their full pay for four months. It ensures that workers are protected whether they work for businesses small, medium or large, along with the self-employed independent contractors and workers in the gig economy.
- **Fee Waiver for Withdrawal of Retirement Funds.** Waives the additional 10% tax on early distributions from IRAs and defined contribution plans (such as 401(k) plans) in the case of coronavirus-eligible distributions up to \$100,000, and may be re-contributed to the plan or IRA. Additionally, defined contribution plans are permitted to allow plan loans up to \$100,000 and repayment of plan loans is extended for employees who are affected by the coronavirus.

UNEMPLOYMENT INSURANCE

How do I file for unemployment insurance?

New Jerseyans can apply for unemployment compensation at www.myunemployment.nj.gov. You can also apply by phone by calling one of the following numbers:

- North New Jersey: 201-601-4100
- Central New Jersey: 732-761-2020
- South New Jersey: 856-507-2340

How much can I get from Unemployment Insurance?

Every state has its own unique unemployment insurance (UI) program. New Jersey's program -- run by our Department of Labor and Workforce Development (NJLWD) -- provides jobless workers with 60% of their average base pay on a weekly basis. New Jersey provides a maximum weekly benefit of \$713 for up to 26 weeks. However, the CARES Act passed in response to the COVID-19 pandemic

adds 13 additional weeks for a total of 39 weeks. In addition, between now and July 31, an additional \$600 will be added to every unemployment compensation check, so no one will receive less than \$600 per week.

Does the CARES Act change how much I can get from Unemployment Insurance?

Yes, the CARES Act adds 13 additional weeks of unemployment compensation, for a total of 39 weeks in the state of New Jersey. In addition, between now and July 31, an additional \$600 will be added to every unemployment compensation check, so no one will receive less than \$600 per week. That means if you are typically eligible for \$600 a week in unemployment compensation, you will see a temporary increase of \$600 through July for a total of \$1,200 a week.

\$600 is more than I made before losing my job. Will they reduce my benefit?

No. If you qualify for unemployment, the \$600 per week applies regardless of what your salary was. That means if you are typically eligible for \$600 a week in unemployment compensation, you will see a temporary increase of \$600 through July for a total of \$1,200 a week.

What if I'm not eligible for traditional Unemployment Insurance?

Senator Menendez worked to ensure that the CARES Act temporarily covers individuals who are not typically eligible for unemployment insurance, including the self-employed, gig-workers, independent contractors, and workers with irregular work history. It also expands the list of allowable criteria for claiming unemployment compensation to include many reasons related to the COVID-19 public health emergency. Visit New Jersey's [unemployment website](#) to determine your eligibility.

What if I've been out of work because of COVID-19 for several weeks already?

If you exhaust the weeks of unemployment compensation available to you through your state's laws, you will be eligible for an additional 13 weeks of benefits. These benefits will be federally-funded, but you will still receive them through your state.

How long will the expanded benefits be in place?

Expanded eligibility for unemployment insurance will be in effect until December 31, 2020. The \$600 additional benefit will be added to unemployment compensation received for weeks between when the bill is enacted and July 31, 2020.

Is there a waiting period?

The CARES Act includes incentives for states to waive the waiting week between applying for unemployment compensation and receiving it. Visit New Jersey's [unemployment website](#) for more information.

I just found a job when coronavirus hit, but I hadn't started work. Will I be eligible?

Yes. If you were scheduled to start a job, but lost the job or are unable to get to it as a result of coronavirus, you'll be eligible.