



Minnesota Enacts COVID-19 Unemployment Relief For Workers And Employers

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In response to the coronavirus emergency, Minnesota Governor Tim Walz has issued an executive order making it easier for laid-off workers to get unemployment compensation benefits. [Executive Order 20 05](#), issued on March 16, 2020, addresses unemployment benefits for employees whose jobs are affected by the COVID-19 pandemic. The order also provides employers with relief from the expenses associated with unemployment benefits related to the coronavirus.

At the same time, the federal [Families First Coronavirus Response Act](#), signed into law by President Trump on March 18, 2020, provides financial support to employees who are unable to work due to coronavirus. The federal law, covering employers with fewer than 500 employees, provides for: (1) up to 10 days of paid leave for employees unable to work due to having coronavirus, or having to care for an individual who has been diagnosed with coronavirus; and (2) pay for up to 10 weeks of an employee's allotted 12-week FMLA leave, if the leave is due to coronavirus (including, for the first time, the necessity of caring for displaced children). The federal law provides employers with financial relief from the costs associated with these new paid leaves.

Taken together, these new benefits are intended to provide employees impacted by coronavirus with a safety net of financial support. Employers should be aware of these benefits so that they can adjust policies to comply

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with the laws and help affected workers get information on the financial relief provided under the legislation and options for seeking assistance.

Governor Walz' unemployment compensation order ensures workers affected by the COVID-19 pandemic (and in particular those out of work because of Minnesota's stay-at-home order) have full access to unemployment benefits. The order makes applicants eligible for unemployment benefits if:

- A healthcare professional or health authority has determined that the applicant's presence at work would jeopardize the health of others
- A quarantine or isolation order has been issued to the applicant
- They have been ordered not to come to their workplace due to an outbreak of a communicable disease
- They have received notification from a school district, daycare, or other childcare provider that either classes are canceled or the applicant's ordinary childcare is unavailable, provided that the applicant made reasonable effort to obtain other childcare and requested time off or other accommodation from the employer and no reasonable accommodation was available

Governor Walz' order waives the non-payable week under state law, to allow applicants to have access to unemployment benefits as quickly as possible. While applicants for unemployment benefits must actively seek suitable employment, Governor Walz' order clarifies that "suitable work" does not include jobs that pose a risk to an applicant's health or the health of others.

Applicants who have been temporarily laid off, or are not laid off but have reduced hours, may also be eligible for benefits. If an applicant has been laid off temporarily, they can meet work search requirements by staying in contact with their current employer. Employees who are on a reduced-hours furlough may be eligible for unemployment benefits if their hours are reduced below 32 hours a week, and they meet the eligibility criteria outlined above.

Finally, Governor Walz' order waives the ordinary five-week benefit limitation for business owners who have become unemployed as a result of COVID-19 and are otherwise eligible for benefits.

To reduce an employer's incentive to challenge benefit eligibility and to offset the costs associated with these additional benefits, the order directs the Minnesota Unemployment Insurance Program not to use unemployment benefits paid as a result of the COVID-19 pandemic in computing the future unemployment tax rate of an employer.