



WAYS AND MEANS

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Summary

Reopening America by Supporting Workers and Businesses Act of 2020 *Providing Relief for American Workers and Businesses Impacted by COVID-19*

Background: As part of the CARES Act, Congress provided \$600/week in supplemental unemployment benefits to provide much needed support and economic relief for workers who lost their jobs or have been unable to work due to the COVID-19 pandemic. Supplemental benefits were intended to support public health measures by allowing workers to stay home and businesses to close.

As states begin to reopen, the expansion of benefits has presented serious challenges for businesses trying to recall workers, especially employers in the Paycheck Protection Program. Concerns have been raised that the additional \$600/week in benefits could mean some workers receive more on unemployment than their paycheck, creating a disincentive to work. As more businesses re-open across the country, employers shouldn't have to compete with unemployment to bring workers back.

Proposal: This bill will help local businesses rebuild their workforce quickly by turning these unemployment benefits into a back-to-work bonus that will provide a bump to workers and help accelerate our economic recovery. The bill includes:

- *Time limited back-to-work bonuses:* Make work pay by allowing workers to keep up to two weeks of the supplemental federal unemployment benefits after accepting a job, comparable to a \$1,200 hiring bonus. The bonus would be available to claimants beginning a week after the date of enactment and end July 31, 2020.
- *Return to work reporting:* Strengthen program integrity by ensuring employers can report job refusals and that states provide clear notice to unemployment claimants about return to work obligations and good cause exceptions.

- *Relief for non-profits:* CARES Act provided additional relief for reimbursable employers, such as non-profits, to help offset the costs of unemployment benefits by 50%. Non-profits provide critical supports to low-income families and many are facing challenges reopening. This clarifies that non-profits do not have to pay the full amount and wait for reimbursement. Instead, states can reduce the amount owed up-front.