

[EMPLOYER NAME]

[ATTN]

[ADDRESS 1]

[CITY], [STATE CD] [ZIP]

[DATE]

## Financial relief for reimbursing employers

As a reimbursing employer, unemployment benefits paid to your employees are immediately “charged” to your UI account. You are normally required to repay those charges in full each quarter.

Billing is currently suspended due to the COVID-19 pandemic, but we know that many reimbursing employers are concerned about large potential unemployment bills. Fortunately, there are several forms of financial relief available under state and federal law.

We have started working to update your account to apply this financial relief. It will take a few weeks for us to finish our work, so we wanted to let you know what to expect.

## Charges relieved due to the CARES Act

Congress has authorized federal funding to reimburse states for certain unemployment costs during the pandemic. You will **not** be required to repay any unemployment benefit charges if the federal government has already covered the cost.

There are three provisions of the CARES Act that may reduce charges to your employer account:

- **Reimbursement for the first week of regular UI benefits:** The federal government will reimburse us for the first week of unemployment benefits paid to each applicant if that week falls between 3/29/2020 and 12/20/2020.
- **Reimbursement for Shared Work benefits:** The federal government will reimburse us for any Shared Work benefits paid for weeks between 3/29/2020 and 12/20/2020. If you were enrolled in the Shared Work Program, you may qualify for this relief.
- **Reimbursement of 50% of benefits paid:** The federal government will reimburse us for 50% of the remaining balance of benefits charged to your account between 3/29/2020 and 12/20/2020. We will update your account balance once we have processed the federal reimbursement.

We plan to start making these adjustments during the week of 10/25/2020. There are a lot of records that need to be reviewed – around 14 million – so we won’t be able to complete this process all at once. If you look at your online account, you may see that some adjustments have been made (but not others). Your account may also be adjusted sooner or later than other employer accounts.

Once the entire process is complete, we will send you another letter detailing the adjustments we made and how you can view them yourself online.

### **Charges may be relieved under state law**

After we remove charges for benefits that were reimbursed by the federal government, we will determine if you qualify for any additional relief available under state law (Minnesota Statutes, Section 268.047).

This review must be completed on an employer-by-employer basis. We will start with employers/industries that we know had to fully shut down as a result of the pandemic. We will then work through other groups of employers by industry and type to look for similar patterns and make adjustments along the way.

We expect that most of these adjustments will be done by 11/14/2020, but some that require additional information may take a bit longer. If we need more information from you, we will send you a questionnaire. When we have completed this second step of our review, we will send you another letter with the results. We will give you an opportunity to provide more information if you think we missed something.

### **Billing during the adjustment period**

We anticipate that many reimbursing employers will see a fairly large reduction in charges as a result of these processes, but some charges unrelated to the pandemic may remain.

We will not be sending you quarterly bills until our review is complete. We will likely turn billing back on early in 2021, but we let you know before we do.

The COVID-19 pandemic has created challenges for all Minnesotans. For the Unemployment Insurance Program, our first obligation has been to respond to the immediate needs of unemployed workers. As we begin the processes to resume more normal operations and address employers' concerns, we're working through the more straightforward scenarios first so we can give individual attention to those situations that need it. We appreciate your understanding and patience as we work through the process of recovering the UI program from the impact of the pandemic.

For the latest information, please visit [www.uimn.org](http://www.uimn.org).

- Select "Employers & Agents".
- Under News and Updates, select "Information for employers affected by COVID-19".