

State loosens unemployment guidelines for workers affected by COVID-19

'We are in a healthy position to pay out unemployment benefits,' says IWD official

By [Kathy A. Bolten](#) | Senior Staff Writer

Iowa Workforce Development, responding to an anticipated surge in unemployed Iowans because of temporary business closures due to the coronavirus, has loosened its guidelines for qualifying for unemployment benefits.

In addition, the state is waiving unemployment insurance fees that are charged to businesses when workers file unemployment claims. The charge is being waived only in instances related to COVID-19.

"We are loosening things as far as we can," said Nick Olivencia, an Iowa Workforce Development attorney.

Specifically:

- Workers who stay home to self-isolate or to care for family members will be eligible to receive unemployment benefits as long as they meet other eligibility requirements. This includes caring for children because of school or day care closures. In addition, full- or part-time workers whose employers close businesses because of COVID-19 will also be eligible for unemployment benefits.
- The agency is temporarily dropping the requirement for unemployed Iowans to search for work while receiving benefits.
- Iowa Workforce Development will look for ways to address instances in which employees – mostly those new to working at a business – don't meet the minimum qualifying wages requirement to receive benefits but might if previous employment is included.

Olivencia said Iowa Workforce Development is bracing for a surge of new unemployment claim applications because of the temporary closure of restaurants, bars, retail shops and other businesses.

While some businesses provide paid time off to hourly-wage workers, many others do not, particularly for part-time workers, he said. It's workers without paid time off or who work part time who will be applying for unemployment.

Currently the state has more than \$1 billion in its unemployment fund, which is financed by payroll taxes paid by businesses.

"We are in a position where we are not concerned right now about the solvency of the trust fund," Olivencia said. "We are in a healthy position to pay out unemployment benefits."

Iowa's January unemployment rate was 2.8%. The state had about 49,500 unemployed workers in January, up slightly from the 49,300 who were unemployed in December.

The state's unemployment rate for February is expected to be released in late March.

The spike in unemployed Iowans due to the virus will likely start to be seen in the March data. On Tuesday, Gov. Kim Reynolds [ordered the closure](#) of the state's bars, fitness centers, theaters, gaming facilities, senior citizen centers and adult day care facilities through March 31. While the mandate requires restaurants to close, it allows the businesses to provide food through drive-

through, carryout and delivery.

For more information about filing unemployment claims or how unemployment claims will affect employers' unemployment taxes, click [here](#).