Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act

UNEMPLOYMENT INSURANCE

- The CARES Act gave federal funding to states to reduce the liability of self-insured nonprofits for their COVID-19 claims with the intention of helping to mitigate the financial impact these nonprofits are experiencing.

- Subsequent Department of Labor guidance would require states to bill self-insured nonprofits 100% of their UI amounts, and only allowed for a 50% reimbursement back to the nonprofits from the states. Many private colleges self-insure, and this will be an enormous financial burden to those already struggling to deal with liquidity issues.

- Please override this guidance through a technical correction to ensure states can waive 50% of the amount owed by such employers. Senators James Lankford (R-OK) and Angus King (I-ME) recently sent a bi-partisan letter to leadership with 28 Senate colleagues asking for this problem to be addressed.