

Texas Unemployment Insurance Fact Sheet - Employers

Updated 3/26/20

Coronavirus Aid, Relief, and Economic Security (CARES) Act

Expanded Unemployment Benefits

- 360 million for Department of Labor to invest in programs that provide training and supportive services for dislocated workers, seniors, migrant farmworkers and homeless veterans. Includes funding for implementing new paid leave and unemployment insurance benefits.
- Expands unemployment insurance from three to four months, and provides temporary unemployment compensation of \$600 per week, which is in addition to and the same time as regular state and federal UI benefits.
- Part-time, self-employed and gig economy workers now have access to UI benefits.
- Allows employers to receive an advance tax credit from the Treasury instead of having to be reimbursed on the back end.
- \$260 billion investment into the unemployment insurance program.
- Creates regulatory authority to implement the tax credit advances.

Reference Materials for Employers

Included below

- [General Reference for Employers](#)
- [Q&A on handling General Potential Unemployment Insurance Inquiries & those related to COVID-19](#)
- [Letter from Texas Workforce Commission to employers](#)
- [Unemployment Eligibility Scenarios for Employers](#)
- [Unemployment Benefit Claim Self-Service for Employers](#)

Quick Links

<https://twc.texas.gov/news/covid-19-resources-employers>.

Email notification sign up [here](#)

Resources

Governor Abbott Requests Emergency Designation for Small Business Disaster Loans

<https://gov.texas.gov/news/post/governor-abbott-requests-emergency-designation-for-small-business-disaster-loans-from-u.s-small-business-administration>

Interim Guidance for Businesses and Employers

<https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html>

5 Ways to Retain Your Customers During the Coronavirus Outbreak

<https://www.uschamber.com/co/grow/customers/customer-retention-during-coronavirus>

Guidance on Preparing Workplaces for COVID-19

<https://www.osha.gov/Publications/OSHA3990.pdf>

Government Response to Coronavirus, COVID-19

<https://www.usa.gov/coronavirus>

U.S. Chamber of Commerce: Combating the Coronavirus

<https://www.uschamber.com/coronavirus>

Coronavirus (COVID-19): Small Business Guidance & Loan Resources

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

Shared Work

<https://twc.texas.gov/businesses/shared-work>

For Tax questions please go to:

Employer Registration questions:

Tax Status Section tax.statussection@twc.state.tx.us

Employer Rate Questions:

Tax Experience Rating taxexperience.rating@twc.state.tx.us

Employer Account Maintenance:

Tax Central Operations TaxCentralOperations@twc.state.tx.us

Frequently Asked Questions

Q: I am concerned that my small shop might be ordered to close its doors to control the pandemic. Would I have to pay for unemployment benefits for my employees?

A: If a business shuts down due to a closure order from a governmental entity, Section 204.022(a)(1-2) (see <https://statutes.capitol.texas.gov/Docs/LA/htm/LA.204.htm#204.022>) of the Texas Labor Code may allow an employer to ask for chargeback protection. If that were to happen, you should include a copy of the shutdown order with your response to the unemployment claim and argue that the closure was mandated by a local or state order.

Q: Has TWC waived the one-week waiting period for UI Benefits?

A: Yes, Governor Abbott granted the Texas Workforce Commission's request to suspend the one-week waiting period. Workers in Texas will be able to receive benefits immediately after their unemployment benefit applications are approved.

Q: Can TWC assist us if the pandemic forces a mass layoff?

A: Yes – TWC's Rapid Response Unit can help employers and affected employees access unemployment claim and reemployment services in a very streamlined and efficient manner. For information, see the TWC website at <https://twc.texas.gov/businesses/rapid-response>.

Q: What other alternatives exist to avoid mass layoffs?

A: TWC administers the Shared Work Program, which allows partial unemployment benefits for similarly-situated employees whose hours are reduced by a standard amount between 10 and 40 percent – information about that program is <https://twc.texas.gov/businesses/shared-work>.

Q: What can an employer ask for if an employee tells us she is ready to return to work?

A: A question that might come up is whether it is permissible for an employer to require a doctor's release / fitness for duty certificate or something similar if an employee is returning from an absence caused by something that looks or acts like Covid-19. It would be good to keep in mind that many employees may have financial problems relating to inability to pay to see a doctor, so employers should take that into account, and also that at least under current conditions, medical documentation should be requested only if a person is known to have been exposed to a communicable disease (not just coronavirus, but also things that are just as infectious, such as colds, flu, and other viral pests). Moreover, medical offices are almost overwhelmed, so issuing documentation will not be high on their priority lists, and tests for Covid-19 are not yet widely available. Finally, requests for medical documentation should be done consistently and fairly for all similarly-situated employees.

Q: Is an employer allowed to send an employee home if they are showing signs of illness, such as coughing, sneezing, or report that they have aches or chills?

A: Yes, in keeping with an employer's general duty under OSHA to maintain a safe and healthy workplace for employees, employees who appear to be sick may be asked to go home, but do so as politely and discreetly as possible. However, the employer should be consistent and treat all employees who exhibit risky symptoms the same.

Q: What if we know that an employee has been exposed to Covid-19, but they are showing no symptoms?

A: Generally, there is no Texas or federal law that would prohibit a company from telling employees to stay home if they have had a higher-than-normal degree of exposure to individuals actually infected with the disease. As noted above, be consistent and do not base self-isolation orders on factors such as race or national origin. There have been scattered reports of ethnic discrimination, particularly against people who look like they might have come from Asia. The EEOC is already warning employers that singling employees out based on ethnic or national origin concerns could trigger a discrimination charge.

Q: **Would the employer have to pay sick leave to that employee?**

A: Yes, if the company offers such paid leave. Paid leave policies should be followed - failure to pay for leave owed under a written paid leave policy is a violation of the Texas Payday Law. A federal bill to require up to 80 hours of paid sick leave for full-time employees, H.R. 6201, has passed Congress and has been signed by the President as of March 18, 2020. The text of that bill is online at: <https://www.congress.gov/bill/116th-congress/house-/6201/text/enr>.

Q: **Could they file unemployment claims and draw unemployment benefits if they are told to go home for medical reasons?**

A: No, if they are receiving paid leave benefits. While on paid medical leave, they would not be considered "unemployed" under TWC laws and would not be able to claim unemployment insurance (UI) benefits. Once the paid leave runs out, they could file unemployment claims.

Q: **What if they are not getting paid leave?**

A: If they are on unpaid leave, they could be considered unemployed if they are out long enough to satisfy the test for either partial or total unemployment (for those definitions, see our book *Especially for Texas Employers* online at https://twc.texas.gov/news/eftc/ui_law_eligibility_issues.html#defin_of_unemployment).

Q: **Does an employee get unemployment benefits even if they are too sick to work?**

A: Any claimant who is able to file a claim for UI benefits must meet the eligibility requirements in order to actually draw benefits. Most notably, the claimant must be medically able to work. The usual eligibility requirement to search for work has been waived by TWC for the immediate future as part of the pandemic relief effort.

Q: **Is there any way an employer can avoid the cost of unemployment benefits?**

A: An employer may be eligible for protection from chargebacks from UI benefits if the evidence shows that the work separation was for medical reasons. However, if the reason for the work separation was merely a cautionary period of time off to minimize potential exposure of others to someone who might be infected, but might not be, chargeback protection would most likely not be extended to the employer. To minimize the chance of unemployment claims being filed, the employer can encourage employees to work from home if the job is such that remote work is possible. Proper recording of work time is necessary, and the employer would need to work with the employees to set up a timekeeping system that functions well and takes all time worked into account.

Q: **What other information is on the TWC website about workplace illness issues?**

A: The following topics in our book *Texas Guidebook for Employers* may be useful:

https://twc.texas.gov/news/efte/medical_leave_laws.html
<https://twc.texas.gov/news/efte/fmla.html>.

Q: Can an employee take a sick day due to fear and not illness? Would an employer be required to cover that?

A: Policies related to paid sick leave are between employers and employees. The Texas Workforce Commission does not have jurisdiction or enforcement of qualifying paid sick leave.

If your employee has been affected by the coronavirus (COVID-19) and is not receiving payment while away from work, they may apply for benefits either online at any time using Unemployment Benefits Services or by calling TWC's Tele-Center at 800-939-6631 from 8 a.m.-6 p.m. Central Time Mondays through Fridays.

Q: What if I must close my business temporarily or permanently?

A: If you have to close your business either temporarily or permanently and need to lay off employees, you may be able to submit a mass claim for unemployment benefits on their behalf. The Mass Claims program streamlines the unemployment benefit claims process for employers faced with either temporary or permanent layoffs. Employers can submit basic worker information on behalf of their employees to initiate claims for unemployment benefits. You can submit a mass claim request on Employer Benefits Services 24 hours a day, seven days a week.

For more information, see: Mass Claims for Unemployment Benefits at www.texasworkforce.org or contact TWC's Mass Claims Coordinator at 512-463-2999.

Q: What if my business has slowed down?

A: If your business has slowed down due to the pandemic and you need to reduce employee working hours, you may be able to avoid laying off employees by submitting a shared work plan. How to Apply for a Shared Work Plan. Log on to Employer Benefits Services (EBS) to submit your Shared Work Plan online. EBS online is fast, easy, secure, and available 24/7.

If you have any questions, please email: ui.sharedwork@twc.state.tx.us. If you are unable to get online contact TWC's Shared Work Department by phone: 512-340-4337 or 888-741-0446.

Q: What if I have questions about an unemployment claim that was filed?

A: EMPLOYERS should contact us online at uicentral.twc.state.tx.us. If they do not have Internet they may call the Tele-Center at 800-939-6631. They are open from 8 a.m.-6 p.m. Central Time Monday through Friday.

Dear Texas Employers,

With uncertainty surrounding COVID-19, the Texas Workforce Commission continues to offer Texas employers our full support. From legal questions regarding work from home policies to resources for loans, we are here to answer your questions and help ensure things go as smoothly as possible.

This is not a normal email list we distribute to, but with the impact of the COVID-19, we wanted to reach out to each employer with information to assist in this trying time. **In an effort to provide you information as quickly as possible, we are developing an email list around COVID 19.** Please sign up [here](#) for future updates.

We have developed a webpage with resources and information on actions taken by the commission in response to COVID-19. This page will be continuously updated with answers to questions about operating your business during this time. Please visit <https://twc.texas.gov/news/covid-19-resources-employers>.

Information about managing multiple layoffs is available at the following site: <https://twc.texas.gov/businesses/mass-claims-unemployment-benefits>. Here you will find information about filing a mass claim for unemployment benefits for your employees and our Rapid Response services.

For information on preventing layoffs by cutting employee hours or furloughing workers, we encourage you to explore [shared work programs](#). These programs are designed to allow employers to supplement their employees' lost wages because of reduced work hours with partial unemployment benefits, for more information, or to apply for a shared work plan visit <https://twc.texas.gov/businesses/shared-work> or email ui.sharedwork@twc.state.tx.us.

If you need to hire new employees in the face of changing demand, we encourage you to post your positions on [WorkinTexas.com](#) or call your [local Workforce Solutions office](#). Both resources can instantly connect you with qualified individuals to ensure you are meeting customer needs.

Small businesses are the backbone of our great state. We encourage those concerned about operating capital or making your next payroll to apply for any designated programs under [the U.S. Small Business Administration](#).

TWC will continue to provide up-to-date information on our response to the employment issues facing Texans due to the COVID-19 virus. To stay informed, please be sure to follow our webpage and sign up for updates [here](#) and on [Facebook](#), [Twitter](#) and [LinkedIn](#).

We encourage all Texas employers to follow the [Centers for Disease Control and Prevention](#) guidelines on social distancing, [cleaning and disinfecting frequently](#) and providing teleworking options when available. Times may be tough but so are Texans. We thank you for your hard work and investment. We remain prepared to help in any way we can.

Unemployment Eligibility Scenarios

The following possible scenarios show how the pandemic may affect business operations and unemployment benefit eligibility.

Liable employers must continue to report employee wages and pay unemployment taxes. When an individual submits a claim naming your company as the last employer, TWC sends you a Notice of Application for Unemployment Benefits. When you respond to this notice, be sure to include information if your business was impacted by COVID-19. Respond online using our Unemployment Insurance Employer Response portal:
<https://apps.twc.state.tx.us/EMPRES/security/logon.jsp>.

When former employees are eligible for unemployment benefits, TWC will continue sending Notices of Maximum Potential Chargeback to affected employers and continue billing reimbursing employers for benefits paid. The Texas Workforce Commission (TWC) is working with federal, state and local government officials and agencies to help manage the Coronavirus (COVID-19) pandemic. On Friday, March 13, 2020, Governor Greg Abbott declared a disaster relating to the pandemic. Therefore, employer tax accounts may be protected from chargeback.

Make sure to communicate your attendance policy to your staff. Consider creating a flexible plan to manage any need to change sick leave policy to cover staffing during the pandemic and to handle attendance issues. Investigate whether your employees can work remotely and avoid holding meetings in close quarters.

Unemployment Benefit Claim Self-Service for Employers

If your business has been affected by the coronavirus (COVID-19), TWC can help you manage layoffs and unemployment benefit claims. You can manage claims online at any time by using TWC's online unemployment portal, [Employer Benefits Services](#), or by calling TWC's Tele-Center employers' line at 866-274-1722 from 8 a.m.-6 p.m. Central Time Monday through Friday.

When an individual submits a claim naming your company as the last employer, TWC sends you a [Notice of Application for Unemployment Benefits](#). When you respond to this notice, be sure to include information if your business was impacted by COVID-19. Respond online using our Unemployment Insurance Employer Response portal:
<https://apps.twc.state.tx.us/EMPRES/security/logon.jsp>.

TWC is experiencing an increase in call volumes and hold times on our Tele-Center phone lines. You are encouraged to use TWC's online unemployment portal, [Employer Benefits Services](#), to handle your claim needs quickly. EBS is available 24 hours a day, seven days a week. We also encourage you to sign up for [Electronic Correspondence](#) so you can receive your TWC communications online as soon as possible. If you are new to EBS, you will need to create a [TWC EBS Administrator account](#) when you first log on.

[Log on](#) to EBS to:

- Manage access to your online account by setting up an [EBS Administrator Account](#)

- Sign up for [Electronic Correspondence](#) so you can receive your TWC communications online as soon as possible
- [Appeal Online and View Appeal Status](#): An appeal is your written notice that you disagree with a TWC decision and want your case decided through the appeal process
- [Submit a Shared Work Plan](#): Find out how to avoid laying off workers by reducing the hours of some employees, who can also receive a partial unemployment benefit payment
- [Submit a Mass Claim Request](#): Streamline the unemployment benefits claims process if faced with layoffs by taking advantage of our mass claims process
- [Designate an Address for Mailed Correspondence](#): Choose one mailing address to receive your unemployment insurance notices at a single location, even if you have multiple locations
- [Respond to a Notice of Maximum Potential Chargeback](#): Chargebacks concern claims where you were not the claimant's last employer, but that may affect your tax rate

TWC will investigate why your former employee lost their job and mail a decision explaining whether they are eligible for unemployment benefits. TWC has waived the work search requirement for all claimants at this time.