

COVID-19 information issued by IDES

The State of Illinois Department of Employment Security (IDES) has issued information regarding its response to the COVID-19 pandemic. While claims can be filed over the telephone, IDES asks that individuals file online due to the high volume of calls. In addition, IDES is requesting that individuals file a claim for benefits according to a schedule based on the first letter of their last name. Details are set forth on the Department's website.:

https://www2.illinois.gov/ides/Pages/FAQ_COVID-19.aspx.

Benefit charging. IDES reiterates that the programs under the federal stimulus legislation are funded by the federal government and not Illinois. For regular unemployment compensation, employers generally contribute to the cost of benefits for their former employees. The contribution rate of an experience-rated employer is based, in part, on the amount of unemployment benefits paid to the employer's former employees, so the rate may rise when an employer furloughs or lays off employees due to COVID-19. IDES explains that if legislation is passed making claims related to COVID-19 non-chargeable to the employer, then employers furloughing or laying off workers due solely to COVID-19 would not be charged for the benefit costs, and the charges would be "pooled" between all employers. This would likely result in increased unemployment tax rates in future years for all employers because the entire pool of employers would need to be tasked with replenishing the benefit trust fund.

Direct reimbursement employers. In Illinois, any covered nonprofit organization may elect to finance benefits by the reimbursement method by filing with the Director a written notice of such election not later than 30 days immediately following the end of the calendar quarter in which it becomes a covered nonprofit organization. Such an election must continue in effect for at least one calendar year beginning with the first day with respect to which the organization would, in the absence of its election, incur liability for the payment of contributions. An employer cannot retroactively elect to be liable under the UI Act so its employees can receive unemployment benefits. However, if the employees become unemployed because of COVID-19 issues, they could be eligible for benefits under the federal stimulus legislation.

Eligibility. An individual temporarily laid off due to COVID-19 could qualify for benefits if he or she was able and available for and actively seeking work. Under emergency rules adopted by IDES, the individual would not have to register with the employment service. He or she would be actively seeking work as long as the individual was prepared to return to his or her job as soon the employer reopened.