
FISCAL TOPICS

Fiscal Services Division

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Federal Pandemic Unemployment Assistance Programs

Summary

The federal Coronavirus Aid, Relief, and Economic Security (CARES) Act ([H.R. 748](#)), enacted on March 27, 2020, created unemployment assistance programs, including [Pandemic Unemployment Assistance \(PUA\)](#), [Pandemic Emergency Unemployment Compensation \(PEUC\)](#), and [Federal Pandemic Unemployment Compensation \(FPUC\)](#), to help combat the economic effects of the COVID-19 pandemic. The programs were administered by the [Iowa Workforce Development \(IWD\)](#). The PUA and PEUC programs were originally expected to expire in December 2020, while FPUC expired in July 2020. The [Consolidated Appropriations Act of 2021](#), enacted on December 27, 2020, extended these three programs through March 14, 2021, while the [American Rescue Plan Act of 2021 \(ARPA\)](#), enacted on March 11, 2021, further extended these programs until September 6, 2021. On May 11, 2021, Governor Reynolds [announced](#) that Iowa will end its participation in federal pandemic-related unemployment benefit programs, effective June 12, 2021. As of August 14, 2021, \$2.752 billion has been paid to Iowans from the three federal programs (see **Table 1** below).

**Table 1 — Federal Pandemic Program Payments to Iowans
(Through August 14, 2021)**

(Dollars in Millions)

Pandemic Program	Total Claims	Benefits Paid
PUA	802,518	\$ 265.3
PEUC	970,812	389.7
FPUC	3,488,414	2,097.4

Background

Under the PUA Program, individuals who do not qualify for regular unemployment compensation and are unable to continue working as a result of COVID-19, such as self-employed workers, independent contractors, and gig economy workers, are eligible for PUA benefits. The Program was extended from 39 weeks as authorized in the CARES Act to 50 weeks through the Consolidated Appropriations Act of 2021, and increased to 79 weeks as authorized through the ARPA. As of August 14, 2021, \$265.3 million has been paid to Iowans from the Program.

Under the PEUC Program, states can provide federally funded benefits to qualified individuals who:

- Have exhausted all rights to regular compensation under state law or federal law with respect to a benefit year that ended on or after July 1, 2019.
- Have no rights to regular compensation with respect to a week under any other state unemployment

More Information

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compensation law or federal unemployment compensation law, or to compensation under any other federal law.

- Are not receiving compensation under the unemployment compensation law of Canada.
- Can work, are available to work, and are actively seeking work, although states must offer flexibility on “actively seeking work” where there are COVID-19 impacts and constraints.

The Consolidated Appropriations Act of 2021 extended the PEUC Program through March 14, 2021, while the ARPA extended the amount of PEUC weekly benefits from 24 to 53 weeks and extended the length of time in which workers can receive PEUC benefits if they exhaust regular state unemployment insurance benefits until September 6, 2021. As of August 14, 2021, \$389.7 million has been paid to lowans from the PEUC Program.

The FPUC Program, as authorized by the CARES Act, provided an extra \$600 per week on top of the weekly benefit amounts an employee would have otherwise received through the Unemployment Insurance Program through the end of July 2020. The Consolidated Appropriations Act of 2021 reinstated the FPUC Program, providing an additional \$300 per week for all workers receiving unemployment benefits through March 14, 2021, replacing the original \$600 from the CARES Act. Subsequently, the ARPA extended FPUC weekly benefits until September 6, 2021. As of August 14, 2021, \$2.097 billion has been paid to lowans from the Program.

The ARPA also waived federal taxes on up to \$10,200 of unemployment benefits per person in 2020. Because the State of Iowa automatically conforms with the federal Internal Revenue Code, Iowa beneficiaries do not have to pay State income taxes on the first \$10,200 of unemployment insurance benefits in 2020, [according](#) to the [Iowa Department of Revenue](#).

Governance

PUA Program Operating, Financial, and Reporting Instructions: [Unemployment Insurance Program Letter No. 16-20](#)

PEUC Program Operating, Financial, and Reporting Instructions: [Unemployment Insurance Program Letter No. 17-20](#)

FPUC Program Operating, Financial, and Reporting Instructions: [Unemployment Insurance Program Letter No. 15-20](#)

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