

Client Alert

Business Information for Clients and Friends of Shumaker, Loop & Kendrick, LLP

04.09.2020

McMaster Extends Unemployment Benefits to Furloughed Workers

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South Carolina Governor Henry McMaster signed Executive Order No. 2020-22, extending unemployment benefits to workers furloughed with pay during the coronavirus pandemic.

Announced on Wednesday, April 8, 2020, the Order ensures companies that voluntarily pay their employees during a furlough won't disqualify those workers for the state's jobless benefits. In normal times, that type of compensation might have made those employees ineligible for the state's unemployment insurance program.

The Order defines these voluntary payments, or series of payments, as COVID-19 Support Payments and directs the S.C. Department of Employment and Workforce (DEW) to treat them as severance pay from the companies, which are not considered "wages" as the term is currently defined in section 41-27-380 of the South Carolina Code of Laws.

To qualify as COVID-19 Support Payments, employers are required to submit a COVID-19 Support Payment Plan. The Form is available on the DEW website, <u>https://dew.sc.gov/employers/covid-support-payments</u>.

The Order is effective immediately and will remain in effect for the duration of the State of Emergency.





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Executive Order No. 2020-22 can be found at <u>https://</u>governor.sc.gov/executive-branch/executive-orders.

Please do not hesitate to contact Mary Ramsay at mramsay@shumaker.com or 843.996.1918, Lisa Thomas at <u>lthomas@shumaker.com</u> or 843.996.1921, or Frederick Thurman at <u>fthurman@shumaker.com</u>, or 704.945.2154, if you have any questions.

For the most up-to-date legal and legislative information related to the coronavirus pandemic, please visit our Shumaker COVID-19 Client Resource Center at <u>shumaker.com</u>. We have also established a 24/7 Legal & Legislative Helpline at 1.800.427.1493 monitored by Shumaker lawyers around the clock.

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