

SC Department of Employment and Workforce Media Advisory

Media Contact: Heather Biance

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Final Program from the Continued Assistance for Unemployed Workers Act (CAA) Rolls Out in South Carolina for a Small, Unique Group of Individuals

MEUC Will Provide Additional Benefits for Traditional UI and Self-Employed Claimants

Columbia, S.C. – When drafting the *Continued Assistance for Unemployed Workers Act (CAA)*, consideration was given to individuals who were employed by a business paying taxes to the UI Trust Fund while also earning at least \$5,000 a year in self-employment net income. (*Net income is the profit that remains after all expenses and costs have been subtracted from a business' revenue.*)

Less than 4% of claimants may be eligible for this federal program, called Mixed Earners Unemployment Compensation (MEUC). The program provides eligible claimants an additional \$100 per claim week for a total of 11 weeks. By law, anyone receiving UI, PEUC or TRA benefits in the S.C. Department of Employment and Workforce (DEW) claimant system will see the link on the portal. However, if a claimant did not earn at least \$5,000 in net self-employment during the applicable tax year, they do not meet the requirement for the MEUC program.

If a claimant is unclear about whether or not they should apply, the necessary documentation should help clarify their potential eligibility. As part of the MEUC application, federal guidelines require that:

- If you filed your initial application for state unemployment insurance in 2020 and filed a tax return for tax year 2019, you must submit the schedule C from your 2019 tax return.
- If you filed your initial application for state unemployment insurance in 2021 and filed a tax return for tax year 2020, you must submit the schedule C from your 2020 tax return.

The schedule C must show an individual made at least \$5,000 in **net** income (<u>not gross income</u>) from self-employment during the appropriate taxable year. Additional eligibility requirements are attached and can also be found on the *COVID-19 Resources for Individuals* page of the dew.sc.gov website.

"The pandemic has created challenges for all types of workers. In this last round of federal programs, consideration was given to those who not only lost their job with an employer who pays into the UI Trust Fund (qualifying them for state UI or the PEUC program), but may have also lost income from their own self-employment/gig work. While this is not a large group of individuals, the MEUC program provides those extra benefits to more appropriately supplement the loss of two incomes due to COVID," said DEW Executive Director Dan Ellzey. "As the MEUC applications are processed, we will pay claimants dating back to claim week ending January 2, 2021. Overall, this is a very small population of South Carolinians who meet the requirement of not only having a side gig on top of their former W-2 position, but also meet the \$5,000 net income threshold that has been outlined by federal requirements. However, for those who are eligible, it will provide the extra support they need to weather unemployment as they find new career opportunities."

MEUC Information and Eligibility Requirements

• The MEUC program was created as part of the federal *Continued Assistance for Unemployment Workers Act* to assist those who had multiple sources of income prior to losing their job due to the pandemic. The \$100 MEUC stipend will be in addition to their Weekly Benefit Amount (WBA) and the \$300 FPUC payment for eligible weeks.



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- You must be receiving at least \$1 of unemployment benefits from regular state UI, Pandemic Emergency Unemployment Compensation (PEUC), or Trade Readjustment Allowances (TRA).
 - o Claimants who receive Pandemic Unemployment Assistance (PUA) benefits for claim week ending January 2, 2021 through March 13, 2021 are **not** eligible for MEUC benefits.
- You must be receiving an unemployment benefit for claims week(s) covered by the MEUC program, which are January 2, 2021 through March 13, 2021.
- You must have at least \$5,000 in **net** income (<u>not gross income</u>) from self-employment during the most recent taxable year.
 - If you filed your initial application for state unemployment insurance in 2020 and filed a tax return for tax year 2019, you must submit the schedule C from your 2019 tax return.
 - If you filed your initial application for state unemployment insurance in 2021 and filed a tax return for tax year 2020, you must submit the schedule C from your 2020 tax return.
- You must apply for the MEUC program in your MyBenefits portal and submit documentation to DEW, which clearly shows \$5,000 net income.

What type of documentation do you need at time of application?

- Tax documents: Schedule C from your tax return, quarterly tax filings for base period
- If you did not file taxes on the income, these alternative documents are acceptable, provided these financial documents show you earned at least \$5,000 in net self-employment income:
 - o Paycheck stubs during the base period
 - o Business records during the base period
 - o Invoices or billing statements during the base period
 - o Written statement of contract work by the company for which claimant is a contractor
 - o Business bank statements during the base period

DEW will verify documentation with entities such as the South Carolina Department of Revenue, and MEUC benefits will not be paid to any claimant that fails to provide sufficient documentation. **All documentation must be provided by March 13, 2021**. Documentation provided after that date will not be considered.

How to upload documentation for MEUC

For faster processing, upload your documentation to the "My Documents" tab in your MyBenefits portal. Click the upload button, select "*MEUC Eligibility issue*" that's displayed on this screen, select the *browse* button to upload the document to this specific section and press *SAVE*. You may also mail your documentation to:

DEW SC DEW/MEUC Proof PO Box 1477 Columbia SC 29202

If mailing documentation, you must include a cover letter indicating that it is for MEUC documentation proof and you must include the **last four digits of your social security number** and your **claimant ID** number.

How to Apply for MEUC

Claimants are notified of the new program through the MyBenefits portal. They will also see a link to apply for MEUC on the first screen when they log in to their MyBenefits account. Claimants should apply if they meet the \$5,000 net income requirement outlined above and have the required documentation.



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As always, the latest information on the COVID Federal Programs is always available on this webpage: https://www.dew.sc.gov/covid-19-resources/covid-federal-programs

NOTE: MEUC payments will be considered in determining income for Medicaid and the Children's Health Insurance Program (CHIP) and may affect your eligibility for these programs.

Making false statements or withholding information to receive benefits is considered fraud. A claimant that submits false documentation will be found to have engaged in fraud and will be disqualified from receiving future benefits and will be subject to state and federal criminal prosecution.

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About the S.C. Department of Employment and Workforce

The S.C. Department of Employment and Workforce is putting South Carolinians to work. The agency has four missions: (1) workforce development; (2) free job match employment services; (3) unemployment insurance; and (4) labor market information. All four missions contribute to workforce development. The agency is dedicated to advancing South Carolina through services and programs that meet the needs of our businesses, jobseekers and those looking to advance their careers.