



# NC STATE AFL-CIO

NORTH CAROLINA'S UNIONS

North Carolina State  
American Federation  
of Labor and  
Congress of Industrial  
Organizations

P.O. Box 10805  
Raleigh, NC 27605  
info@aflicionc.org  
919-833-6678

**MaryBe McMillan**  
President

#### Executive Board

Rick Armstrong, IBT  
Rob Axford, IBEW  
Janice Barnes, USW  
Andre Barnett, UFCW  
Harold Black, CWA  
Daniel Dashman, IATSE  
Jackie Davis, SEIU Workers  
United  
Terrence Dewberry, ATU  
Randy Fulk, BCTGM  
Vernon Gammon, IBT  
Tim Godfrey, USW  
Michael Gravinese, AFGE  
Corey Hill, UAW  
Ron Ingerick, SMART  
Maureen Kelly, IAMAW  
Ken Krebs, AFGE  
Yvonne Kinston, CWA  
Darla McGlamery, IATSE  
Theodore McNeal, IAMAW  
Denise Moore, OPEIU  
Geneva Moore, AFGE  
Jim Moore, AFSCME  
Angelita Morrisroe, FLOC  
Bob Riggins, UAW  
Tim Rorie, Central Labor Councils  
Craig Schadewald, NALC  
Larry Sorrells, APWU  
Scott Thrower, IBEW  
Al Vincent, UFCW  
Alvin Warwick, Building Trades  
Grant Welch, CWA  
Denicia Montford Williams,  
Constituency Groups  
Tony Wilson, APWU  
Leticia Zavala, FLOC

January 22, 2021

## NC AFL-CIO Legal Update: December 2020 Stimulus Package

*Trisha Pande, Patterson Harkavy LLP*

In late December 2020, the federal government passed the Coronavirus and Relief Supplemental Appropriations Act, a \$900 billion stimulus package aimed at mitigating the economic impacts of the COVID-19 pandemic. The package extends many benefits provided for in the \$2.2 trillion Coronavirus Aid, Relief, and Economic Security (CARES) Act, passed in March 2020.

This brief summary provides an overview of some of the key provisions in the December 2020 stimulus package that directly affect working families. This update does not constitute legal advice. As always, local unions are encouraged to seek advice from their international union or from an attorney with any specific questions regarding how stimulus package provisions apply to unions and/or their members.

### Direct Payments

The legislation passed in December 2020 provides for direct payments also called "stimulus checks." Adults with adjusted gross incomes of up to \$75,000, based on 2019 earnings, will receive \$600 in a direct payment. The \$600 amount will start phasing out for individuals with adjusted gross incomes of more than \$75,000. Those making more than \$99,000 in adjusted gross income will not receive any amount in direct stimulus payments. Couples earning up to \$150,000 will receive \$1,200 in direct payments.

Eligible families will receive \$600 per qualifying dependent child under the age of 16. Immigrants without documentation and other taxpaying noncitizens without Social Security numbers are barred from receiving stimulus checks. However, U.S. citizens and permanent residents who filed a joint tax return with an undocumented spouse may still receive stimulus checks, as well as \$600 per qualifying dependent child.

### Unemployment Benefits

The December 2020 stimulus package also extends unemployment benefit programs provided under the CARES Act, some of which were due to expire on December 26, 2020.

- **Pandemic Unemployment Compensation (PEC):** Under this program, individuals receiving state or federal unemployment will receive an additional \$300 in weekly federal benefits through March 14, 2021.
- **Pandemic Unemployment Assistance (PUA):** PUA provides federal jobless benefits to those typically excluded from state unemployment programs such as independent contractors. The December stimulus package extends this program for another 11 weeks.<sup>1</sup>
- **Pandemic Emergency Unemployment Compensation (PEUC):** PEUC, initially created under the CARES Act, provided an additional 13 weeks of extended benefits for individuals who have exhausted their regular unemployment benefits. The December 2020 stimulus package extends this program by another 11 weeks.<sup>2</sup>

Notably, North Carolina's maximum duration of unemployment benefits for claims effective on or after January 3, 2021 will be 16 weeks. The new maximum duration of benefits, up from 12 weeks, reflects the state's adjustment of duration of benefits based on the seasonally adjusted statewide unemployment rate.<sup>3</sup>

Both PUA and PEUC programs will close to new applicants on March 13, 2021, but will continue providing payments through April 5, 2021 for existing claimants who have not yet reached their maximum number of weeks of unemployment benefits.

The December 2020 stimulus package also provides for a new federally funded supplemental unemployment program. The **Mixed Earner Unemployment Program** provides an extra \$100 per week to unemployment recipients who have made at least \$5,000 in annual self-employment income, but are disqualified from PUA because they are eligible for regular state unemployment. The program is intended to support workers who have multiple income streams and earn significant income from self-employment that is not reflected in state benefits, which only account for income based on a W-2.

### Other Provisions

The December 2020 legislation also extended the Paycheck Protection Program for small businesses, though labor unions continue to remain ineligible for the program. Rental assistance was extended until January 31, 2020. Funding was also provided to help states with the purchase and distribution of COVID-19 vaccines.

### President Biden's Proposal

Earlier this week, the Biden administration unveiled a \$1.9 trillion stimulus package proposing, among other things, \$1,400 in stimulus checks, extending unemployment insurance supplements of \$400 a week, and raising the minimum wage to \$15 an hour. The North Carolina State AFL-CIO and its counsel will continue to follow developments in economic assistance programs for COVID-19 and provide updates accordingly.

---

<sup>1</sup> More information on PUA can be found here: <https://des.nc.gov/need-help/covid-19-information/covid-19-information-individuals/pandemic-unemployment-assistance>

<sup>2</sup> More information on PEUC can be found here: <https://des.nc.gov/need-help/covid-19-information/covid-19-information-individuals/pandemic-emergency-unemployment>

<sup>3</sup> General information regarding unemployment assistance may be found at [www.des.nc.gov](http://www.des.nc.gov)