Cosponsor the Mixed Earner Pandemic Unemployment Assistance Act

Sending Office: Honorable Adam B. Schiff

Dear Colleague:

Please join us as an original cosponsor of the Mixed Earner Pandemic Unemployment Assistance Act, legislation to ensure that workers who earn a mix of traditional (W-2) and independent (e.g. 1099) employment income are able to fully access the unemployment assistance provided in the CARES Act.

The Pandemic Unemployment Assistance (PUA) program created by the CARES Act provides unemployment compensation to independent contractors, freelancers, gig workers, and others not normally protected by state unemployment insurance benefits.

However, due to the sporadic and unpredictable nature of independent work in many industries, self-employed workers often earn a living through a mix of independent and traditional W-2 jobs. Unfortunately, many of these workers are currently excluded from PUA even if they have lost a substantial portion of their income due to coronavirus-related disruption of their independent work.

Some mixed earners may qualify for regular unemployment compensation if they have also lost their W-2 work, although this can significantly under-measure their true prior earnings. Others whose W-2 income has continued but only comprises a small portion of their usual income can be left with greatly reduced income but are excluded from both PUA and state unemployment assistance.

Our legislation would ensure that mixed earners are able to access the same relief to make up for lost work that the CARES Act provided to those with more straightforward employment arrangements. Specifically, it would allow workers with substantial self-employment income to opt into the PUA program in lieu of receiving regular unemployment compensation. This will allow mixed earners to receive unemployment benefits calculated using their total earnings history from both wage and self-employment work. The bill also provides retroactive assistance to those who have not already received unemployment compensation.

For many workers—especially those not previously able to receive unemployment assistance—the relief provided by the CARES Act has made a crucial difference in making ends meet during this period of unprecedented disruption. Our bill will ensure that mixed earners are not excluded from this critical assistance because of the nature of their employment arrangements. To sign on as an original cosponsor or with any questions, please contact <u>Zach Sorenson</u> in Rep. Schiff's office.

Sincerely,

and Still Judy Chu

Adam B. Schiff

Judy Chu