

STATE OF NEW HAMPSHIRE OFFICE OF THE GOVERNOR

March 12, 2020

Honorable Donna Soucy Senate President State House 107 North Main Street Concord, NH 03301 Honorable Stephen Shurtleff Speaker of the House State House 107 North Main Street Concord, NH 03301

Re: New Hampshire's Response to COVID-19

Dear President Soucy and Speaker Shurtleff:

As the events surrounding COVID-19 continue to develop, I feel that we must do all that we can to protect the citizens of New Hampshire. My administration has been working with our local and federal partners to ensure Granite Staters have the necessary resources during this crisis. In the days ahead, working with our federal partners, we plan on identifying ways to expand unemployment and financial benefits on the federal level, a key point that the President discussed last night during his address to the nation. I want to take this opportunity to propose actions we can take on the state level to address this crisis. Expanding access to unemployment benefits on the state level would allow us to help families dealing with the unexpected loss of wages as a result of being forced to stay away from their place of employment to safely and adequately deal with COVID-19.

I want to propose some simple temporary changes to state law that would allow for greater access to unemployment benefits for people who are impacted by COVID-19 and are temporarily unable to work. My proposal will specify that individuals unable to work in the following situations related to COVID-19 are able to access state unemployment benefits: (1) individuals quarantined due to confirmed or potential exposure; (2) individuals needing to care for themselves due to related illness; (3) individuals needing to care for an ill family member; and (4) individuals needing to care for a dependent. While these changes are not the universal solution for every scenario that could be faced by individuals impacted by COVID-19, I believe that these changes are necessary on the state level and would benefit many individuals that find themselves out of work through no fault of their own.

First, I am proposing that we temporarily suspend the waiting week requirement for individuals out of work as a result of COVID-19. It would not only allow for immediate access to critical wage replacement as soon as possible, but also provide critical assistance in such cases where paid time off through their employer is not available.

Those that do not have access to paid time off through their employer need immediate financial relief to be able to continue to pay their regular monthly bills. Therefore, suspending the waiting period for receipt of unemployment benefits for individuals that find themselves temporarily unemployed as a result of COVID-19 would allow immediate payment of unemployment benefits in many circumstances.

Second, there are many possible scenarios in which individuals are impacted by COVID-19 without themselves being sick. The common thread amongst each of these scenarios is the potential loss of income during the time the individual is out of work because their employer has closed or reduced their hours. We need to be clear going forward that under state law, individuals that find themselves in these circumstances can file for unemployment benefits and that they will be found eligible.

Third, small business is the backbone of New Hampshire. Many of our small businesses are not currently eligible for unemployment benefits as they are considered self-employed. Ordinarily, self-employed individuals are not eligible for state unemployment benefits. Self-employed Granite Staters need access to temporary relief due to the impacts of COVID-19 much the same as workers in traditional employment. I therefore propose that we temporarily change this provision, so that self-employed individuals that are unable to work as a result of COVID-19 can collect unemployment benefits during this period.

Lastly, while the individuals experiencing unemployment because of COVID-19 are not at fault and need to be covered, the businesses employing these individuals also are not at fault and should not be penalized. Therefore, I also propose that as part of any legislation sought to address this situation, any benefits payable to individual workers because of COVID-19 be charged directly to the unemployment compensation trust fund without any impact on the tax rates of employers. It would be unfair to businesses and would further hamper employment growth if businesses were forced to bear the financial burden of paying additional benefits through resulting increased tax rates.

We face a unique challenge that requires us to move forward with these reasonable changes so we can provide financial support for many Granite Staters facing undue financial hardship. I am confident that by working together, we can ensure Granite Staters have the means they need to safely and adequately deal with COVID-19.

Sincerely,

Christopher T. Sununu

Governor